

**Sunningdale Tech more than doubles net profit yoy to S\$8.2 million for 2Q2017;
declares an inaugural interim dividend of 2.5 Singapore cents per share**

- Revenue rises 6.6% yoy to S\$177.6 million driven by growth in the Group's Automotive and Consumer/IT segments
- Gross profit increases 20.7% yoy to S\$27.7 million while gross profit margin expands to 15.6% underpinned by the Group's pursuit of greater operational efficiency
- Continues to generate strong positive operating cash flows amounting S\$12.1 million, bolstering balance sheet strength with a cash balance of S\$113.2 million
- Board of Directors declares an inaugural interim dividend of 2.5 Singapore cents per share

SINGAPORE – 2 August 2017 – Singapore Exchange Mainboard-listed Sunningdale Tech Ltd. ("Sunningdale Tech" or "the Group"), a leading manufacturer of precision plastic components, announced its financial results for the second quarter ended 30 June 2017 ("2QFY2017").

Financial Highlights

(S\$'000)	2QFY2017	2QFY2016	Change
Revenue	177,578	166,610	6.6%
Gross Profit	27,694	22,941	20.7%
Gross Profit Margin (%)	15.6	13.8	1.8 pts
Net profit	8,199	3,809	n.m.
Net Profit Margin (%)	4.6%	2.3%	2.3 pts
Net Profit (Excluding one-off costs & FX gains/losses)	10,948	6,970	57.1%
EBITDA*	21,087	16,659	26.6%
Earnings per Share - Basic (Sing cents)	4.36	2.04	n.m.
Net Asset Value per Share (Sing \$)	1.86	1.69	10.1%

**EBITDA=Gross profit - G&A + depreciation + one-off SG&A expenses excluding JV profit/loss*

Amid uncertain market conditions, the Group reported a stable 6.6% year-on-year ("yoy") growth in revenue to S\$177.6 million for 2Q2017. This was led by the Group's Consumer/IT and Automotive segments where revenue increased 11.4% yoy to S\$71.0 million and 7.9% to S\$65.5 million respectively. Conversely, revenue in both the Healthcare and Mould Fabrication segments declined marginally to S\$12.4 million and S\$28.6 million respectively.

The Group's commitment to enhancing operational efficiency and streamlining operations translated to a 20.7% yoy increase in gross profit to S\$27.7 million for 2QFY2017. Correspondingly, gross profit margin expanded 1.8 percentage points to 15.6%.

In line with the growth in gross profit, the Group's robust core business operations contributed to a 26.6% yoy increase in Earnings Before Interest, Taxes and Depreciation ("EBITDA") to S\$21.1 million for 2QFY2017 while EBITA margin improved from 10.0% to 11.9%.

While the Group continues to mark improvements in operational profitability, it also endeavour efforts to costs containment. This was evidenced by the 34.8% yoy reduction in Other Expenses to S\$3.7 million and trimming of Administrative Expenses by 2.8% yoy to S\$10.0 million despite top-line growth for 2QFY2017.

During the quarter, the Group reported a foreign exchange loss amounting S\$2.6 million as compared to a gain of S\$1.5 million for 2Q2016 due to the volatility in US Dollar. Additionally, the Group recorded one-off retrenchment costs of S\$0.1 million for 2Q2017 and S\$4.6 million for 2Q2016. Excluding the impact arising from foreign exchange gains/losses and retrenchment costs, the Group's core net profit would have increased 57.1% yoy to S\$10.9 million.

The Group's core business operations continued to generate strong positive operating cash flows, amounting S\$12.1 million for 2Q2017 as compared to S\$6.4 million for 2Q2016. This contributed to the Group's balance sheet strength as it maintained a cash balance of S\$113.2 million. After accounting for loans and borrowings totaling S\$107.7 million, the Group's net cash position stood at S\$5.5 million (31 Dec 2016: 15.5 million) as at 30 June 2017. This decline can be attributed primarily to higher dividends paid (S\$11.3 million for FY2016), increased capital expenditure for future growth, and foreign currency translation losses.

"In the face of macroeconomic headwinds and operational challenges, we remain vigilant while charting sustainable long-term growth for the Group. In this light, we focus on variables within our control such as driving operational efficiency and streamlining our operations to boost productivity. This relentless commitment to operational excellence has yielded positive results with consistent and incremental improvements to our gross profit and EBITDA margins."

With an eye on the future, we continue to sharpen our engineering capabilities and invest in technology to stay ahead of the curve. Expanding our geographical reach worldwide is equally pivotal as we bridge proximity with our customers to support their growth in key regions. Accordingly, we are gradually adding capacity to our latest manufacturing facility in Chuzhou, China to support customers in the Automotive and Consumer/IT segments. We are also pleased to share that the construction of our 20th manufacturing plant in Penang, Malaysia is underway and on track for completion in the first quarter of 2018."

Heading into the seasonally stronger second half, our business development initiatives have gained traction as we continue to receive enquiries from both new and existing customers across all business segments. This validates the confidence in our ability to manage projects at a global scale. Despite the uncertain business climate, we remain cautiously optimistic as we execute our strategy of building a business model that is both sustainable and profitable for the long-term. With an aim to reward shareholders while we

maintain our growth trajectory, the Board of Directors is pleased to announce an inaugural interim dividend of 2.5 Singapore cents per share.”

Mr. Khoo Boo Hor, CEO & Executive Director

- The End -

About Sunningdale Tech Ltd. (Bloomberg Code: SUNN:SP)

Sunningdale Tech Ltd is a leading manufacturer of precision plastic components. The Group provides one-stop, turnkey plastic solutions, with capabilities ranging from product & mould designs, mould fabrication, injection moulding, complementary finishings, through to the precision assembly of complete products.

Boasting a total factory space of more than 3 million sq feet, with more than 1000 injection moulding machines and a tooling capacity of 3,500 moulds per year, Sunningdale Tech is focusing on serving four key business segments – automotive, consumer/IT/environment, healthcare and tooling.

With manufacturing facilities across Singapore, Malaysia (Johor), China (Chuzhou, Guangzhou, Shanghai, Suzhou, Tianjin and Zhongshan), Latvia (Riga), Mexico (Guadalajara), Indonesia (Batam), Thailand (Rayong), India (Chennai) and Brazil (Atibaia). Sunningdale Tech is strategically positioned to target and capture opportunities in diverse business sectors globally using third-party logistic partners.

For more information, please visit <http://www.sdaletech.com>.

Issued for and on behalf of Sunningdale Tech Ltd. by Financial PR

For more information please contact: Chong Yap TOK /James BYWATER

Email: tech@financialpr.com.sg Tel: (65) 64382990 Fax: (65) 64380064