

**FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2018**

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

**1(a) A Statement of Profit or Loss (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**1(a)(i) Statement of Profit or Loss for the quarter ended 31 December 2018**

	The Group							
	3 months ended 31 December				12 months ended 31 December			
	2018	2017	Change	%	2018	2017	Change	%
	HK\$'000	HK\$'000	HK\$'000		HK\$'000	HK\$'000	HK\$'000	
<b>Revenue</b>	<b>342,401</b>	<b>403,791</b>	<b>(61,390)</b>	<b>(15.20)</b>	<b>1,563,299</b>	<b>1,363,944</b>	<b>199,355</b>	<b>14.62</b>
Cost of sales	(308,031)	(368,219)	(60,188)	(16.35)	(1,437,688)	(1,257,715)	179,973	14.31
<b>Gross profit</b>	<b>34,370</b>	<b>35,572</b>	<b>(1,202)</b>	<b>(3.38)</b>	<b>125,611</b>	<b>106,229</b>	<b>19,382</b>	<b>18.25</b>
Other gains and other (losses)	(25,887)	6,066	(31,953)	(526.75)	83,807	22,373	61,434	274.59
Selling and distribution expenses	(3,985)	(5,165)	(1,180)	(22.85)	(26,765)	(18,995)	7,770	40.91
Administrative expenses	(47,488)	(23,174)	24,314	104.92	(109,804)	(81,139)	28,665	35.33
<b>(Loss)/profit from operations</b>	<b>(42,990)</b>	<b>13,299</b>	<b>(56,289)</b>	<b>(423.26)</b>	<b>72,849</b>	<b>28,468</b>	<b>44,381</b>	<b>155.90</b>
Finance costs	(3,893)	(3,102)	791	25.50	(15,443)	(12,612)	2,831	22.45
<b>(Loss)/profit before tax</b>	<b>(46,883)</b>	<b>10,197</b>	<b>(57,080)</b>	<b>(559.77)</b>	<b>57,406</b>	<b>15,856</b>	<b>41,550</b>	<b>262.05</b>
Income tax expenses	(1,461)	(2,857)	(1,396)	(48.86)	(4,651)	(3,775)	876	23.21
<b>(Loss) /profit for the period/year</b>	<b>(48,344)</b>	<b>7,340</b>	<b>(55,684)</b>	<b>(758.64)</b>	<b>52,755</b>	<b>12,081</b>	<b>40,674</b>	<b>336.68</b>
<b>Attributable to:</b>								
Owners of the company	(47,615)	7,613	(55,228)	(725.44)	52,747	10,489	42,258	402.88
Non-controlling interests	(729)	(273)	(456)	(167.03)	8	1,592	(1,584)	(99.50)

**1(a)(ii) Statement of Profit or Loss and Other Comprehensive Income for the quarter ended 31 December 2018**

	The Group							
	3 months ended 31 December				12 months ended 31 December			
	2018	2017	Change	%	2018	2017	Change	%
	HK\$'000	HK\$'000	HK\$'000		HK\$'000	HK\$'000	HK\$'000	
(Loss)/profit for the period/year	(48,344)	7,340	(55,684)	(758.64)	52,755	12,081	40,674	336.68
Other comprehensive (loss)/income for the period/year, net of tax								
Exchange difference on translating foreign operations	(7,818)	15,155	(22,973)	(151.59)	(11,655)	25,877	(37,532)	(145.04)
Other comprehensive (loss)/income for the period/year, net of tax	(7,818)	15,155	(22,973)	(151.59)	(11,655)	25,877	(37,532)	(145.04)
Total comprehensive (loss)/income for the period/year	(56,162)	22,495	(78,657)	(349.66)	41,100	37,958	3,142	8.28
Attributable to:								
Owners of the company	(55,293)	22,615	(77,908)	(344.50)	41,232	36,213	5,019	13.86
Non-controlling interests	(869)	(120)	(749)	(624.17)	(132)	1,745	(1,877)	(107.56)

**Note:**

The Group's profit/(loss) before tax is arrived at after charging /(crediting):

	3 months ended 31 December		12 months ended 31 December	
	2018	2017	2018	2017
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Depreciation	9,924	11,965	47,036	44,633
Loss on disposals of property, plant and equipment	3,084	88	3,084	88
Allowance for trade and other receivables	10,975	-	35,558	-
Bad debt written off	-	560	-	560
Gain on disposals of subsidiaries	1,511	-	(138,387)	-
Impairment loss on property, plant and equipment	4,129	-	4,129	-
Write down of inventory	(12,288)	-	16,296	-
Fair value loss on financial assets at FVTPL	250	-	250	-
Interest income	(240)	(17)	(393)	(57)
Interest on bank loans and overdrafts	4,207	3,102	15,757	12,612
Exchange difference, net	1,798	326	3,816	3,531

**1(b)(i) A Statement of Financial Position (for the issuer and the group), together with a comparative statement as at the end of the immediately preceding financial year.**

	The Group		The Company	
	At 31.12.2018	At 31.12.2017	At 31.12.2018	At 31.12.2017
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Non-current assets</b>				
Property, plant and equipment	225,769	207,501	-	-
Investments in subsidiaries	-	-	461,263	461,263
Goodwill	1,927	1,927	-	-
	227,696	209,428	461,263	461,263
<b>Current assets</b>				
Inventories	590,787	525,127	-	-
Trade and bills receivables	217,189	260,793	-	-
Prepayments, deposits and other receivables	157,254	135,679	-	-
Current tax assets	1,753	925	-	-
Financial assets at fair value through profit or loss(FVTPL)	78,055	-	-	-
Assets classified as held for sale	-	43,446	-	-
Bank and cash balances	89,872	73,064	1,125	1,125
	1,134,910	1,039,034	1,125	1,125
<b>Total assets</b>	<b>1,362,606</b>	<b>1,248,462</b>	<b>462,388</b>	<b>462,388</b>
<b>Current liabilities</b>				
Trade and bills payables	209,573	212,657	-	-
Accruals and other payables	174,373	212,598	-	-
Amount due to subsidiaries	-	-	11,319	11,319
Borrowings	261,985	215,295	-	-
Current tax liabilities	6,259	6,096	-	-
	652,190	646,646	11,319	11,319
<b>Non-current liabilities</b>				
Term Loan	67,500	-	-	-
Deferred tax liabilities	2,650	2,650	-	-
	70,150	2,650	-	-
<b>Total liabilities</b>	<b>722,340</b>	<b>649,296</b>	<b>11,319</b>	<b>11,319</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	242,456	242,456	242,456	242,456
Reserves	386,765	345,533	208,613	208,613
	629,221	587,989	451,069	451,069
Non-controlling interests	11,045	11,177	-	-
<b>Total equity</b>	<b>640,266</b>	<b>599,166</b>	<b>451,069</b>	<b>451,069</b>
<b>Total liabilities and equity</b>	<b>1,362,606</b>	<b>1,248,462</b>	<b>462,388</b>	<b>462,388</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 31 December 2018	As at 31 December 2017
Secured	Secured
HK\$'000	HK\$'000
261,985	215,295

**Amount repayable after one year**

As at 31 December 2018	As at 31 December 2017
Secured	Secured
HK\$'000	HK\$'000
67,500	-

**Details of collaterals**

The Group's banking facilities are secured by cross corporate guarantees executed by companies within the group.

**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.**

	The Group			
	3 months ended 31 December		12 months ended 31 December	
	2018	2017	2018	2017
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Cash flows from operating activities</b>				
(Loss)/profit before tax	(46,883)	10,197	57,406	15,856
Adjustments for :				
Depreciation	9,924	11,965	47,036	44,633
Loss on disposals of property, plant and equipment	3,084	88	3,084	88
Allowance for trade and other receivables	10,975	-	35,558	-
Bad debts written off	-	560	-	560
Gain on disposals of subsidiaries	1,511	-	(138,387)	-
Impairment loss on property, plant and equipment	4,129	-	4,129	-
Write down of inventory	(12,288)	-	16,296	-
Fair value loss on financial assets at FVTPL	250	-	250	-
Interest income	(240)	(17)	(393)	(57)
Finance costs	4,207	3,102	15,757	12,612
<b>Operating (loss)/profit before working capital changes</b>	<b>(25,331)</b>	<b>25,895</b>	<b>40,736</b>	<b>73,692</b>
(Increase)/decrease in inventories	(15,516)	17,783	(81,956)	(13,901)
Decrease/(increase) in trade and bills receivables	56,043	(3,557)	36,813	20,002
Decrease /(increase) in prepayments, deposits and other receivables	15,340	12,082	(50,546)	(19,903)
Increase/(decrease) in trade and bills payables	21,786	30,100	(3,084)	77,183
(Decrease)/increase in accruals and other payables	(9,985)	6,630	(38,225)	94,606
<b>Cash generated from/(used in) operations</b>	<b>42,337</b>	<b>88,933</b>	<b>(96,262)</b>	<b>231,679</b>
Interest paid	(4,207)	(3,102)	(15,757)	(12,612)
Income tax paid	(467)	(2,872)	(5,314)	(3,048)
<b>Net cash generated from/(used in) operating activities</b>	<b>37,663</b>	<b>82,959</b>	<b>(117,333)</b>	<b>216,019</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(49,258)	(33,674)	(77,871)	(56,356)
Purchase of financial assets at FVTPL	(78,305)	-	(78,305)	-
Proceeds from disposal of property, plant and equipment	447	-	447	-
Net cash inflow from disposals of subsidiaries	(1,309)	-	182,035	-
Interest received	240	17	393	57
<b>Net cash (used in)/generated from investing activities</b>	<b>(128,185)</b>	<b>(33,657)</b>	<b>26,699</b>	<b>(56,299)</b>
<b>Cash flows from financing activities</b>				
Inception of new loans	52,000	-	82,000	-
Net (repayment)/advance of trust receipt and import loans	(76,959)	(47,108)	32,190	(133,647)
<b>Net cash (used in)/generated from financing activities</b>	<b>(24,959)</b>	<b>(47,108)</b>	<b>114,190</b>	<b>(133,647)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(115,481)</b>	<b>2,194</b>	<b>23,556</b>	<b>26,073</b>
<b>Cash and cash equivalents at beginning of the period/year</b>	<b>205,168</b>	<b>77,185</b>	<b>73,064</b>	<b>43,389</b>
Net effect of exchange rate changes on cash and cash equivalent	185	(6,315)	(6,748)	3,602
<b>Cash and cash equivalents at end of the period/year</b>	<b>89,872</b>	<b>73,064</b>	<b>89,872</b>	<b>73,064</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.**

The Group	Attributable to the owners of the Company							Non-controlling interests	Total
	Share capital	Share premium	Statutory reserve	Capital redemption reserve	Translation reserve	Retained earnings	Subtotal		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
At 1 January 2018	242,456	26,488	2,033	1,665	6,627	308,720	587,989	11,177	599,166
Total comprehensive income for the year	-	-	-	-	(11,515)	52,747	41,232	(132)	41,100
<b>At 31 December 2018</b>	<b>242,456</b>	<b>26,488</b>	<b>2,033</b>	<b>1,665</b>	<b>(4,888)</b>	<b>361,467</b>	<b>629,221</b>	<b>11,045</b>	<b>640,266</b>
At 1 January 2017	242,456	26,488	2,033	1,665	(19,097)	298,231	551,776	9,432	561,208
Total comprehensive income for the year	-	-	-	-	25,724	10,489	36,213	1,745	37,958
<b>At 31 December 2017</b>	<b>242,456</b>	<b>26,488</b>	<b>2,033</b>	<b>1,665</b>	<b>6,627</b>	<b>308,720</b>	<b>587,989</b>	<b>11,177</b>	<b>599,166</b>

The Company	Share capital	Share premium	Contributed surplus	Capital redemption reserve	Retained earnings	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2018	242,456	26,488	130,205	1,665	50,255	451,069
Total comprehensive income for the year	-	-	-	-	-	-
<b>At 31 December 2018</b>	<b>242,456</b>	<b>26,488</b>	<b>130,205</b>	<b>1,665</b>	<b>50,255</b>	<b>451,069</b>
At 1 January 2017	242,456	26,488	130,205	1,665	50,255	451,069
Total comprehensive income for the year	-	-	-	-	-	-
<b>At 31 December 2017</b>	<b>242,456</b>	<b>26,488</b>	<b>130,205</b>	<b>1,665</b>	<b>50,255</b>	<b>451,069</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 for 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

During the twelve months ended 31 December 2018, the Company did not allot nor issue any shares, nor grant any share options under the Employee Share Option Scheme.

During the twelve months ended 31 December 2018, the Company did not buy back any shares of the Company by the way of market acquisition nor by way of cancelled of shares.

As at 31 December 2018 and 31 December 2017, there were no outstanding share options / warrants / convertible securities / treasury 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.**

Date	Number of shares of HKD7.50 each
31 December 2018	32,327,400
31 December 2017	32,327,400

- 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.**

As at 31 December 2018, the Company did not buy back any share of the Company by the way of market acquisition nor by way of cancellation of shares.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing 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 a 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 adopted all the new and revised International Financial Reporting Standards ("IFRSs") that are relevant to its operations and effective for the accounting period beginning on 1 January 2018. The adoption of these new and revised IFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current period.

- 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 Group adopted all the new and revised International Financial Reporting Standards (“IFRSs”) that are relevant to its operations and effective for the accounting period beginning on 1 January 2018. The adoption of these new and revised IFRSs did not result in substantial changes to the Group’s accounting policies and amounts reported for the current period.

**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.**

	The Group			
	3 months ended 31 December <sup>1</sup>		12 months ended 31 December <sup>2</sup>	
	2018	2017	2018	2017
	HK cents	HK cents	HK cents	HK cents
Earnings per ordinary share for the period based on the net profit for the period				
(a) Based on weighted average number of ordinary shares on issue; and	(147.29)	23.55	163.16	32.45
(b) On a fully diluted basis	N/A	N/A	N/A	N/A

<sup>1</sup>Basic earnings per share is calculated by dividing the loss attributable to owners of the Company of approximately HK\$47,615,000(Q4 2017 profit attributable to owners of the Company of approximately HK\$7,613,000) by the weighted average number of ordinary shares in issue of 32,327,400 (Q4 2017: 32,327,400) during the Q4 2018 period.

<sup>2</sup>Basic earnings per share is calculated by dividing the profit attributable to owners of the Company of approximately HK\$52,747,000 (FY2017: profit attributable to owners of the Company of approximately HK\$10,489,000) by the weighted average number of ordinary shares in issue of 32,327,400 (FY2017: 32,327,400) during the FY2018 period.

No diluted earnings per share are presented as the Group did not have any dilutive potential shares for the Q4 2018 and Q4 2017 periods.

**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 period reported on; and  
(b) Immediately preceding financial year.

	The Group		The Company	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	HK\$	HK\$	HK\$	HK\$
Net asset value per ordinary share based on issued share capital at the end of the year:	19.46	18.19	13.95	13.95
Number of ordinary shares in issue	32,327,400	32,327,400	32,327,400	32,327,400



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 period 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.

### 8.1 Revenue

In FY2018, the Group's overall revenue increased by HK\$199.4 million or 14.6%, from HK\$1,363.9 million in FY2017 to HK\$1,563.3 million in FY2018. A breakdown of the performance by the Group's 3 business segments is as follows:

Business Segment	(+/-) in HK\$	%	Comments
ODM/OEM	+227.5m	+20.1	The increase in revenue was mainly due to continuous orders placed by our core customers and the goods delivered as scheduled for this year.
Moulds and Tooling	-4.1m	-6.8	The revenue decrease in this year was mainly due to re-location of factory in the first half of the year.
Machine Sales	-24.0m	-14.1	Customer prudence with regard to capital expenditure investment resulted in lesser orders for our Machine Sales Segment.

*Increase/decrease in revenue by geographical segments for FY2018*

Region	(+/-) in HK\$	%	Comments
Asia	+187.2m	+15.9	Increase in revenue from Asia was mainly due to increased orders of our ODM/OEM business segment.
North America	+1.5m	+6.3	Increase in revenue from North America was mainly due to increased orders of our ODM/OEM business segment.
Europe	+10.7m	+6.6	Increase in revenue from Europe was mainly due to increased orders of our ODM/OEM business segment.

## 8.2 Gross profit and gross profit margin

In FY2018, the Group's gross profit increased by 18.23% or HK\$19.4 million, generating a gross profit margin of 8.0% (FY2017: 7.8%). The breakdown according to business segments is as follows:

Business Segment	(+/-) in HK\$	%	Comments
ODM/OEM	+25.7m	+41.9	The profit achieved resulted from increased in sales and continuing focus on productivity enhancement.
Moulds and Tooling	-1.2m	-8.0	Decrease in gross profit was due to the decreased sales for this segment.
Machine Sales	-5.1m	-16.8	Decrease in gross profit was due to the decreased sales for this segment.

## 8.3 Other gains and (other losses)

The Group's other gains and (other losses) increased by HK\$61.4 million or 274.6%, from HK\$22.4 million in FY2017 to HK\$83.8 million in FY2018, mainly due to gain on disposals of subsidiaries of HK\$138.4 million and offset by:

- allowance for trade and other receivables of HK\$35.6 million;
- provision for severance payments of HK\$ 35.8 million;
- write down of inventory of HK\$16.3 million; and
- increase in mould engineering income of HK\$ 14.1 million.

## 8.4 Selling and distribution expenses

The Group's selling and distribution expenses increased by HK\$7.8 million or 40.9%, from HK\$19.0 million in FY2017 to HK\$26.8 million in FY2018, mainly due to an increase of transportation and import & export fees, which in line with revenue growth.

## 8.5 Administrative expenses

The Group's administrative expenses increased by HK\$28.7 million or 35.3%, from HK\$81.1 million in FY2017 to HK\$109.8 million in FY2018, mainly due to the provision for impairment loss on property, plant and equipment and consultancy fee paid.

## 8.6 Finance Costs

Finance costs increased by HK\$2.8 million or 22.5%, from HK\$12.6 million in FY2017 to HK\$15.4 million in FY2018 mainly due to the overall increase in bank loans.

## 8.7 Income Tax Expenses

The income tax expenses increased of HK\$0.9 million or 23.2%, from HK\$3.8 million in FY2017 to HK\$4.7 million in FY2018 mainly due to the increased profit in the ODM/OEM business segment.

## Financial position as at 31 December 2018

### 8.8 Non-current assets

The Group's non-current assets stood at HK\$227.7 million, an increase of 8.7% or HK\$18.3 million, from HK\$209.4 million at 31 December 2017. This was due to total 4Q 2018 depreciation expenses being HK\$47.0 million, impairment being HK\$4.1 million, disposal of property, plant and equipment of HK\$3.1 million, and offset the increase in capital expenditure on property, plant and equipment of HK\$77.9 million.

### 8.9 Current assets

The Group's current assets stood at HK\$1,134.9 million, an increase of HK\$95.9 million or 9.2%, from HK\$1,039.0 million at 31 December 2017, mainly due to:

- a US\$10m (HKD 78.1m) capital protected short term bond program;
- an increase in bank and cash balances of HK\$16.8 million;
- an increase in inventories of HK\$65.7 million mainly due to inventory build up to meet increased orders;
- an increase in prepayments, deposits and other receivables of HK\$21.6 million mainly due to increase on purchase deposit paid for molds; and
- an increase in current tax assets of HK\$0.8 million.

which were offset by:

- a decrease in trade and bills receivables of HK\$43.6 million due to efforts made by sales representative in collecting past due debts, and the additional impairment of trade and other receivables after considering expected credit loss of customers, and
- a decrease in non-current assets held for sale of HK\$43.4 million.

### 8.10 Current liabilities

The Group's current liabilities stood at HK\$652.2 million decreased by HK\$5.6 million or 0.9%, from HK\$646.6 million at 31 December 2017, mainly due to:

- an increase in borrowings of HK\$46.7 million; and
- an increase in current tax liabilities of HK\$0.2 million.

which were offset by:

- a decrease in accruals and other payables of HK\$38.2 million mainly due to decreased amount of customer deposits received from Moulds & Tooling and Machine Sales business segments; and
- a decrease in trade and bills payables of HK\$3.1 million.

### 8.11 Non-current liabilities

The Group's non-current liabilities stood at HK\$70.2 million, an increase of 2500.0% or HK\$67.5 million, from HK\$2.7 million at 31 December 2017. This was due to the inception of new term loan of HK\$67.5 million.

## 8.12 Statement of Cash Flows for the year ended 31 December 2018

As at 31 December 2018, the Group's cash resources of HK\$89.9 million are considered adequate for current operational needs. The net increase in cash and cash equivalents of HK\$23.6 million held by the Group comprised:

- Net cash used in operating activities of HK\$117.3 million, due to higher utilization of working capital to meeting customers' delivery schedule;
- Net cash generated from investing activities of HK\$26.7million mainly due to proceeds from disposals of subsidiaries; and
- Net cash generated from financing activities of HK\$114.2 million, mainly due to the net advances of trust receipt and import loans, and inception of new term loans.

## 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 Group continued to reap value-accretive returns from our re-engineering efforts undertaken in the past two years. With continuing margin improvements while turnover increased in line with additional orders from our core customers, the Group is expected to have an uptrend with the ramping up of production in both our Indonesia and Cangwu PRC plants, for the OEM/ODM segment in particular.

Our Indonesia plant is operating well on schedule with the construction of Phase 3 on track to complete by mid-year and full capacity production before the end of FY2019. Our new plant in Cangwu commenced production in November 2018 with first delivery in Q1 2019. Our core customers, have been supportive by increasing their orders to match the production capacities at both plants.

Taking into account the favourable government policies which Combine Will enjoy, the Group expects to achieve further margin improvements.

The Group has also undertaken a strategic review on corporate structure and its lines of business. Focus will be to cease or divest less profitable business operating units and to concentrate on the more substantial and currently profitable business segment and new business initiative with solid growth potential.

Barring unforeseen circumstances, and with the abovementioned restructuring and streamlining exercise completed as scheduled, the Group expects to deliver another year of profit in FY2019.

**11. Dividend**

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

Any dividend recommended/declared for the current financial period reported on?

Yes.

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in Singapore cents)	5 cents per ordinary share
Tax Rate	Not applicable

**(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/recommendeded, a statement to that effect.**

Final dividend has been recommended for the current period reported on.

**13. If the group has obtained a general mandate from shareholders of 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 for the current period reported on.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**(a) Business segments**

	<b>FY2018</b>	<b>FY2017</b>	<b>Change</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>%</b>
<b>Revenue</b>			
ODM/OEM	1,360,543	1,133,049	20.1
Moulds and Tooling	55,867	59,948	(6.8)
Machine Sales	146,889	170,947	(14.1)
<b>Total</b>	<b>1,563,299</b>	<b>1,363,944</b>	<b>14.6</b>
<b>Segment results</b>			
ODM/OEM	42,649	28,657	48.8
Moulds and Tooling	39,098	2,456	1,491.9
Machine Sales	1,808	3,084	(41.4)
<b>Total</b>	<b>83,555</b>	<b>34,197</b>	<b>144.3</b>

**(b) Geographical segments**

Revenue of geographical segments of principal markets are analyzed by location of customers

	<b>FY2018</b>		<b>FY2017</b>		<b>Change</b>
	<b>HK\$'000</b>		<b>HK\$'000</b>		<b>%</b>
		<b>%</b>		<b>%</b>	
Asia	1,365,685	87.4	1,178,495	86.4	15.9
North America	24,891	1.6	23,420	1.7	6.3
Europe	172,723	11.0	162,029	11.9	6.6
<b>Total</b>	<b>1,563,299</b>	<b>100.0</b>	<b>1,363,944</b>	<b>100.0</b>	<b>14.6</b>

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to item 8 above.

**16. A breakdown of group sales.**

	FY2018 HK\$'000	FY2017 HK\$'000	Change %
(a) Sales reported for first half year	796,714	627,674	26.9
(b) Operating profit after tax before deducting minority interests reported for first half year	10,296	2,509	310.4
(c) Sales reported for second half year	766,585	736,270	4.1
(d) Operating profit after tax before deducting minority interests reported for second half year	42,459	9,572	343.6

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Total Annual Dividend

	FY2018 HK\$'000	FY2017 HK\$'000
<b>Ordinary</b>	-	-
<b>Preference</b>	N/A	N/A
<b>Total:</b>	-	-

**18. Interested Person Transactions ("IPTs")**

	Aggregate value of all interested person transaction during the year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transaction conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	HK\$'000	HK\$'000
	N/A	N/A

**19. Use of IPO Proceeds**

All IPO proceeds had been fully utilized in 2011.

**20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13)**

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company for the financial year ended 31 December 2018.

**21. Undertakings from Directors and Executive Officers under Rule 720(1)**

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 of the Listing Manual) under Rule 720(1).

**BY ORDER OF THE BOARD**

**Tam Jo Tak, Dominic  
Executive Chairman**

28 February 2019