

STAMFORD TYRES CORPORATION LTD

Unaudited Second Quarter 2018 Financial Statements

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

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

1(a)(i) CONSOLIDATED INCOME STATEMENT

	Group			Gro		
	Q2FY18	Q2FY17		1HFY18	1HFY17	
	Oct'17	Oct'16	Difference	Oct'17	Oct'16	Difference
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	59,039	57,693	2.33%	117,985	115,778	1.91%
Other revenue	851	693	22.80%	1,538	1,180	30.34%
Total revenue	59,890	58,386	2.58%	119,523	116,958	2.19%
Cost of goods sold	43,631	42,697	2.19%	86,846	86,006	0.98%
Salaries and employees benefits	6,289	5,968	5.38%	12,375	11,884	4.13%
Marketing and distribution	1,957	1,988	-1.56%	3,675	3,956	-7.10%
Utilities, repairs and maintenance	1,593	1,597	-0.25%	3,051	2,942	3.70%
Finance costs	1,019	1,100	-7.36%	2,037	2,294	-11.20%
Depreciation of property, plant and equipment	1,225	1,218	0.57%	2,467	2,430	1.52%
Operating lease rentals	1,365	1,124	21.44%	2,678	2,209	21.23%
Other operating expenses	1,468	977	50.26%	3,038	1,772	71.44%
Total expenditure —	(58,547)	(56,669)	3.31%	(116,167)	(113,493)	2.36%
Share of results of joint ventures	793	434	82.72%	1,362	996	36.75%
Profit before taxation	2,136	2,151	-0.70%	4,718	4,461	5.76%
Taxation	(518)	(686)	-24.49%	(1,174)	(1,443)	-18.64%
Profit for the financial period	1,618	1,465	10.44%	3,544	3,018	17.43%
Attributable to:						
Equity holders of the company	1,618	1,465	10.44%	3,544	3,018	17.43%
_	1,618	1,465	10.44%	3,544	3,018	17.43%

N.M - Not meaningful.



1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Q2FY18 Oct'17 \$'000	Q2FY17 Oct'16 \$'000	1HFY18 Oct'17 \$'000	1HFY17 Oct'16 \$'000
Net profit for the financial period	1,618	1,465	3,544	3,018
Other comprehensive income:				
Translation adjustments arising on consolidation	179	1,352	(816)	718
Other comprehensive income for the financial period,				
net of tax	179	1,352	(816)	718
Total comprehensive income for the financial period	1,797	2,817	2,728	3,736
Total comprehensive income attributable to :				
Equity holders of the company	1,797	2,817	2,728	3,736
	1,797	2,817	2,728	3,736
(a) Profit after taxation is stated after charging/(crediting):	Q2FY18 Oct'17 \$'000	Q2FY17 Oct'16 \$'000	1HFY18 Oct'17 \$'000	1HFY17 Oct'16 \$'000
Depreciation of property, plant and equipment (inclusive of charges included in cost of goods sold)	1,881	1,828	3,794	3,614
Allow ance for doubtful trade receivables	216	491	441	345
Allow ance for inventory obsolescence	72	105	254	319
Gain on disposal of property, plant and equipment	(14)	(66)	(90)	(79)
Foreign exchange loss/(gain)	461	(687)	841	(926)
Fair value (gain)/loss on derivatives	(185)	236	(110)	316
Bad debts (recovered)/w ritten-off	(7)	3	(24)	Ě



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.

Non-current assets Froperty, plant and equipment 69,325 70,679 − − Subsidiary companies − − 40,764 40,764 Amount due from subsidiary companies − − 14,279 14,311 Joint venture companies 17,021 16,862 6,567 6,567 Associated company 232 233 − − Deferred tax assets 3,017 3,109 − − Current assets 89,595 90,883 61,610 61,642 Current assets 82,957 77,869 − − Inventories 82,957 77,869 − − Trade receivables 160 70 11 54 Other receivables 4,098 4,665 181 96 Prepayments and advances 4,687 3,890 31 21 Cash and cash equivalents 18,741 21,693 270 1,225 Cash and cash equivalents 23,236 20,465 − <t< th=""><th></th><th>Gro</th><th>oup</th><th>Com</th><th colspan="3">Company</th></t<>		Gro	oup	Com	Company		
Property, plant and equipment G9,325 70,679 - - - - - - - - -			•		•		
Subsidiary companies	Non-current assets						
Amount due from subsidiary companies 1,021 16,862 6,567 6,567	Property, plant and equipment	69,325	70,679	*	2		
Deferred tax assets 17,021 16,862 6,567 6,567 Associated company 232 233 -	Subsidiary companies	9	8	40,764	40,764		
Associated company 232 233	Amount due from subsidiary companies	-	=	14,279	14,311		
Section Sect	Joint venture companies	17,021	16,862	6,567	6,567		
Net assets Secured S	Associated company	232	233	•	8		
New Note	Deferred tax assets	3,017	3,109	#1	-		
Inventories S2,957 77,869		89,595	90,883	61,610	61,642		
Trade receivables 59,858 67,467	Current assets						
Derivatives 160 70 11 54 Other receivables 4,098 4,665 181 96 Prepayments and advances 4,687 3,890 31 21 Cash and cash equivalents 18,741 21,693 270 1,225 170,501 175,654 493 1,396 Less: Current liabilities Trade payables 23,236 20,465 - - Trust receipts (secured) 40,286 50,808 - - Derivatives - 20 - - Other payables 18,053 18,711 540 605 Loans (secured) 13,743 17,980 - - Hire-purchase liabilities 836 807 - - Provisions 759 689 - - Provision for taxation 2,725 2,742 - 12 Net current liabilities - - 16,918 14,219 Hire-purchase liab				130	9		
Other receivables 4,098 4,665 181 96 Prepayments and advances 4,687 3,890 31 21 Cash and cash equivalents 18,741 21,693 270 1,225 170,501 175,654 493 1,396 Less: Current liabilities Trade payables 23,236 20,465 - - Trust receipts (secured) 40,286 50,808 - - Derivatives - 20 - - Cother payables 18,053 18,711 540 605 Loans (secured) 13,743 17,980 - - Hire-purchase liabilities 836 807 - - Provisions 759 689 - - Provision for taxation 2,725 2,742 - 12 Net current liabilities 70,863 63,432 (47) 779 Non-current liabilities - - 16,918 14,219					*		
Prepayments and advances							
Cash and cash equivalents 18,741 21,693 270 1,225 Less: Current liabilities Trade payables 23,236 20,465 - - Trust receipts (secured) 40,286 50,808 - - Derivatives - 20 - - Other payables 18,053 18,711 540 605 Loans (secured) 13,743 17,980 - - Hire-purchase liabilities 836 807 - - Provisions 759 689 - - Provision for taxation 2,725 2,742 - 12 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities 82 82 - - Amount due to subsidiary companies - - 16,918 14,219 Hire-purchase liabilities 861 861 - - Provisions 861 861 - -							
Less: Current liabilities 170,501 175,654 493 1,396 Less: Current liabilities 23,236 20,465 - - Trust receipts (secured) 40,286 50,808 - - Derivatives - 20 - - Other payables 18,053 18,711 540 605 Loans (secured) 13,743 17,980 - - Hire-purchase liabilities 836 807 - - Provisions 759 689 - - Provision for taxation 2,725 2,742 - 12 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities							
Less: Current liabilities Trade payables 23,236 20,465 - - Trust receipts (secured) 40,286 50,808 - - Derivatives - 20 - - Other payables 18,053 18,711 540 605 Loans (secured) 13,743 17,980 - - Hire-purchase liabilities 836 807 - - Provisions 759 689 - - Provision for taxation 2,725 2,742 - 12 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 <td>Cash and cash equivalents</td> <td></td> <td></td> <td>-</td> <td></td>	Cash and cash equivalents			-			
Trade payables 23,236 20,465 - - Trust receipts (secured) 40,286 50,808 - - Derivatives - 20 - - Other payables 18,053 18,711 540 605 Loans (secured) 13,743 17,980 - - Hire-purchase liabilities 836 807 - - Provisions 759 689 - - 12 Provision for taxation 2,725 2,742 - 12 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 Net assets 12		170,501	175,654	493	1,396		
Trust receipts (secured) 40,286 50,808 - - Derivatives - 20 - - Other payables 18,053 18,711 540 605 Loans (secured) 13,743 17,980 - - Hire-purchase liabilities 836 807 - - Provisions 759 689 - - Provision for taxation 2,725 2,742 - 12 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 Net assets 123,087 123,893 44,537 48,094	Less: Current liabilities						
Derivatives - 20 - - Other payables 18,053 18,711 540 605 Loans (secured) 13,743 17,980 - - Hire-purchase liabilities 836 807 - - Provisions 759 689 - - Provision for taxation 2,725 2,742 - 12 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 Net assets 123,087 123,893 44,537 48,094	Trade payables	23,236	20,465	-	==		
Other payables 18,053 18,711 540 605 Loans (secured) 13,743 17,980 - - Hire-purchase liabilities 836 807 - - Provisions 759 689 - - Provision for taxation 2,725 2,742 - 12 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 Net assets 123,087 123,893 44,537 48,094	Trust receipts (secured)	40,286	50,808	370	5		
Loans (secured) 13,743 17,980 - - Hire-purchase liabilities 836 807 - - Provisions 759 689 - - Provision for taxation 2,725 2,742 - 12 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities - - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 Net assets 123,087 123,893 44,537 48,094 Equity	Derivatives	=	20	*	9		
Hire-purchase liabilities 836 807 - - -	Other payables	18,053	18,711	540	605		
Provisions 759 689 - - Provision for taxation 2,725 2,742 - 12 99,638 112,222 540 617 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 Net assets 123,087 123,893 44,537 48,094 Equity	Loans (secured)	13,743	17,980		ā		
Provision for taxation 2,725 2,742 - 12 99,638 112,222 540 617 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 Net assets 123,087 123,893 44,537 48,094 Equity	Hire-purchase liabilities	836	807		:=		
99,638 112,222 540 617 Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities 4 16,918 14,219 Amount due to subsidiary companies - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 108 108 Net assets 123,087 123,893 44,537 48,094 Equity	Provisions	759	689	-	#		
Net current assets/(liabitilies) 70,863 63,432 (47) 779 Non-current liabilities 30,432 470 779 Non-current liabilities 50,500 80,500	Provision for taxation	2,725	2,742	3.50	12		
Non-current liabilities Amount due to subsidiary companies - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 Net assets 123,087 123,893 44,537 48,094 Equity							
Amount due to subsidiary companies - - 16,918 14,219 Hire-purchase liabilities 682 882 - - Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 37,371 30,422 17,026 14,327 Net assets 123,087 123,893 44,537 48,094 Equity	Net current assets/(liabitilies)	70,863	63,432	(47)	779		
Hire-purchase liabilities 682 882	Non-current liabilities						
Provisions 861 861 - - Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 37,371 30,422 17,026 14,327 Net assets 123,087 123,893 44,537 48,094 Equity	Amount due to subsidiary companies	8	3	16,918	14,219		
Long-term loans (secured) 34,490 27,375 - - Deferred tax liabilities 1,338 1,304 108 108 37,371 30,422 17,026 14,327 Net assets 123,087 123,893 44,537 48,094 Equity	Hire-purchase liabilities	682	882	350	27		
Deferred tax liabilities 1,338 1,304 108 108 37,371 30,422 17,026 14,327 Net assets 123,087 123,893 44,537 48,094 Equity	Provisions	861	861	120	14		
37,371 30,422 17,026 14,327 Net assets 123,087 123,893 44,537 48,094 Equity	Long-term loans (secured)	34,490	27,375		ä		
Net assets 123,087 123,893 44,537 48,094 Equity	Deferred tax liabilities	1,338	1,304	108	108		
Equity		37,371	30,422	17,026	14,327		
· ·	Net assets	123,087	123,893	44,537	48,094		
Share capital 35,722 35,722 35,722 35,722	Equity						
	Share capital	35,722	35,722	35,722	35,722		
Reserves 87,365 88,171 8,815 12,372	Reserves	87,365	88,171	8,815	12,372		
123,087 123,893 44,537 48,094		123,087	123,893	44,537	48,094		



1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount repayable in one year or less, or on demand

As at 31/10/2017		As at 30/04/2017			
Secured	Unsecured	Secured	Unsecured		
\$'000	\$'000	\$'000	\$'000		
54,865		69,595	390		

Amount repayable after one year

As at 31/10/2017		As at 3	0/04/2017
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
35,172	1 4 1	28,257	()差(

Details of any collateral

The Group's freehold land, certain leasehold land and buildings, leasehold improvements and certain plant and equipment with a total net book value of \$48,014,446 as at 31 October 2017 (30 April 2017: \$49,034,056) are subject to legal mortgages in connection with bank facilities granted to the Group.

The trust receipts of subsidiary companies are secured primarily by corporate guarantees from the Company.



1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(c)(i) CONSOLIDATED STATEMENT OF CASH FLOWS (Q2FY2018 – Q2FY2017)

Cash flows from operating activities: Cash flows from operating activities: Cash flows from operating activities: Profit before taxation 2,136 2,156 Adjustments for: 1,981 4,082 Depreciation of property, plant and equipment (1,61) 6,082 Gain on disposal of property, plant and equipment (1,85) 238 Bad debts (recovered)/w ritten-off (7) 3 Foreign currency translation adjustment (45) 190 Interest income (45) (2) Provision for product warranties 78 98 White-back on property, plant and equipment (2,0) (2) Interest expenses 1,019 1,101 Share of results of joint ventures (7,35) (432) Operating cash flows before changes in working capital 4,524 5,209 Increase)/decrease in inventories (7,856) 1,219 Increase in payables 6,009 2,944 Increase in payables (6,00) 9,779 Increase in payables (1,01) (1,101) Increase in payables		Group		
Cash flows from operating activities: 5'000 \$'000 Profit before taxation 2,136 2,136 2,136 Adjustments for: 1,981 1,881 4,828 Calin or disposal of property, plant and equipment (185) 236 Gain or disposal of property, plant and equipment (185) 236 Bad debts (recovered)/w ritten-off (7) 3 Foreign currency translation adjustment (45) (19) Provision for product warranties 78 88 Michie-back on property, plant and equipment (2) (2) Interest expenses 1,019 1,100 Share of results of joint ventures 7,738 5,20 Operating ash flows before changes in working capital 4,524 5,20 (Increase)/dacrease in inventories 7,856 2,508 2,76 (Increase)/dacrease in inventories 7,856 1,21 (Increase)/dacrease in inventories 4,524 5,201 (Increase)/dacrease in inventories 1,010 1,010 (Increase)/dacrease in inventories 1,010 1,010		Q2FY18	Q2FY17	
Cash flows from operating activities: Cash flows from operating activities: Cash for sexation Cash for sexation Cash for sexation Cash for sexation Cash for sexation of property, plant and equipment 1,881 1,828 Cash on disposal of property, plant and equipment (14) (66) Cash for sexation of property, plant and equipment (14) (66) Cash for sexition of property, plant and equipment (17) 3 For eign currency translation adjustment 456 395 (19) (19) (19) (19) (19) (19) (19) (19) (19) (10) <t< th=""><th></th><th>Oct'17</th><th>Oct'16</th></t<>		Oct'17	Oct'16	
Profit before taxation		\$'000	\$'000	
Adjustments for. 1,881 1,826 Depreciation of property, plant and equipment (14) (66) Gain on disposal of property, plant and equipment (185) 236 Bad debts (recovered)/written-off (7) 3 Bad debts (recovered)/written-off (7) 3 Foreign currency translation adjustment (45) (19) Provision for product warranties 78 98 Wittle-back on property, plant and equipment (78) 42 Wittle-back on property, plant and equipment (79) (100) Mittle-back on property, plant and equipment (79) (20) Interest expenses 1,019 (1,00) Share of results of joint ventures (79) (24) Operating cash flows before changes in working capital 4,524 5,290 (Increase)/decrease in inventories (7,856) 1,219 (Increase)/decrease in inventories (7,856) 1,219 (Increase)/decrease in inventories (8,09) 2,994 Cash flows from operations (8,09) 2,994 Interest received	Cash flows from operating activities:			
Depreciation of property, plant and equipment 1,881 1,828 Gain on disposal of property, plant and equipment (14) (66) Fair value (gain)/loss on derivatives (185) 236 Bad debts (recovered)/written-off (7) 3 Foreign currency translation adjustment 456 395 Interest income (45) (19) Provision for product warranties 78 98 Write-back on property, plant and equipment (2) (2) Interest expenses (793) (434 Share of results of joint ventures (793) (434 Operating cash flows before changes in working capital 4,524 5,290 (Increase)/decrease in inventories 2,508 276 Increase in receivables 2,508 276 Increase in payables 4,509 2,994 Cash flows from operations 45 19 Interest received 45 19 Interest received 45 19 Interest received 45 19 Interest received <t< td=""><td>Profit before taxation</td><td>2,136</td><td>2,151</td></t<>	Profit before taxation	2,136	2,151	
Gain on disposal of property, plant and equipment (14) (66) Fair value (gain/)loss on derivatives (185) 236 Bad debts (recovered)/w ritten-off (7) 3 Foreign currency translation adjustment 456 395 Interest income (45) (19) Provision for product w arranties 78 98 Write-back on property, plant and equipment (2) (2) Write-back on property, plant and equipment (2) (2) Uncrease of results of joint ventures (793) (434) Operating cash flows before changes in working capital 7,856 1,210 Chicrease in receivables 2,508 2,76 Increase in payables 6,909 2,994 Cash flows from operations 45 19 Interest received 45 19 Net cash flows generated from operating activities	Adjustments for:			
Fair value (gain)/loss on derivatives (185) 236 Bad debts (recovered)/written-off (7 3 Foreign currency translation adjustment (456) 395 Interest income (45) (19) Provision for product warranties 78 98 Write-back on property, plant and equipment (20) 20 Interest expenses 1,019 1,100 Share of results of joint ventures (793) (434) Operating cash flows before changes in working capital 4,524 5,290 (Increase)/decrease in receivables 2,568 27 Increase in payables 6,085 29,79 Cash flows from operations 6,085 9,779 Interest received 45 19 Interest received 45 19 Interest paid (1,010) (1,000) Income tax paid (671) (656) Net cash flows generated from operating activities 1 7 Proceeds from disposal of property, plant and equipment (1,272) (2,215) Net cash flows t	Depreciation of property, plant and equipment	1,881	1,828	
Bad debts (recovered)/w ritten-off (7) 3 Foreign currency translation adjustment 456 395 Interest income (45) (19) Provision for product w arranties 78 88 Write-back on property, plant and equipment (2) (2) Interest expenses 1,019 1,100 Share of results of joint ventures (733) (434) Operating cash flows before changes in working capital 4,524 5.290 (Increase)/decrease in inventories 2,508 276 Increase in receivables 2,508 276 Increase in payables 6,909 2,994 Cash flows from operations 6,085 9,779 Interest received 45 19 Interest paid (1,019) (1,100) Income tax paid (671) (656) Net cash flows generated from operating activities 4,440 8,042 Cash flows from investing activities: 1 74 Proceeds from disposal of property, plant and equipment 1 74 Net cash flo	Gain on disposal of property, plant and equipment	(14)	(66)	
Foreign currency translation adjustment 456 395 Interest income (45) (19) Provision for product warranties 78 98 Write-back on property, plant and equipment (2) (2) Interest expenses 1,019 1,100 Share of results of joint ventures (793) (434) Operating cash flows before changes in working capital 4,524 5,290 (Increase)/decrease in inventories (7,856) 1,219 Decrease in receivables 6,909 2,994 Increase in payables 6,909 2,994 Cash flows from operations 6,085 9,779 Interest received 45 19 Interest received 45 19 Interest received 45 19 Interest paid (1,019) (1,100) Interest from operating activities 4,440 8,042 Cash flows from investing activities : 1 7 Proceeds from disposal of property, plant and equipment 14 74 Net cash flows used in investing activities	Fair value (gain)/loss on derivatives	(185)	236	
Interest income (45) (19) Provision for product warranties 78 98 Write-back on property, plant and equipment (2) (2) Interest expenses 1,019 1,109 Share of results of joint ventures (793) (434) Operating cash flows before changes in working capital 4,524 5,290 (Increase)/decrease in inventories (7,856) 12,19 Decrease in receivables 2,508 276 Increase in payables 6,909 2,994 Cash flows from operations 6,085 9,779 Interest received 45 19 Interest paid (10,19) (1,100) Income tax paid (671) (656) Net cash flows generated from operating activities 4,440 8,042 Proceeds from disposal of property, plant and equipment 14 74 Purchase of property, plant and equipment (1,272) (2,215) Net cash flows from financing activities (2,35) (2,141) Proceeds from long-term loans 17,500 907 <t< td=""><td>Bad debts (recovered)/w ritten-off</td><td>(7)</td><td>3</td></t<>	Bad debts (recovered)/w ritten-off	(7)	3	
Provision for product warranties 78 98 Write-back on property, plant and equipment (2) (2) Interest expenses 1,019 1,109 1,009 1,019 1,009 1,043 Share of results of joint ventures (793) (434) 6,290 2,598 2,598 2,508 2,768 1,219 1,219 1,219 1,219 2,508 2,768 1,219 1,219 2,508 2,768 1,219 1,219 2,508 2,768 1,219 1,219 1,219 2,508 2,768 1,219 1,219 2,508 2,769 1,219 2,508 2,769 1,219 2,508 2,769 1,219 2,508 2,769 1,219 1,219 2,508 2,779 1,219 2,094 </td <td>Foreign currency translation adjustment</td> <td>456</td> <td>395</td>	Foreign currency translation adjustment	456	395	
Write-back on property, plant and equipment (2) (2) Interest expenses 1,019 1,1009 Share of results of joint ventures (793) (434) Operating cash flows before changes in working capital 4,524 5,290 (Increase)/decrease in inventories (7,856) 1,219 Decrease in receivables 2,508 2,76 Increase in payables 6,085 9,779 Interest received 45 19 Interest received 45 19 Interest paid (1,019) (1,1019) Income tax paid (671) (656) Net cash flows generated from operating activities 4,440 8,042 Cash flows from investing activities: 7 Poceeds from disposal of property, plant and equipment 14 2,4 Net cash flows used in investing activities: 1 2,215 Proceeds from long-term loans 17,500 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire pu	Interest income	(45)	(19)	
Interest expenses 1,019 1,100 Share of results of joint ventures 7793 (434) Operating cash flows before changes in working capital 4,524 5,290 (Increase)/decrease in inventories 77,856 1,219 Decrease in receivables 2,508 276 Increase in payables 6,909 2,994 Cash flows from operations 6,085 9,779 Interest received 45 19 Interest paid (1,019) (1,100) Income tax paid (671) (656) Net cash flows generated from operating activities (4,019) (1,201) Proceeds from investing activities (4,272) (2,215) Net cash flows used in investing activities (1,278) (2,115) Net cash flows used in investing activities (2,113) (1,777) Proceeds from long-term loans 17,500 907 Repayment of frust receipts (2,113) (1,777) Proceed from revolving loans (3,534) (2,356) Repayment of hire purchase creditors (3,534) (2,356) Repayment of hire purchase creditors (1,908) (3,594) Net cash flows used in financing activities (1,908) (5,992) Net cash flows used in financing activities (1,908) (3,594) Net cash flows used in financing activities (1,908) (3,594) Net cash flows used in financing activities (1,908) (3,594) Net cash flows used in financing activities (1,908) (3,594) Net cash flows used in financing activities (1,908) (3,594) Net cash flows used in financing activities (1,908) (3,994) Net increase/(decrease) in cash and cash equivalents (1,908) (1,908)	Provision for product w arranties	78	98	
Share of results of joint ventures (793) (434) Operating cash flows before changes in working capital 4,524 5,290 (Increase)/decrease in inventories (7,856) 1,219 Decrease in receivables 2,508 276 Increase in payables 6,909 2,994 Cash flows from operations 6,085 9,779 Interest received 45 19 Interest paid (1,019) (1,1010) Income tax paid (671) (656) Net cash flows generated from operating activities 2 Proceeds from disposal of property, plant and equipment 14 74 Proceeds from disposal of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities 1 7 Proceeds from long-term loans 17,500 907 Repayment of trust receipts 2,113 (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors 26 200 Repayment of long-term loans 3,534 (2,356)	Write-back on property, plant and equipment	(2)	(2)	
Operating cash flows before changes in working capital 4,524 5,290 (Increase)/decrease in inventories (7,856) 1,219 Decrease in receivables 2,508 276 Increase in payables 6,909 2,994 Cash flows from operations 6,085 9,779 Interest received 45 19 Interest paid (1,019) (1,100) Income tax paid (671) (656) Net cash flows generated from operating activities 4,440 8,042 Cash flows from investing activities: *** *** Proceeds from disposal of property, plant and equipment 14 74 Purchase of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities: *** (1,258) (2,141) Cash flows from financing activities: *** *** 907 Repayment of trust receipts (2,113) (1,777) 77 Proceeds from long-term loans 50 200 200 200 200 200 200 200 200	Interest expenses	1,019	1,100	
(Increase)/decrease in inventories 1,219 Decrease in receivables 2,508 276 Increase in payables 6,909 2,994 Cash flows from operations 6,085 9,779 Interest received 45 19 Interest paid (10,1019) (1,100) Income tax paid (671) (655) Net cash flows generated from operating activities	Share of results of joint ventures	(793)	(434)	
Decrease in receivables 2,508 276 Increase in payables 6,909 2,994 Cash flows from operations 6,085 9,779 Interest received 45 19 Interest paid (1,019) (1,100) Income tax paid (671) (656) Net cash flows generated from operating activities	Operating cash flows before changes in working capital	4,524	5,290	
Increase in payables 6,909 2,994 Cash flows from operations 6,085 9,779 Interest received 45 19 Interest paid (1,019) (1,100) Increase flows generated from operating activities (671) (658) Net cash flows generated from operating activities: ** ** Proceeds from disposal of property, plant and equipment 14 74 Purchase of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities: ** ** Proceeds from long-term loans 17,500 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,354) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at	(Increase)/decrease in inventories	(7,856)	1,219	
Cash flows from operations 6,085 9,779 Interest received 45 19 Interest paid (1,019) (1,100) Income tax paid (671) (655) Net cash flows generated from operating activities 4,440 8,042 Cash flows from investing activities: *** *** Proceeds from disposal of property, plant and equipment 14 74 Purchase of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities (1,258) (2,141) Proceeds from financing activities: *** *** Proceeds from long-term loans 17,500 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 5 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net cash flows used in financing activities <	Decrease in receivables	2,508	276	
Interest received 45 19 Interest paid (1,019) (1,100) Income tax paid (671) (656) Net cash flows generated from operating activities 4,440 8,042 Cash flows from investing activities: Proceeds from disposal of property, plant and equipment 14 74 Purchase of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities: 17,500 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (3,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 16,080 16,080	Increase in payables	6,909	2,994	
Interest paid (1,019) (1,100) Income tax paid (671) (656) Net cash flows generated from operating activities 4,440 8,042 Cash flows from investing activities: 14 74 Proceeds from disposal of property, plant and equipment 14 74 Purchase of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities (1,258) (2,141) Cash flows from financing activities: Tr,500 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080	Cash flows from operations	6,085	9,779	
Income tax paid (671) (656) Net cash flows generated from operating activities 4,440 8,042 Cash flows from investing activities: *** Proceeds from disposal of property, plant and equipment 14 74 Purchase of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities (1,258) (2,141) Cash flows from financing activities: ** ** Proceeds from long-term loans 17,500 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080	Interest received	45	19	
Net cash flows generated from operating activities 4,440 8,042 Cash flows from investing activities: Froceeds from disposal of property, plant and equipment 14 74 Purchase of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities (1,258) (2,141) Cash flows from financing activities: Troceeds from long-term loans 17,500 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080	Interest paid	(1,019)	(1,100)	
Cash flows from investing activities: Proceeds from disposal of property, plant and equipment 14 74 Purchase of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities (1,258) (2,141) Cash flows from financing activities: 700 907 Repayment of trust receipts (2,113) (1,777) Proceed from long-term loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080	Income tax paid	(671)	(656)	
Proceeds from disposal of property, plant and equipment 14 74 Purchase of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities (1,258) (2,141) Cash flows from financing activities: *** Proceeds from long-term loans 17,500 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080	Net cash flows generated from operating activities	4,440	8,042	
Purchase of property, plant and equipment (1,272) (2,215) Net cash flows used in investing activities (1,258) (2,141) Cash flows from financing activities: Value Value Value Proceeds from long-term loans 17,500 907 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080	Cash flows from investing activities :			
Net cash flows used in investing activities (1,258) (2,141) Cash flows from financing activities:	Proceeds from disposal of property, plant and equipment			
Cash flows from financing activities: Proceeds from long-term loans 17,500 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080	Purchase of property, plant and equipment			
Proceeds from long-term loans 17,500 907 Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080	Net cash flows used in investing activities	(1,258)	(2,141)	
Repayment of trust receipts (2,113) (1,777) Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080		47 505		
Proceed from revolving loans 50 200 Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080	·	-		
Repayment of hire purchase creditors (265) (193) Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080				
Dividend paid to shareholders (3,534) (2,356) Repayment of long-term loans (13,546) (2,773) Net cash flows used in financing activities (1,908) (5,992) Net increase/(decrease) in cash and cash equivalents 1,274 (91) Cash and cash equivalents at beginning of financial period 17,695 16,080	-			
Repayment of long-term loans(13,546)(2,773)Net cash flows used in financing activities(1,908)(5,992)Net increase/(decrease) in cash and cash equivalents1,274(91)Cash and cash equivalents at beginning of financial period17,69516,080	Repayment of hire purchase creditors	, ,		
Net cash flows used in financing activities(1,908)(5,992)Net increase/(decrease) in cash and cash equivalents1,274(91)Cash and cash equivalents at beginning of financial period17,69516,080	Dividend paid to shareholders			
Net increase/(decrease) in cash and cash equivalents Cash and cash equivalents at beginning of financial period 1,274 (91) 17,695 16,080	Repayment of long-term loans			
Cash and cash equivalents at beginning of financial period 17,695 16,080	Net cash flows used in financing activities	(1,908)	(5,992)	
Cash and cash equivalents at beginning of financial period 17,695 16,080	Net increase/(decrease) in cash and cash equivalents	1,274	(91)	
Effect of exchange rate changes on cash and cash equivalents at the beginning of the financial period (228) 287		17,695	16,080	
Elected exertaining rate entailings on each education at the pagenting of the interior part of	Effect of exchange rate changes on cash and cash equivalents at the beginning of the financial period	(228)	287	
Cash and cash equivalents at end of financial period 18,741 16,276	Cash and cash equivalents at end of financial period	18,741	16,276	



1(c)(ii) CONSOLIDATED STATEMENT OF CASH FLOWS (YTD OCTOBER FY2018 vs OCTOBER FY2017)

	Group		
	1HFY18 Oct'17 \$'000	1HFY17 Oct'16 \$'000	
Onch flavor from analystical asticities			
Cash flows from operating activities: Profit before taxation	4,718	4,461	
Adjustments for:	4,710	1, 101	
Depreciation of property, plant and equipment	3,794	3,614	
Gain on disposal of property, plant and equipment	(90)	(79)	
Fair value (gain)/loss on derivatives	(110)	316	
Bad debts recovered	(24)	B.	
Foreign currency translation adjustment	414	262	
Interest income	(77)	(37)	
Provision for product w arranties	124	185	
Write-back of impairment loss on property, plant and equipment	(4)	(4)	
Interest expenses	2,037	2,294	
Share of results of joint ventures	(1,362)	(996)	
	9,420	10,016	
Operating cash flows before changes in working capital	9,420	10,010	
(Increase)/decrease in inventories	(5,088)	5,655	
Decrease/(increase) in receivables	7,403	(490)	
Increase in payables	2,055	3,761	
Cash flows from operations	13,790	18,942	
Interest received	77	37	
Interest paid	(2,037)	(2,294)	
Income tax paid	(1,065)	(1,138)	
Net cash flows generated from operating activities	10,765	15,547	
Cash flows from investing activities :			
Proceeds from disposal of property, plant and equipment	93	101	
Dividend received from joint venture company	352	*	
Purchase of property, plant and equipment	(2,187)	(3,294)	
Net cash flows used in investing activities	(1,742)	(3,193)	
Cash flows from financing activities :			
Proceeds from long-term loans	17,560	1,058	
Repayment of trust receipts	(10,522)	(1,806)	
Repayment of revolving loans	(160)	(2,606)	
Repayment of hire purchase creditors	(428)	(463)	
Dividend paid to shareholders	(3,534)	(2,356)	
Repayment of long-term loans	(14,522)	(7,642)	
Net cash flows used in financing activities	(11,606)	(13,815)	
Net decrease in cash and cash equivalents	(2,583)	(1,461)	
	21,693	17,425	
Cash and cash equivalents at beginning of financial period Effect of exchange rate changes on cash and cash equivalents at the beginning of the financial period	(369)	312	
Cash and cash equivalents at end of financial year	18,741	16,276	



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 year of the immediately preceding financial year.

	Equity, total \$'000	Equity attributable to owners of the Company, total \$'000	Share capital \$'000	Revenue reserve \$'000	Other reserves, total \$'000	Capital reserve	Employee share option reserve \$'000	Foreign currency translation reserve \$'000	Discount on acquisition of non-controlling interest \$'000
Group									
Balance at 1 May 2016	117,505	117,505	35,722	98,986	(17,203)	424	¥	(17,829)	202
Profit for the financial period	3,018	3,018		3,018	22.	828	5		253
Other comprehensive income for the financial period	718	718	2	(¥).	718	æ	-	718	523
Total comprehensive income for the financial period	3,736	3,736	ē	3,018	718		ā	718	23
Contributions by and distributions to owners									
Dividend on ordinary shares	(2,356)	(2,356)	ā	(2,356)		(7)		(57)	124
Total contributions by and distributions to owners	(2,356)	(2,356)	3	(2,356)	7.0	N#1	¥	15 6 3	
Total transactions with owners in their capacity as owners	(2,356)	(2,356)	æ	(2,356)	Ġ	136	8	i.e.	(3)
Balance at 31 Oct 2016	118,885	118,885	35,722	99,648	(16,485)	424		(17,111)	202
Balance at 1 May 2017	123,893	123,893	35,722	104,742	(16,571)	424	8	(17,197)	202
Profit for the financial period	3,544	3,544		3,544	190	()	*	(:ec
Other comprehensive income for the financial period	(816)	(816)	8	20	(816)	1947	ž	(816)	~
Total comprehensive income for the financial period	2,728	2,728	8	3,544	(816)	7(5)	5.	(816)	(#)
Contributions by and distributions to owners									
Dividend on ordinary shares	(3,534)	(3,534)		(3,534)	1661	(e)	×	(6)	(14)
Total contributions by and distributions to owners	(3,534)	(3,534)		(3,534)	5	Æ		:3	3.00
Total transactions with owners in their capacity as owners	(3,534)	(3,534)	¥	(3,534)		11=5	*	(4)	(e)
Balance at 31 Oct 2017	123,087	123,087	35,722	104,752	(17,387)	424	¥	(18,013)	202



	Equity, total \$'000	Equity attributable to owners of the total \$'000	Share capital \$'000	Revenue reserve \$'000	Other reserves total \$'000
Company					
Balance at 1 May 2016	49,882	49,882	35,722	14,160	
Loss for the financial period	(390)	(390)	ê	(390)	172
Total comprehensive income for the financial period	(390)	(390)	9	(390)	5
Contributions by and distributions to owners					
Dividend on ordinary shares	(2,356)	(2,356)	-	(2,356)	-
Total contributions by and distributions to owners	(2,356)	(2,356)	- 8	(2,356)	뀰
Total transactions with owners in their capacity as owners	(2,356)	(2,356)	(#X)	(2,356)	=
Balance at 31 Oct 2016	47,136	47,136	35,722	11,414	-
Balance at 1 May 2017	48,094	48,094	35,722	12,372	-
Profit for the financial period	(23)	(23)	- **	(23)	*
Total comprehensive income for the financial period	(23)	(23)	200	(23)	
Contributions by and distributions to owners					
Dividend on ordinary shares	(3,534)	(3,534)	*	(3,534)	(5 5)
Total contributions by and distributions to owners	(3,534)	(3,534)		(3,534)	540
Total transactions with owners in their capacity as owners	(3,534)	(3,534)	() e	(3,534)	(5)
Balance at 31 Oct 2017	44,537	44,537	35,722	8,815	-



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 for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, 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. State also the number of shares held as treasury shares and subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

There was no change in the Company's number of shares since 30 April 2017.

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

	Company	Company
	31/10/2017	30/04/2017
Ordinary shares (excluding treasury shares)	235,586,244	235,586,244

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

Not applicable. There are no treasury shares and no subsidiary holdings as at the end of the current financial year reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

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

The figures have not been audited or reviewed by the Company's auditors.

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.

Except as disclosed in Note 5, the Group and the Company has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period compared with those of the audited financial statements as at 30 April 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.

On 1 May 2017, the Group and the Company adopted the following new and revised Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") that are relevant:

Description

- Amendments to FRS 7: Disclosure Initiative
- Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses
- Amendments to FRS 112: Classification of the scope of the standard

The adoption of the above FRS and INT FRS did not result in any substantial changes to the Group's accounting policies and did not have any significant impact on the Group and the Company.

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

	Gro	up	Gro	up
	Q2FY18	Q2FY17	1HFY18	1HFY17
	Oct'17	Oct'16	Oct'17	Oct'16
Earning per share (EPS)				
- Based on the weighted average number of ordinary shares on issue (cents)	0.69	0.62	1.50	1.28
- On fully diluted basis (cents)	0.69	0.62	1.50	1.28
	\$'000	\$'000	\$'000	\$'000
Group earnings used for the calculation of EPS				
Profit for the financial period	1,618	1,465	3,544	3,018
	'000	'000	'000	'000
Number of shares used for the calculation of basic and diluted EPS:				
Weighted average number of ordinary shares in issue used for				
the calculation of basic EPS	235,586	235,586	235,586	235,586

Basic earning per share ("EPS") is calculated on the Group's profit for the financial period attributable to the shareholders of the Company divided by the weighted average number of ordinary shares in issue during the financial period.

Diluted EPS is calculated on the same basis as basic EPS as there are no dilutive potential ordinary shares as at 31 October 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 financial year reported on; and (b) immediately preceding financial year.

	Gro	1b	Company		
	31/10/17	30/04/17	31/10/17	30/04/17	
Net asset value per ordinary share (cents)	52.25	52.59	18.90	20.41	

The net asset value per share for the Group and the Company as at 31 October 2017 are calculated based on the actual number of shares in issue of 235,586,244 ordinary shares (30 April 2017: 235,586,244 ordinary shares).



8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial year reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Q2FY18

Revenue

The Group's sales revenue was 2.3% higher at S\$59.0 million in Q2FY18 compared to S\$57.7 million in Q2FY17. This was mainly due to improved sales in Australia and the South East Asian markets.

Gross Profit and Gross Profit Margin

Gross profit was S\$15.4 million in Q2FY18 compared to S\$15.0 million in Q2FY17. Gross profit margin increased from 26.0% in Q2FY17 to 26.1% in Q2FY18, mainly attributable to value-added activities at the Group's Stamford Tyres Mart retail chain and truck tyre centres.

Operating Expenses

Total operating expenses increased by 6.8% to S\$14.9 million in Q2FY18 compared to S\$14.0 million in Q2FY17. The increase was mainly due to higher operating lease rentals, higher foreign exchange costs and allowance for doubtful trade receivables.

Share of Results of Joint Ventures

In Q2FY18, our share of profits from joint ventures amounted to a net of S\$0.8 million, compared to S\$0.4 million Q2FY17, mainly attributable to improved performance from joint ventures.

Net Profit

The net profit of the Group was 10.4% higher at S\$1.6 million in Q2FY18, compared to S\$1.5 million recorded in Q2FY17.

Financial Position

Property, plant and equipment decreased to S\$69.3 million as at 31 October 2017 from S\$70.7 million as at 30 April 2017.

Receivables decreased to S\$60.0 million as at 31 October 2017 from S\$67.5 million as at 30 April 2017.

Inventories increased to S\$83.0 million as at 31 October 2017 from S\$77.9 million as at 30 April 2017.

Trade payables and trust receipts decreased to S\$63.5 million as at 31 October 2017 from S\$71.3 million as at 30 April 2017.

As at 31 October 2017, the Group's cash and cash equivalents stood at S\$18.7 million compared to S\$21.7 million as at 30 April 2017.

The Group's borrowings which comprise trust receipts, revolving credit, short-term secured loans as well as long-term secured loans stood at S\$88.5 million as at 31 October 2017 compared with S\$96.2 million as at 30 April 2017. The decrease in borrowings was mainly due to the repayment of trust receipts.



1HFY18

Revenue

The Group's sales revenue was 1.9% higher at S\$118.0 million in 1HFY18 compared to S\$115.8 million in 1HFY17. This was mainly due to improved sales in Australia and the South East Asian markets.

Gross Profit and Gross Profit Margin

Gross profit was \$\$31.1 million in 1HFY18 compared to \$\$30.0 million in 1HFY17. Gross profit margin increased from 25.7% in 1HFY17 to 26.4% in 1HFY18, mainly attributable to value-added activities at its Stamford Tyres Mart retail chain and truck tyre centres.

Operating Expenses

Total operating expenses increased by 6.7% to S\$29.3 million in 1HFY18 compared to S\$27.5 million in 1HFY17. The increase was mainly due to higher operating lease rentals, higher foreign exchange costs and allowance for doubtful trade receivables.

Share of Results of Joint Ventures

In 1HFY18, the share of results of joint ventures amounted to a net profit of S\$1.4 million, compared to S\$1.0 million in 1HFY17, mainly attributable to improved performance from our Hong Kong joint venture.

Net Profit

The net profit of the Group was 17.4% higher at S\$3.5 million in 1HFY18, compared to S\$3.0 million recorded in 1HFY17.

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 operating environment in the tyre business remains challenging as a result of global oversupply and intense competition.

To mitigate the impact of this challenging environment, the Group will continue to optimize its product mix, manage operating costs and build on its core markets in South East Asia.



- 11. Dividend
- (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(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

Not applicable.

(d) Books closure date

Not applicable.

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 shareholder 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.

No IPT mandate has been obtained.

14. Aggregate value of interested person transactions entered into by the Company and/or its subsidiaries during the year.

The Company does not have a general mandate for IPT,

Name of interested person	(excluding transactions less than \$100,000 and	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Wah Holdings Pte Ltd**	S\$91,200	Nil

^{**} Mr Wee Kok Wah, Mrs Daw n Wee Wai Ying and Dr Wee Li Ann are directors/shareholders of Wah Holdings Pte Ltd



15. Statement Pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The directors confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the interim financial statements of Stamford Tyres Corporation Limited for the 2nd quarter ended 31 October 2017, to be false or misleading in any material aspect.

16. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).

The Company confirmed that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Dawn Wee Wai Ying Executive Director

07 December 2017