

**Financial Statement Announcement for the Second Quarter Ended 30 June 2017**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

- 1(a) (i) An income statement and statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Income Statement for the second quarter ended 30 June 2017. These figures have not been audited or reviewed.

(In Singapore dollars)	Apr - Jun 2017 \$'000	Apr - Jun 2016 \$'000	+ / ( - ) %	Jan - Jun 2017 \$'000	Jan - Jun 2016 \$'000	+ / ( - ) %
<b>Revenue</b>	<b>177,578</b>	<b>166,610</b>	<b>6.6</b>	<b>349,359</b>	<b>327,860</b>	<b>6.6</b>
Cost of sales	(149,884)	(143,669)	4.3	(295,814)	(283,049)	4.5
<b>Gross profit</b>	<b>27,694</b>	<b>22,941</b>	<b>20.7</b>	<b>53,545</b>	<b>44,811</b>	<b>19.5</b>
<b>Other items of income</b>						
Interest income	75	102	(26.5)	171	256	(33.2)
Other income	858	2,551	(66.4)	2,460	3,645	(32.5)
<b>Other items of expense</b>						
Marketing and distribution	(3,642)	(3,458)	5.3	(7,574)	(6,862)	10.4
Administrative expenses	(9,963)	(10,254)	(2.8)	(19,939)	(20,233)	(1.5)
Other expenses	(3,668)	(5,626)	(34.8)	(6,900)	(9,608)	(28.2)
Finance costs	(802)	(988)	(18.8)	(1,561)	(1,946)	(19.8)
<b>Share of results of joint venture</b>	<b>208</b>	<b>352</b>	<b>(40.9)</b>	<b>386</b>	<b>480</b>	<b>(19.6)</b>
<b>Profit before tax</b>	<b>10,760</b>	<b>5,620</b>	<b>91.5</b>	<b>20,588</b>	<b>10,543</b>	<b>95.3</b>
Income tax expense	(2,561)	(1,811)	41.4	(4,691)	(3,157)	48.6
<b>Profit for the period</b>	<b>8,199</b>	<b>3,809</b>	<b>115.3</b>	<b>15,897</b>	<b>7,386</b>	<b>115.2</b>
<b>Profit attributable to:</b>						
Owners of the Company	<b>8,199</b>	<b>3,809</b>	<b>115.3</b>	<b>15,897</b>	<b>7,386</b>	<b>115.2</b>

Consolidated Statement of comprehensive income for the second quarter ended 30 June 2017. These figures have not been audited or reviewed.

<b>Profit net of tax</b>	8,199	3,809	115.3	15,897	7,386	115.2
Other comprehensive income						
Foreign currency translation	3,816	(8,396)	n.m	(5,659)	(12,773)	(55.7)
Share of foreign currency translation of joint venture	3	(184)	n.m	(227)	(395)	(42.5)
<b>Other comprehensive income for the period, net of tax</b>	<b>3,819</b>	<b>(8,580)</b>	<b>n.m</b>	<b>(5,886)</b>	<b>(13,168)</b>	<b>(55.3)</b>
<b>Total comprehensive income for the period</b>	<b>12,018</b>	<b>(4,771)</b>	<b>n.m</b>	<b>10,011</b>	<b>(5,782)</b>	<b>n.m</b>
<b>Attributable to:</b>						
Owners of the Company	<b>12,018</b>	<b>(4,771)</b>	<b>n.m</b>	<b>10,011</b>	<b>(5,782)</b>	<b>n.m</b>

- 1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the statement of income for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

*Profit before tax is stated after (charging) / crediting:-*

	Apr - Jun 2017 \$'000	Apr - Jun 2016 \$'000	+ / ( - ) %	Jan - Jun 2017 \$'000	Jan - Jun 2016 \$'000	+ / ( - ) %
Depreciation of property, plant and equipment	(6,998)	(7,430)	(5.8)	(14,104)	(15,137)	(6.8)
Property, plant and equipment written off	(23)	(7)	n.m.	(163)	(25)	n.m.
(Loss)/gain on disposal of property, plant and equipment	(25)	(201)	(87.6)	362	(138)	n.m.
Allowance for inventories obsolescence/ foreseeable losses	(1,137)	(168)	n.m.	(1,078)	(111)	n.m.
Write-back/(allowance) for doubtful debts	6	(35)	n.m.	18	(28)	n.m.
Bad debts written-off	-	(6)	n.m.	-	(6)	n.m.
Amortisation of intangible assets	(393)	(391)	0.5	(782)	(779)	0.4
Utilisation of provision for onerous contract	84	84	-	167	167	-
Foreign exchange (loss)/gain	(2,615)	1,477	n.m.	(4,738)	(1,764)	n.m.

1(b)(i)

**A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

(In Singapore dollars)

	Group			Company		
As at	30.06.2017 \$'000	31.12.2016 \$'000	+ / ( - ) %	30.06.2017 \$'000	31.12.2016 \$'000	+ / ( - ) %
<b><u>Non-current assets</u></b>						
Property, plant and equipment	188,417	191,608	(1.7)	9,476	9,841	(3.7)
Intangible assets	16,453	17,444	(5.7)	-	-	n.m.
Other investments	1,262	8	n.m.	-	-	n.m.
Investment in subsidiaries	-	-	n.m.	338,254	335,950	0.7
Investment in joint venture	5,288	5,269	0.4	-	-	n.m.
Prepayments	260	301	(13.6)	260	301	(13.6)
Deferred tax assets	1,679	1,598	5.1	-	-	n.m.
	<b>213,359</b>	<b>216,228</b>	<b>(1.3)</b>	<b>347,990</b>	<b>346,092</b>	<b>0.5</b>
<b><u>Current assets</u></b>						
Inventories	138,650	114,937	20.6	4,739	3,661	29.4
Prepayments	5,299	4,947	7.1	355	455	(22.0)
Trade and other receivables	214,408	197,145	8.8	69,258	84,192	(17.7)
Cash and short term deposits	113,220	115,255	(1.8)	9,355	7,824	19.6
	<b>471,577</b>	<b>432,284</b>	<b>9.1</b>	<b>83,707</b>	<b>96,132</b>	<b>(12.9)</b>
<b><u>Less: Current liabilities</u></b>						
Trade and other payables	213,384	183,871	16.1	72,386	80,578	(10.2)
Loans and borrowings	68,539	64,564	6.2	36,965	35,262	4.8
Tax payable	3,227	3,933	(18.0)	-	-	n.m.
	<b>285,150</b>	<b>252,368</b>	<b>13.0</b>	<b>109,351</b>	<b>115,840</b>	<b>(5.6)</b>
Net current assets / (liabilities)	<b>186,427</b>	<b>179,916</b>	<b>3.6</b>	<b>(25,644)</b>	<b>(19,708)</b>	<b>30.1</b>
<b><u>Less: Non-current liabilities</u></b>						
Other liabilities	2,330	1,571	48.3	-	-	n.m.
Loans and borrowings	39,173	35,194	11.3	25,007	29,827	(16.2)
Deferred tax liabilities	7,702	8,062	(4.5)	-	-	n.m.
	<b>49,205</b>	<b>44,827</b>	<b>9.8</b>	<b>25,007</b>	<b>29,827</b>	<b>(16.2)</b>
<b>Net assets</b>	<b>350,581</b>	<b>351,317</b>	<b>(0.2)</b>	<b>297,339</b>	<b>296,557</b>	<b>0.3</b>
<b><u>Equity attributable to owners of the Company</u></b>						
Share capital	300,146	300,146	-	300,146	300,146	-
Reserves	50,435	51,171	(1.4)	(2,807)	(3,589)	(21.8)
<b>Total equity</b>	<b>350,581</b>	<b>351,317</b>	<b>(0.2)</b>	<b>297,339</b>	<b>296,557</b>	<b>0.3</b>

1(b)(ii)

**Aggregate amount of group's borrowings and debt securities****Amount repayable in one year or less, or on demand**

As at 30.06.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,633	66,906	1,673	62,891

**Amount repayable after one year**

As at 30.06.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2	39,171	4	35,190

**Details of any collateral**

Collateral for secured borrowings is as follows:

- (a) Sunningdale Innovative Technology (Tianjin) Co Ltd's loan of \$1.6 million (31.12.2016: \$1.7 million) is secured by cash and bank balances of the same amount of other subsidiary companies.
- (b) The finance lease of \$0.004 million (31.12.2016: \$0.004 million) booked by SIA Skan Tooling is secured by certain fixed assets of said subsidiary.

1(c)

**A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Consolidated statement of cash flows for the second quarter ended 30 June 2017**

(In Singapore dollars)	Apr - Jun 2017 \$'000	Apr - Jun 2016 \$'000	Jan - Jun 2017 \$'000	Jan - Jun 2016 \$'000
<b>Cash flows from operating activities:</b>				
Profit before tax	10,760	5,620	20,588	10,543
Adjustments for:				
Depreciation of property, plant and equipment	6,998	7,430	14,104	15,137
Property, plant and equipment written off	23	7	163	25
Loss/(gain) on disposal of property, plant and equipment	25	201	(362)	138
Allowance for inventories obsolescence/foreseeable losses	1,137	168	1,078	111
(Write-back)/allowance for doubtful debts	(6)	35	(18)	28
Bad debts written-off	-	6	-	6
Amortisation of intangible assets	393	391	782	779
Utilisation of provision for onerous contract	(84)	(84)	(167)	(167)
Share of results of joint venture	(208)	(352)	(386)	(480)
Provision for retrenchment costs	-	4,638	-	4,638
Employee share award expenses	267	230	536	460
Interest expense	802	988	1,561	1,946
Interest income	(75)	(102)	(171)	(256)
Currency realignment	2,448	(3,938)	(254)	(5,220)
<b>Operating cashflows before changes in working capital</b>	<b>22,480</b>	<b>15,238</b>	<b>37,454</b>	<b>27,688</b>
(Increase)/decrease in inventories	(18,395)	6,610	(24,792)	4,603
Increase in prepayments	(940)	(1,487)	(310)	(3,285)
(Increase)/decrease in trade and other receivables	(28,889)	(3,568)	(17,245)	2,305
Increase/(decrease) in trade and other payables	41,194	(3,012)	30,760	(3,382)
<b>Cash flows from operations</b>	<b>15,450</b>	<b>13,781</b>	<b>25,867</b>	<b>27,929</b>
Interest paid	(802)	(988)	(1,561)	(1,946)
Interest received	75	102	171	256
Income tax paid	(2,601)	(1,836)	(5,558)	(2,463)
Retrenchment costs paid	-	(4,638)	-	(4,638)
<b>Net cash from operating activities</b>	<b>12,122</b>	<b>6,421</b>	<b>18,919</b>	<b>19,138</b>
<b>Cash flows from investing activities:</b>				
Purchase of property, plant and equipment	(7,710)	(8,037)	(17,614)	(14,651)
Net proceeds from disposal of property, plant and equipment	131	70	3,110	198
Net proceeds from disposal of other investment	-	-	1	-
Dividend income from joint venture	140	-	140	-
Purchase of other investments	(975)	-	(1,255)	-
<b>Net cash used in investing activities</b>	<b>(8,414)</b>	<b>(7,967)</b>	<b>(15,618)</b>	<b>(14,453)</b>
<b>Cash flows from financing activities:</b>				
Proceeds from loans and borrowings	9,833	3,910	15,269	7,500
Repayment of loans and borrowings	(1,773)	(8,545)	(6,850)	(14,643)
Dividends paid to shareholders	(11,283)	(9,335)	(11,283)	(9,335)
<b>Net cash flows used in financing activities</b>	<b>(3,223)</b>	<b>(13,970)</b>	<b>(2,864)</b>	<b>(16,478)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>485</b>	<b>(15,516)</b>	<b>437</b>	<b>(11,793)</b>
Cash and cash equivalents at beginning of period	109,947	117,287	113,024	114,811
Effects of exchange rate changes on opening cash and cash equivalent	217	(1,693)	(2,812)	(2,940)
<b>Cash and cash equivalents at end of period</b>	<b>110,649</b>	<b>100,078</b>	<b>110,649</b>	<b>100,078</b>

**Note:**

	30.06.2017	31.12.2016	30.06.2016	31.12.2015
Cash and cash at bank	113,220	115,255	105,997	121,113
Less: Bank overdraft	(942)	(562)	-	-
Less: Bank balances pledged	(1,629)	(1,669)	(5,919)	(6,302)
<b>Cash and cash equivalents</b>	<b>110,649</b>	<b>113,024</b>	<b>100,078</b>	<b>114,811</b>
	<b>31.03.2017</b>	<b>31.03.2016</b>		
Cash and cash at bank	112,632	123,403		
Less: Bank overdraft	(1,063)	-		
Less: Bank balances pledged	(1,622)	(6,116)		
<b>Cash and cash equivalents</b>	<b>109,947</b>	<b>117,287</b>		

1(d)(i)

A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

**Statement of Changes in Equity for second quarter ended 30 June 2017**

(In Singapore dollars)

**Group**

	Attributable to owners of the Company				Total \$'000
	Share Capital \$'000	Retained Earnings \$'000	Foreign Currency Translation Reserve \$'000	Other Reserve \$'000	
<b>Balance at 01.01.2016</b>	<b>299,350</b>	<b>33,423</b>	<b>(14,138)</b>	<b>11,971</b>	<b>330,606</b>
Profit for the period	-	3,577	-	-	3,577
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(4,276)	(312)	(4,588)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	230	230
Transfer to statutory reserve	-	(107)	-	107	-
Total transactions with owners in their capacity as owners	299,350	36,893	(18,414)	11,996	329,825
<b>Balance at 31.03.2016</b>	<b>299,350</b>	<b>36,893</b>	<b>(18,414)</b>	<b>11,996</b>	<b>329,825</b>
Profit for the period	-	3,809	-	-	3,809
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(8,204)	(376)	(8,580)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	230	230
Transfer to statutory reserve	-	(80)	-	80	-
Dividends paid	-	(9,335)	-	-	(9,335)
Total transactions with owners in their capacity as owners	299,350	31,287	(26,618)	11,930	315,949
<b>Balance at 30.06.2016</b>	<b>299,350</b>	<b>31,287</b>	<b>(26,618)</b>	<b>11,930</b>	<b>315,949</b>
<b>Balance at 01.01.2017</b>	<b>300,146</b>	<b>61,927</b>	<b>(23,488)</b>	<b>12,732</b>	<b>351,317</b>
Profit for the period	-	7,698	-	-	7,698
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(9,431)	(274)	(9,705)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	269	269
Transfer to statutory reserve	-	(138)	-	138	-
Total transactions with owners in their capacity as owners	300,146	69,487	(32,919)	12,865	349,579
<b>Balance at 31.03.2017</b>	<b>300,146</b>	<b>69,487</b>	<b>(32,919)</b>	<b>12,865</b>	<b>349,579</b>
Profit for the period	-	8,199	-	-	8,199
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	3,740	79	3,819
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	267	267
Dividends paid	-	(11,283)	-	-	(11,283)
Total transactions with owners in their capacity as owners	300,146	66,403	(29,179)	13,211	350,581
<b>Balance at 30.06.2017</b>	<b>300,146</b>	<b>66,403</b>	<b>(29,179)</b>	<b>13,211</b>	<b>350,581</b>

(In Singapore dollars)

Company	Attributable to owners of the Company			
	Share Capital	Retained Earnings	Other Reserve	Total
	\$'000	\$'000	\$'000	\$'000
<b>Balance at 01.01.2016</b>	<b>299,350</b>	<b>(9,451)</b>	<b>948</b>	<b>290,847</b>
Loss for the period	-	(2,878)	-	(2,878)
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	230	230
Total transactions with owners in their capacity as owners	299,350	(12,329)	1,178	288,199
<b>Balance at 31.03.2016</b>	<b>299,350</b>	<b>(12,329)</b>	<b>1,178</b>	<b>288,199</b>
Loss for the period	-	(631)	-	(631)
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	230	230
Dividends paid	-	(9,335)	-	(9,335)
Total transactions with owners in their capacity as owners	299,350	(22,295)	1,408	278,463
<b>Balance at 30.06.2016</b>	<b>299,350</b>	<b>(22,295)</b>	<b>1,408</b>	<b>278,463</b>
<b>Balance at 01.01.2017</b>	<b>300,146</b>	<b>(4,651)</b>	<b>1,062</b>	<b>296,557</b>
Profit for the period	-	4,354	-	4,354
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	269	269
Total transactions with owners in their capacity as owners	300,146	(297)	1,331	301,180
<b>Balance at 31.03.2017</b>	<b>300,146</b>	<b>(297)</b>	<b>1,331</b>	<b>301,180</b>
Profit for the period	-	7,175	-	7,175
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	267	267
Dividends paid	-	(11,283)	-	(11,283)
Total transactions with owners in their capacity as owners	300,146	(4,405)	1,598	297,339
<b>Balance at 30.06.2017</b>	<b>300,146</b>	<b>(4,405)</b>	<b>1,598</b>	<b>297,339</b>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Issued and fully paid	Ordinary Share
<b>Balance as at 31.12.2016</b>	<b>188,055,336</b>
<b>Balance as at 30.06.2017</b>	<b>188,055,336</b>

As at 30.06.2017, the share capital of the Company comprised 188,055,336 shares.

The number of shares that may be issued on conversion of share awards as at 30.06.2017 was 3,957,500 (31.12.2016: 3,957,500) shares.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The Company does not have treasury shares as at 30.06.2017 (as at 31.12.16 : nil)

- 1(d)(iv) A Statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There was no sales, transfers, disposal, cancellation and/or use of treasury shares as at 30.06.2017

**2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures are not audited or reviewed.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the period ended 31.12.2016 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 01.01.2017.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The adoption of the new/revised FRS did not result in any material impact on the Group's results.

- 6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group		Group	
	2nd Qtr 17	2nd Qtr 16	1st Half 17	1st Half 16
Earnings per ordinary share (EPS) for the period based on net profit attributable to				
(a) on weighted average number of ordinary shares (cents)	4.36	2.04	8.45	3.96
(b) on a fully diluted basis (cents)	4.27	2.00	8.28	3.87

Earnings per ordinary share is calculated on the Group profit for the financial periods attributable to the shareholders of the Company divided by the weighted average number of ordinary share of 188,055,336 (2Q16 and 1H16 : 186,705,736) for the 2nd quarter ended 30.06.2017 and half year ended 30.06.2017 respectively.

Earnings per ordinary share (diluted basis) is computed based on the same basis as earnings per share by applying the weighted average number of ordinary shares in issuance during the period under review and adjusted to include all potential dilutive ordinary shares up to 30.06.2017. The adjusted weighted average number of ordinary shares is 192,012,836 (1Q16 and 1H16 : 190,674,836) for 2nd quarter ended 30.06.2017 and half year ended 30.06.2017.

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	At 30.06.17	At 31.12.16	At 30.06.17	At 31.12.16
Net asset value per ordinary share				
Net asset value per ordinary share based on existing issued share capital as at the end of period (\$)	1.86	1.87	1.58	1.58

	Group		Company	
	At 30.06.17	At 31.12.16	At 30.06.17	At 31.12.16
Net tangible asset value per ordinary share				
Net tangible asset value per ordinary share based on existing issued share capital as at the end of period (\$)	1.78	1.78	1.58	1.58

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on and any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

#### CONSOLIDATED INCOME STATEMENT

April – June 2017 ("2Q17")

The Group's revenue increased 6.6% year-on-year ("yoy") from \$166.6 million for 2Q16 to \$177.6 million for 2Q17. The Group reported an increase in revenue from all business segments except for the Healthcare and Mould Fabrication segments.

	Apr - Jun 2017 \$'000	Apr - Jun 2016 \$'000	Inc/(Dec) %
Automotive	65,532	60,715	7.9
Consumer/IT	71,009	63,766	11.4
Healthcare	12,417	12,931	(4.0)
Mould Fabrication	28,620	29,198	(2.0)
	<u>177,578</u>	<u>166,610</u>	6.6

In line with the increase in revenue, gross profit increased 20.7% yoy from \$22.9 million for 2Q16 to \$27.7 million for 2Q17. Correspondingly, the Group's gross profit margin improved from 13.8% for 2Q16 to 15.6% for 2Q17.

The decrease in other income was due to a foreign exchange gain of \$1.5 million for 2Q16 as compared to a foreign loss of \$2.6 million for 2Q17 which is reported under other expenses.

The decrease in other expenses was mainly due to a foreign exchange loss of \$2.6 million for 2Q17 as compared to a one-off restructuring cost of \$4.6 million incurred for 2Q16.

The Group achieved a net profit of \$8.2 million for 2Q17 compared to \$3.8 million for 2Q16. Excluding foreign exchange loss/(gain) and retrenchment costs, net profit would have been \$10.9 million for 2Q17 and \$7.0 million for 2Q16, representing a 57.1% yoy increase.

	Apr - Jun 2017 \$'000	Apr - Jun 2016 \$'000	Inc/(Dec) %
Profit for the period reported	8,199	3,809	115.3
Adjustments:			
Foreign exchange loss/(gain)	2,615	(1,477)	n.m.
Retrenchment costs	134	4,638	(97.1)
	<u>10,948</u>	<u>6,970</u>	57.1

#### CONSOLIDATED BALANCE SHEET

The Group's property, plant and equipment amounted \$188.4 million as at 30 June 2017, compared to \$191.6 million as at 31 December 2016. Property, plant and equipment were stated net of depreciation charges of \$14.1 million (1H16: \$15.1 million) and partially offset by currency re-alignment and the addition of \$17.3 million (1H16: \$14.1 million) in capital expenditure for machineries and buildings.

The increase in inventories, trade and other receivables and trade and other payables was in line with the increase in sales.

The Group maintained a cash balance of \$113.2 million as at 30 June 2017 (31 December 2016: \$115.3 million), resulting in a net cash position of \$5.5 million (31 December 2016: \$15.5 million), after accounting for loans and borrowings amounting \$107.7 million (31 December 2016: \$99.8 million). The decrease in net cash was due to foreign currency translation loss of \$2.8 million on the opening balance of cash and cash at bank, payment of capital expenditure of \$17.6 million (1H16: \$14.7 million) and payment of dividends amounting \$11.3 million (1H16: \$9.3 million).

#### CONSOLIDATED CASHFLOW STATEMENT

April - June 2017 ("2Q17")

Net cash from operating activities was \$12.1 million for 2Q17, compared to \$6.4 million for 2Q16. Net cash used in investing activities was \$8.4 million for 2Q17 compared to \$8.0 million for 2Q16 due to payments for the purchase of property, plant and equipment and the purchase of other investments.

Net cash used in financing activities was \$3.2 million for 2Q17 mainly due to proceeds from loans used for the financing of the Group's Chuzhou factory, offset by the payment of dividends. In comparison, net cash used in financing activities amounted \$14.0 million for 2Q16.

- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not Applicable.



**10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The business landscape has changed little over the quarter. The Group's global operations continue to face headwinds in the form of rising labour costs and foreign exchange rate volatility. Additionally, the Group continues to receive pricing pressure from customers. In light of the challenges, the Group has focused its efforts on driving operational efficiency and streamlining operations in order to adopt a leaner business model. This has translated to consistent improvements in the Group's gross profit margins.

As part of the Group's proactive approach to optimising resources across its worldwide manufacturing locations, the Group will progressively add capacity to its latest manufacturing plant in Chuzhou, China. Furthermore, the construction of the Group's new manufacturing facility in Penang, Malaysia is underway and remains on track for completion by the end of the first quarter in 2018.

In order to further diversify the Group's customer base and gain market share amongst existing customers, the Group has intensified its business development initiatives amid a competitive industry landscape. As a result, the Group continues to receive enquiries from both new and existing customers who are confident in the Group's ability to handle projects on a global scale. Consequently, the Group's order book across the Automotive, Consumer/IT, Healthcare and Mould Fabrication segments remains stable.

While remaining vigilant to industry headwinds and global market uncertainty, the Group remains cautiously optimistic as its strategy of building a sustainable and profitable business model remains on track.

**11 Dividend**

**(a) Current Financial Period Reported On**

**Any dividend recommended for the current financial period reported on?** **Yes**

Name of Dividend:	Ordinary
Dividend Type:	Interim
Dividend Amount per Share (in cents):	2.5 cents per ordinary share
Tax rate:	Tax exempt one-tier

**(b) Corresponding Period of the Immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?** **No**

**(c) Date payable**

31 August 2017

**(d) Books closure date**

Notice is hereby given that the Share Transfer Books and Register of Members will be closed on 22 August 2017 for the purpose of determining Members' entitlements to the Interim Dividend.

Duly completed registrable transfer of shares in the Company (the "Shares") received up to the close of business at 5.00 p.m. on 21 August 2017 by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, Singapore Land Tower, #32-01, Singapore 048623, will be registered to determine members' entitlements to such Dividend. Subject to the aforesaid, Members whose Securities Accounts with The Central Depository (Pte) Ltd are credited with the Shares as at 5.00 p.m. on 21 August 2017 will be entitled to such Dividend. The Dividend will be paid on 31 August 2017.

**12 If no dividend has been declared/recommended, a statement to that effect**

Not Applicable

**13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

There is no IPTs for the period under review

**BY ORDER OF THE BOARD**

**KHOO BOO HOR**

**Executive Director &  
Chief Executive Officer**

**2 August 2017**

#### **14 CONFIRMATION BY THE BOARD**

We, KOH BOON HWEE and KHOO BOO HOR, being two directors of Sunningdale Tech Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results of the second quarter ended 30 June 2017 to be false or misleading.

On behalf of the board of directors

**KOH BOON HWEE**  
Non-Executive Chairman

**KHOO BOO HOR**  
Executive Director &  
Chief Executive Officer

#### **15 Issuer to confirm that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1)**

The Board of Directors confirms that they have procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1).