

Financial Statement Announcement for the Third Quarter Ended 30 Sep 2017

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

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

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

(In Singapore dollars)	Jul - Sep 2017 \$'000	Jul - Sep 2016 \$'000	+ / (-) %	Jan - Sep 2017 \$'000	Jan - Sep 2016 \$'000	+ / (-) %
Revenue	188,146	172,478	9.1	537,505	500,338	7.4
Cost of sales	(161,198)	(148,038)	8.9	(457,012)	(431,087)	6.0
Gross Profit	26,948	24,440	10.3	80,493	69,251	16.2
Other items of income						
Interest income	79	131	(39.7)	250	387	(35.4)
Other income	1,029	3,162	(67.5)	3,489	6,807	(48.7)
Other items of expense						
Marketing and distribution	(3,726)	(3,781)	(1.5)	(11,300)	(10,643)	6.2
Administrative expenses	(9,790)	(9,611)	1.9	(29,729)	(29,844)	(0.4)
Other expenses	(3,878)	(777)	n.m.	(10,778)	(10,385)	3.8
Finance costs	(890)	(877)	1.5	(2,451)	(2,823)	(13.2)
Share of results of joint venture	305	244	25.0	691	724	(4.6)
Profit before tax	10,077	12,931	(22.1)	30,665	23,474	30.6
Income tax expense	(2,361)	(2,747)	(14.1)	(7,052)	(5,904)	19.4
Profit for the period	7,716	10,184	(24.2)	23,613	17,570	34.4
Profit attributable to:						
Owners of the Company	7,716	10,184	(24.2)	23,613	17,570	34.4

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

Profit net of tax	7,716	10,184	(24.2)	23,613	17,570	34.4
Other comprehensive income						
Foreign currency translation	1,360	(1,979)	n.m.	(4,299)	(15,627)	(72.5)
Share of foreign currency translation of joint venture	(20)	(87)	(77.0)	(247)	393	n.m.
Other comprehensive income for the period, net of tax	1,340	(2,066)	n.m.	(4,546)	(15,234)	(70.2)
Total comprehensive income for the period	9,056	8,118	11.6	19,067	2,336	n.m.
Attributable to:						
Owners of the Company	9,056	8,118	11.6	19,067	2,336	n.m.

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

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

	Jul - Sep 2017 \$'000	Jul - Sep 2016 \$'000	+ / (-) %	Jan - Sep 2017 \$'000	Jan - Sep 2016 \$'000	+ / (-) %
Depreciation of property, plant and equipment	(7,167)	(7,296)	(1.8)	(21,271)	(22,433)	(5.2)
Reversal of impairment on property, plant and equipment	-	12	n.m.	-	12	n.m.
Property, plant and equipment written off	(54)	(40)	36.0	(217)	(65)	n.m.
Gain/(loss) on disposal of property, plant and equipment	19	4	n.m.	381	(134)	n.m.
Write back/(allowance) for inventories obsolescence/foreseeable losses	131	(66)	n.m.	(947)	(177)	n.m.
Write-back for doubtful debts	13	92	(85.5)	31	64	(51.0)
Bad debts written-off	-	-	-	-	(6)	n.m.
Amortisation of intangible assets	(390)	(382)	2.0	(1,172)	(1,161)	0.9
Amortisation of onerous contract	84	82	2.5	251	249	0.8
Foreign exchange (loss)/gain	(3,101)	2,274	n.m.	(7,839)	510	n.m.

1(b)(i)

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

(In Singapore dollars)

As at	Group			Company		
	30.09.2017 \$'000	31.12.2016 \$'000	+ / (-) %	30.09.2017 \$'000	31.12.2016 \$'000	+ / (-) %
Non-current assets						
Property, plant and equipment	190,515	191,608	(0.6)	10,193	9,841	3.6
Intangible assets	16,002	17,444	(8.3)	-	-	-
Other investments	1,428	8	n.m.	-	-	-
Investment in subsidiaries	-	-	-	338,254	335,950	0.7
Investment in joint venture	5,574	5,269	5.8	-	-	-
Prepayments	260	301	(13.6)	260	301	(13.6)
Deferred tax assets	1,497	1,598	(6.3)	-	-	-
	215,276	216,228	(0.4)	348,707	346,092	0.8
Current assets						
Inventories	146,515	114,937	27.5	5,467	3,661	49.3
Prepayments	5,137	4,947	3.8	153	455	(66.4)
Trade and other receivables	197,588	197,145	0.2	72,824	84,192	(13.5)
Cash and short term deposits	111,009	115,255	(3.7)	4,348	7,824	(44.4)
	460,249	432,284	6.5	82,792	96,132	(13.9)
Less: Current liabilities						
Trade and other payables	204,150	183,871	11.0	77,889	80,578	(3.3)
Loans and borrowings	66,991	64,564	3.8	36,765	35,262	4.3
Tax payable	2,971	3,933	(24.5)	-	-	-
	274,112	252,368	8.6	114,654	115,840	(1.0)
Net current assets / (liabilities)	186,137	179,916	3.5	(31,862)	(19,708)	61.7
Less: Non-current liabilities						
Other liabilities	2,230	1,571	41.9	-	-	-
Loans and borrowings	36,193	35,194	2.8	22,597	29,827	(24.2)
Deferred tax liabilities	7,786	8,062	(3.4)	-	-	-
	46,209	44,827	3.1	22,597	29,827	(24.2)
Net assets	355,204	351,317	1.1	294,248	296,557	(0.8)
Equity attributable to owners of the Company						
Share capital	300,146	300,146	-	300,146	300,146	-
Reserves	55,058	51,171	7.6	(5,898)	(3,589)	64.3
Total equity	355,204	351,317	1.1	294,248	296,557	(0.8)

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30.09.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
1,641	65,350	1,673	62,891

Amount repayable after one year

As at 30.09.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
1	36,192	4	35,190

Details of any collateral

Collateral for secured borrowings is as follows:

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

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

Consolidated statement of cash flows for the third quarter ended 30 Sep 2017

(In Singapore dollars)	Jul - Sep 2017 \$'000	Jul - Sep 2016 \$'000	Jan - Sep 2017 \$'000	Jan - Sep 2016 \$'000
Cash flows from operating activities:				
Profit before tax	10,077	12,931	30,665	23,474
Adjustments for:				
Depreciation of property, plant and equipment	7,167	7,296	21,271	22,433
Reversal of impairment on property, plant and equipment	-	(12)	-	(12)
Property, plant and equipment written off	54	40	217	65
(Gain)/loss on disposal of property, plant and equipment	(19)	(4)	(381)	134
(Write back)/allowance for inventories obsolescence/foreseeable losses	(131)	66	947	177
Write-back for doubtful debts	(13)	(92)	(31)	(64)
Bad debts written-off	-	-	-	6
Amortisation of intangible assets	390	382	1,172	1,161
Amortisation of onerous contract	(84)	(82)	(251)	(249)
Share of results of joint venture	(305)	(244)	(691)	(724)
Provision for retrenchment costs	-	-	-	4,638
Employee share award expenses	269	231	805	691
Interest expense	890	877	2,451	2,823
Interest income	(79)	(131)	(250)	(387)
Currency realignment	1,140	(65)	1,163	(5,285)
Operating cashflows before changes in working capital	19,356	21,193	57,087	48,881
Increase in inventories	(7,733)	(10,450)	(32,525)	(5,847)
Decrease/(increase) in prepayments	161	1,134	(149)	(2,151)
Decrease/(increase) in trade and other receivables	16,833	(11,650)	(412)	(9,345)
(Decrease)/Increase in trade and other payables	(11,006)	27,949	19,754	24,567
Cash flows from operations	17,611	28,176	43,755	56,105
Interest paid	(890)	(877)	(2,451)	(2,823)
Interest received	79	131	250	387
Income tax paid	(2,287)	(2,213)	(7,845)	(4,676)
Retrenchment costs paid	-	-	-	(4,638)
Net cash from operating activities	14,513	25,217	33,709	44,355
Cash flows from investing activities:				
Purchase of property, plant and equipment	(7,400)	(13,917)	(25,014)	(28,568)
Net proceeds from disposal of property, plant and equipment	30	141	2,863	339
Net proceeds from disposal of other investment	-	-	1	-
Dividend income from joint venture	-	525	140	525
Purchase of other investments	(166)	-	(1,421)	-
Net cash used in investing activities	(7,536)	(13,251)	(23,431)	(27,704)
Cash flows from financing activities:				
Proceeds from loans and borrowings	161	25	15,430	7,525
Repayment of loans and borrowings	(4,433)	(6,270)	(11,283)	(20,913)
Dividends paid to shareholders	(4,702)	-	(15,985)	(9,335)
Net cash flows used in financing activities	(8,974)	(6,245)	(11,838)	(22,723)
Net (decrease)/increase in cash and cash equivalents	(1,997)	5,721	(1,560)	(6,072)
Cash and cash equivalents at beginning of period	110,649	100,078	113,024	114,811
Effects of exchange rate changes on opening cash and cash equivalent	(287)	(43)	(3,099)	(2,983)
Cash and cash equivalents at end of period	108,365	105,756	108,365	105,756

Note:

	30.09.2017	31.12.2016	30.09.2016	31.12.2015
Cash and cash at bank	111,009	115,255	110,446	121,113
Less: Bank overdraft	(1,007)	(562)	-	-
Less: Bank balances pledged	(1,637)	(1,669)	(4,690)	(6,302)
Cash and cash equivalents	108,365	113,024	105,756	114,811
	30.06.2017	30.06.2016		
Cash and cash at bank	113,220	105,997		
Less: Bank overdraft	(942)	-		
Less: Bank balances pledged	(1,629)	(5,919)		
Cash and cash equivalents	110,649	100,078		

1(d)(i)

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

Statement of Changes in Equity for third quarter ended 30 Sep 2017

(In Singapore dollars)

Group

	Attributable to owners of the Company				Total \$'000
	Share Capital \$'000	Retained Earnings \$'000	Foreign Currency Translation Reserve \$'000	Other Reserve \$'000	
Balance at 01.01.2016	299,350	33,423	(14,138)	11,971	330,606
Profit for the period	-	3,577	-	-	3,577
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(4,276)	(312)	(4,588)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	230	230
Transfer to statutory reserve	-	(107)	-	107	-
Balance at 31.03.2016	299,350	36,893	(18,414)	11,996	329,825
Profit for the period	-	3,809	-	-	3,809
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(8,204)	(376)	(8,580)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	230	230
Transfer to statutory reserve	-	(80)	-	80	-
Dividends paid	-	(9,335)	-	-	(9,335)
Balance at 30.06.2016	299,350	31,287	(26,618)	11,930	315,949
Profit for the period	-	10,184	-	-	10,184
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(2,066)	-	(2,066)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	231	231
Balance at 30.09.2016	299,350	41,471	(28,684)	12,161	324,298

(In Singapore dollars)

1(d)(i)
(Cont'd)

Group

	Attributable to owners of the Company				Total \$'000
	Share Capital \$'000	Retained Earnings \$'000	Foreign Currency Translation Reserve \$'000	Other Reserve \$'000	
Balance at 01.01.2017	300,146	61,927	(23,488)	12,732	351,317
Profit for the period	-	7,698	-	-	7,698
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(9,431)	(274)	(9,705)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	269	269
Transfer to statutory reserve	-	(138)	-	138	-
Balance at 31.03.2017	300,146	69,487	(32,919)	12,865	349,579
Profit for the period	-	8,199	-	-	8,199
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	3,740	79	3,819
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	267	267
Dividends paid	-	(11,283)	-	-	(11,283)
Balance at 30.06.2017	300,146	66,403	(29,179)	13,211	350,581
Profit for the period	-	7,716	-	-	7,716
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	1,219	121	1,340
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	269	269
Transfer to statutory reserve	-	(71)	-	71	-
Dividends paid	-	(4,702)	-	-	(4,702)
Balance at 30.09.2017	300,146	69,346	(27,960)	13,672	355,204

(In Singapore dollars)

Company	Attributable to owners of the Company			
	Share Capital	Retained Earnings	Other Reserve	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 01.01.2016	299,350	(9,451)	948	290,847
Loss for the period	-	(2,878)	-	(2,878)
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	230	230
Balance at 31.03.2016	299,350	(12,329)	1,178	288,199
Loss for the period	-	(631)	-	(631)
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	230	230
Dividends paid	-	(9,335)	-	(9,335)
Balance at 30.06.2016	299,350	(22,295)	1,408	278,463
Loss for the period	-	(1,474)	-	(1,474)
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	231	231
Balance at 30.09.2016	299,350	(23,769)	1,639	277,220
Balance at 01.01.2017	300,146	(4,651)	1,062	296,557
Profit for the period	-	4,354	-	4,354
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	269	269
Balance at 31.03.2017	300,146	(297)	1,331	301,180
Profit for the period	-	7,175	-	7,175
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	267	267
Dividends paid	-	(11,283)	-	(11,283)
Balance at 30.06.2017	300,146	(4,405)	1,598	297,339
Profit for the period	-	1,342	-	1,342
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	269	269
Dividends paid	-	(4,702)	-	(4,702)
Balance at 30.09.2017	300,146	(7,765)	1,867	294,248

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

Issued and fully paid	Ordinary Share
Balance as at 31.12.2016	188,055,336
Balance as at 30.09.2017	188,055,336

As at 30.09.2017, the share capital of the Company comprised 188,055,336 ordinary shares.

The number of shares that may be issued on conversion of share awards as at 30.09.2017 was 3,957,500 (31.12.2016: 3,957,500) shares.

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

The Company does not have treasury shares as at 30.09.2017 (31.12.2016 : nil)

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

There was no sales, transfers, disposal, cancellation and/or use of treasury shares as at 30.09.2017

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

The figures are not audited or reviewed.

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

Not applicable

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31.12.2016 as well as new and revised applicable standards which became effective for financial years beginning on or after 01.01.2017.

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

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

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

	Group		Group	
	3rd Qtr 17	3rd Qtr 16	9 mths ended 30.09.2017	9 mths ended 30.09.2016
Earnings per ordinary share (EPS) for the period based on net profit attributable to				
(a) on weighted average number of ordinary shares (cents)	4.10	5.45	12.56	9.41
(b) on a fully diluted basis (cents)	4.02	5.34	12.30	9.21

Earnings per ordinary share is calculated on the Group profit for the financial periods attributable to the shareholders of the Company divided by the weighted average number of ordinary share of 188,055,336 (3Q16 and 9 months ended 30.09.2016 : 186,705,736) for the 3rd quarter ended 30.09.2017 and 9 months ended 30.09.2017 respectively.

Earnings per ordinary share (diluted basis) is computed based on the same basis as earnings per share by applying the weighted average number of ordinary shares in issuance during the period under review and adjusted to include all potential dilutive ordinary shares up to 30.09.2017. The adjusted weighted average number of ordinary shares is 192,012,836 (3Q16 and 9 months ended 30.09.2016 : 190,674,836) for 3rd quarter ended 30.09.2017 and 9 months ended 30.09.2017.

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

	Group		Company	
	At 30.09.2017	At 31.12.2016	At 30.09.2017	At 31.12.2016
Net asset value per ordinary share				
Net asset value per ordinary share based on existing issued share capital as at the end of period (\$)	1.89	1.87	1.56	1.58

	Group		Company	
	At 30.09.2017	At 31.12.2016	At 30.09.2017	At 31.12.2016
Net tangible asset value per ordinary share				
Net tangible asset value per ordinary share based on existing issued share capital as at the end of period (\$)	1.80	1.78	1.56	1.58

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

CONSOLIDATED INCOME STATEMENT

July - September 2017 ("3Q17")

The Group's revenue increased 9.1% year-on-year ("yoy") from \$172.5 million for 3Q16 to \$188.1 million for 3Q17. The Group reported an increase in revenue from all business segments.

	Jul-Sep 2017 \$'000	Jul-Sep 2016 \$'000	Inc/(Dec) %
Automotive	63,213	61,687	2.5
Consumer/IT	76,922	72,811	5.6
Healthcare	12,050	11,344	6.2
	<u>35,961</u>	<u>26,636</u>	35.0
Mould Fabrication	<u>188,146</u>	<u>172,478</u>	9.1

Gross profit increased 10.3% yoy from \$24.4 million for 3Q16 to \$26.9 million for 3Q17. Correspondingly, the Group's gross profit margin improved marginally from 14.2% for 3Q16 to 14.3% for 3Q17.

The decrease in other income was due to a foreign exchange gain of \$2.3 million for 3Q16, while foreign exchange loss of \$3.1 million for 3Q17 was recorded.

The Group achieved a net profit of \$7.7 million for 3Q17 compared to \$10.2 million for 3Q16. Excluding foreign exchange loss/(gain) and retrenchment costs, net profit would have been \$10.9 million for 3Q17 and \$7.9 million for 3Q16, representing a 37.8% yoy increase.

	Jul-Sep 2017 \$'000	Jul-Sep 2016 \$'000	Inc/(Dec) %
Profit for the period reported	7,716	10,184	(24.2)
Adjustments :			
Foreign exchange loss/(gain)	3,101	(2,274)	n.m.
Retrenchment costs	86	-	n.m.
	<u>10,903</u>	<u>7,910</u>	37.8

CONSOLIDATED BALANCE SHEET

The Group's property, plant and equipment amounted to \$190.5 million as at 30 September 2017, compared to \$191.6 million as at 31 December 2016. Property, plant and equipment were stated net of depreciation charges of \$21.3 million (9M16: \$22.4 million), partially offset by currency realignment and the addition of \$26.4 million (9M16: \$28.7 million) in capital expenditure for machineries and buildings.

The increases in inventories, trade and other receivables and trade and other payables were in line with the increase in revenue.

The Group maintained a cash balance of \$111.0 million as at 30 September 2017 (31 December 2016: \$115.3 million). This resulted in a net cash position of \$7.8 million (31 December 2016: \$15.5 million) after accounting for loans and borrowings amounting to \$103.2 million (31 December 2016: \$99.8 million). The decrease in net cash was due to a foreign currency translation loss of \$3.1 million on the opening balance of cash and cash at bank, payment of capital expenditure of \$25.0 million (9M16: \$28.6 million) and payment of dividends amounting to \$16.0 million (9M16: \$9.3 million).

CONSOLIDATED CASHFLOW STATEMENT

July - September 2017 ("3Q17")

Net cash from operating activities was \$14.5 million for 3Q17, compared to \$25.2 million for 3Q16. Net cash used in investing activities was \$7.5 million for 3Q17 compared to \$13.3 million for 3Q16 due to payments for the purchase of property, plant and equipment and the purchase of other investments.

Net cash used in financing activities was \$9.0 million for 3Q17 mainly due to repayment of loans and the payment of an interim dividend. In comparison, net cash used in financing activities amounted to \$6.2 million for 3Q16 which was due to the repayment of 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

Business sentiment remains subdued. The overall economic landscape continues to present the Group with challenges across its global manufacturing operations. Foreign exchange rate volatility and rising labour costs persist while the Group continues to face pricing pressure from customers. Against this backdrop of uncertainty, the Group has focused its efforts on boosting productivity and enhancing operational efficiency in order to adopt a leaner business model. As a result, the Group has been able to demonstrate improvements in its operating margins. Additionally, the Group continues to focus on generating positive operating cash flows, contributing to balance sheet strength with a net cash position of S\$7.8 million as at 30 September 2017.

As an update, the construction of the Group's new manufacturing facility in Penang, Malaysia is ongoing and scheduled for completion by the end of the first quarter in 2018. With new project wins from both new and existing customers, the Group is also adding capacity at its latest manufacturing plant in Chuzhou, China. Going forward, the Group will continue its proactive approach to optimising resources across its manufacturing locations.

Leveraging on its global manufacturing footprint and world-class engineering capabilities, the Group's business development initiatives have yielded positive results. Through its efforts, the Group has continued to receive business enquiries to handle projects from both new and existing customers. This has led to a stable order book across the Group's Automotive, Healthcare, Consumer/IT, and Mould Fabrication segments.

While charting steady growth, the Group has continued to invest and sharpen its competitive edge by developing new engineering capabilities in order to remain at the forefront of technology. Backed by a resilient business model underpinned by strong fundamentals, the Group remains cautiously optimistic as it executes its strategy of building a sustainable and profitable business model for the long-term.

11 Dividend

(a) Current Financial Period Reported On

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

There is no IPTs for the period under review

BY ORDER OF THE BOARD

KHOO BOO HOR

Executive Director &

Chief Executive Officer

8 November 2017

14 CONFIRMATION BY THE BOARD

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

On behalf of the board of directors

KOH BOON HWEE

Non-Executive Chairman

KHOO BOO HOR

Executive Director &

Chief Executive Officer

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

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