PANTRONICS HOLDINGS LIMITED
桐成控股有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock Code: 1611)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2016

Financial Highlights

	For the year ended 30 September		
	2016	**2015**	**% Change**
	HK$'000	*HK$'000*	
Revenue	289,002	327,634	(11.8%)
Gross profit	69,149	68,068	1.6%
Gross profit margin	23.9%	20.8%	14.9%
Profit before tax (excluding listing expenses)	40,650	43,187	(5.9%)
Profit before tax	23,423	43,187	(45.8%)
Profit attributable to owners of the Company	14,664	33,208	(55.8%)
Basic and diluted earnings per share	HK cents 6.19	HK cents 14.01	(55.8%)
Net cash	34,774	23,373	48.8%
Total equity	30,973	77,675	(60.1%)

The board (the "Board") of directors (the "Director(s)") of Pantronics Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 30 September 2016 ("FY 2016") together with the comparative figures for the year ended 30 September 2015 ("FY 2015").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 30 September 2016

	Notes	**2016**	**2015**
		HK$'000	*HK$'000*
Revenue	4	289,002	327,634
Cost of sales		(219,853)	(259,566)
Gross profit		69,149	68,068
Other income	5	2,766	3,748
Interest income	6	75	2,720
Selling and distribution expenses		(7,763)	(8,986)
Administrative expenses		(22,312)	(21,598)
Restructuring credit	7	—	300
Finance costs	8	(1,265)	(1,065)
Listing expenses		(17,227)	—
Profit before income tax	9	23,423	43,187
Income tax expense	10	(8,759)	(9,979)
Profit for the year		14,664	33,208
Profit for the year attributable to owners of the Company		14,664	33,208

		2016	**2015**
		HK cents	*HK cents*
Earnings per share			
– Basic and diluted	12	6.19	14.01

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 30 September 2016

	2016	2015
	HK$'000	*HK$'000*
Profit for the year	14,664	33,208
Other comprehensive income		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences arising on the translation of financial statements of foreign operations	(2,865)	(2,459)
Other comprehensive income for the year, net of tax	(2,865)	(2,459)
Total comprehensive income for the year attributable to owners of the Company	11,799	30,749

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 September 2016	2015
		HK$'000	*HK$'000*
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		16,502	18,884
Prepaid land lease payments under operating leases		355	389
		16,857	19,273
Current assets			
Inventories		21,488	22,395
Trade and other receivables	13	62,869	69,874
Amounts due from fellow subsidiaries		247	127
Cash and bank balances		74,456	67,264
		159,060	159,660
Current liabilities			
Trade and other payables	14	59,582	44,153
Bank borrowings		39,682	43,891
Dividend payable	11	30,000	—
Amount due to the immediate holding company		1	—
Tax payable		14,379	12,314
		143,644	100,358
Net current assets		15,416	59,302
Total assets less current liabilities		32,273	78,575
Non-current liabilities			
Deferred tax liabilities		1,300	900
Net assets		30,973	77,675
EQUITY			
Share capital	15	—	1
Reserves		30,973	77,674
Total equity attributable to owners of the Company		30,973	77,675

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2016

1. GENERAL INFORMATION

Pantronics Holdings Limited (the "Company") was incorporated in the British Virgin Islands (the "BVI") as a limited liability company on 27 December 1990 and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange of Hong Kong") on 21 November 2016. The address of the Company's registered office is Newhaven Corporate Services (BVI) Limited, 3rd Floor, J&C Building, P.O. Box 362, Road Town, Tortola, the BVI and its principal place of business is Flat/RM 1603A, 16/F, Tower 2, Nina Tower, 8 Yeung Uk Road, Tsuen Wan, Hong Kong.

The Company is an investment holding company and its subsidiaries (collectively, referred to as the "Group") are principally engaged in the contract manufacturing, on electronic manufacturing services ("EMS") basis, of a wide range of power-related and electrical/electronic products. This business segment is the basis upon which the Group reports its primary segment information.

The immediate holding company of the Company is New Wave Capital Limited ("NWC"), a company incorporated in the BVI with limited liability. The Directors of the Company consider the ultimate holding company to be SNH Global Holdings Limited ("SNHGH"), a company incorporated in the BVI with limited liability. The ultimate controlling party is Mr. Hsu Simon Nai-cheng.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (the "Listing Rules").

The consolidated financial statements are presented in thousands of Hong Kong Dollars ("HK$'000"), unless otherwise stated.

2. ADOPTION OF NEW OR AMENDED HKFRSs

(a) Adoption of new or amended HKFRSs – effective from 1 October 2015

There are no new, revised or amendments to HKFRSs issued by HKICPA and applied by the Group for the first time during the year ended 30 September 2016.

(b) New or amended HKFRSs that have been issued but are not yet effective

The following new or amended HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group in the preparation of the financial statements.

Amendments to HKAS 1	Disclosure Initiative[1]
Amendments to HKAS 7	Disclosure Initiative[2]
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses[2]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[1]
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions[3]
Amendments to HKFRS 15	Clarifications to HKFRS 15 Revenue from Contracts with Customers[3]
HKFRS 9 (2014)	Financial Instruments[3]
HKFRS 15	Revenue from Contracts with Customers[3]
HKFRS 16	Leases[4]
HKFRSs (Amendments)	Annual Improvements 2012-2014 Cycle[1]

[1] Effective for annual periods beginning on or after 1 January 2016
[2] Effective for annual periods beginning on or after 1 January 2017
[3] Effective for annual periods beginning on or after 1 January 2018
[4] Effective for annual periods beginning on or after 1 January 2019

Amendments to HKAS 1 - Disclosure Initiative

The amendments are designed to encourage entities to use judgement in the application of HKAS 1 when considering the layout and content of their financial statements.

Amendments to HKAS 27 - Equity Method in Separate Financial Statements

The amendments allow an entity to apply the equity method in accounting for its investments in subsidiaries, joint ventures and associates in its separate financial statements.

HKFRS 9 (2014) - Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flow (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income ("FVTOCI") if the objective of the entity's business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss ("FVTPL").

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

Amendments to HKFRS 15 - Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 "Revenue", HKAS 11 "Construction Contracts" and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specially, HKFRS 15 introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added to HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

HKFRS 16 – Leases

HKFRS 16 supersedes HKAS 17 "Leases", HK(IFRIC)-Int 4 "Determining whether an Arrangement contains a Lease", HK(SIC)-Int 15 "Operating Lease-Incentives" and HK(SIC)-Int 27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease".

HKFRS 16 eliminates the classification by a lessee of leases as either operating or finance. Instead all leases are treated in a similar way to finance leases in accordance with HKAS 17 "Leases". Under HKFRS 16, leases are recorded on the statement of financial position by recognising a liability for the present value of its obligation to make future lease payments with an asset (comprised of the amount of lease liability plus certain other amounts) either being disclosed separately in the statement of financial position (within right-of-use assets) or together with property, plant and equipment. The most significant effect of the new requirements will be an increase in recognised lease assets and financial liabilities.

There are some exemptions. HKFRS 16 contains options which do not require a lessee to recognise assets and liabilities for (a) short term leases (i.e. lease of 12 months or less, including the effect of any extension options) and (b) leases of low value assets (for example, a lease of a personal computer).

HKFRS 16 substantially carries forward the lessor's accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. In classifying a sublease, an intermediate lessor shall classify the sublease as a finance lease or an operating lease as follows: (a) if the head lease is a short-term lease that the entity, as a lessee, the sublease shall be reclassified as an operating lease; (b) otherwise, the sublease shall be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset.

HKFRS 16 clarifies that a lessee separates lease components and service components of a contract, and applies the lease accounting requirements only to the lease components.

The Group is in the process of making an assessment of the potential impact of these new pronouncements. The Directors so far concluded that the application of these new pronouncements is unlikely to have a significant impact on the Group's results and financial position upon application.

(c) New Hong Kong Companies Ordinance provisions relating to the preparation of financial statements

The provisions of the new Hong Kong Companies Ordinance, Cap. 622, in relation to the preparation of financial statements apply to the Company in this financial year.

The disclosure requirements set out in the Listing Rules regarding annual financial statements have been amended with reference to the new Hong Kong Companies Ordinance, Cap. 622. Accordingly, the presentation and disclosure of information in the consolidated financial statements for the financial year ended 30 September 2016 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 30 September 2015 are presented or disclosed in the consolidated financial statements based on the new requirements.

3. SEGMENT INFORMATION

The Group has determined its operating segments and prepared segmental information based on regular internal financial information reported to the chief operating decision-makers, i.e. the executive Directors of the Company, who are responsible for making strategic decisions. Since management regards the Group's business as a single operating segment, no further operating segment analysis thereof is presented. The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources and have determined the operating segments based on these reports. Management assesses the performance of this single segment based on a measure of revenue and operating result before income tax.

A measure of total assets for this single segment is the total assets on the consolidated statement of financial position. A measure of total liabilities for this single segment is the total liabilities on the consolidated statement of financial position.

Geographical information

The Group's operations are mainly located in Mainland China, Hong Kong, the United Kingdom (the "UK") and the United States of America (the "USA"). The following provides an analysis of the Group's revenue by geographical market, irrespective of the origin of the goods:

	2016	2015
	HK$'000	*HK$'000*
The People's Republic of China (the "PRC")		
– Mainland China	24,138	31,384
– Hong Kong (place of domicile)	2,992	4,514
USA	156,902	185,719
UK	30,690	29,736
Rest of Europe	29,229	33,987
Japan	26,506	26,185
Others	18,545	16,109
	289,002	327,634

The revenue information above is based on the location of the customers.

"Others" above, represents sales to various countries which, individually represent less than 10% of the total revenue of the Group.

Revenue from major customers, each of them accounting for 10% or more of the Group's revenue for the year, is set out below:

	2016	2015
	HK$'000	*HK$'000*
Customer A	92,590	123,714
Customer B	47,253	53,038

The following is an analysis of the carrying amount of non-current assets analysed by the geographical areas in which the assets are located:

	2016	2015
	HK$'000	*HK$'000*
Hong Kong	1,191	1,346
Mainland China	15,660	17,918
Others	6	9
	16,857	19,273

4. REVENUE

Revenue, which is also the Group's turnover, represents the total invoiced value of goods supplied less discounts and returns.

5. OTHER INCOME

	2016	2015
	HK$'000	*HK$'000*
Sundry income	2,766	3,748

6. INTEREST INCOME

	2016	2015
	HK$'000	*HK$'000*
Interest earned on bank deposits and balances	75	213
Interest earned on loan to the immediate holding company	—	1,970
Interest earned on shareholder loan	—	537
	75	2,720

7. RESTRUCTURING CREDIT

	2016	2015
	HK$'000	*HK$'000*
Restructuring credit	—	300

The restructuring credit related to the reversal of retrenchment and relocation costs of certain sourcing operations in Mainland China which, in the opinion of the Company's Directors, were no longer required and were reversed in the year ended 30 September 2015.

8. FINANCE COSTS

	2016	2015
	HK$'000	*HK$'000*
Interest on bank borrowings	1,265	1,065

9. PROFIT BEFORE INCOME TAX

	2016	2015
	HK$'000	*HK$'000*
Profit before income tax is arrived at after charging/(crediting):		
Amortisation of prepaid land lease payments under operating leases	34	53
Auditors' remuneration	446	412
Cost of inventories recognised as expenses	219,853	259,566
Depreciation of property, plant and equipment	2,204	1,972
Exchange gains, net	(940)	(527)
Reversal of impairment loss on inventories	(517)	(828)
Minimum lease payments in respect of rented premises	4,367	3,785
(Reversal of impairment loss)/impairment loss on trade receivables	(725)	23
Employee benefit expenses	63,275	66,112

10. INCOME TAX EXPENSE

Income tax expense for the year comprises:

	2016	2015
	HK$'000	*HK$'000*
Current income tax – Hong Kong:		
Provision for the year	3,521	3,902
Current income tax – Overseas:		
Provision for the year:		
Mainland China	4,825	5,142
USA	13	35
	4,838	5,177
Deferred tax	400	900
Income tax expense	8,759	9,979

Notes:

(a) Hong Kong profits tax is calculated at the rate of 16.5% (2015: 16.5%) on the estimated assessable profits for the year.

A subsidiary of the Group received an enquiry for information from the Hong Kong Inland Revenue Department ("IRD") in April 2015 due to a tax audit by IRD on that subsidiary's profits tax affairs and received assessments for Hong Kong profits tax for prior years in March 2015 and February 2016. The Group has subsequently objected to the assessment made. The Directors believe that the tax audit/enquiry is at its early stages and it is not practical, at this stage, to estimate the potential financial impact that this may have on the Group, if any.

Taxation arising in other jurisdictions is provided on the estimated taxable profits arising in those jurisdictions at the prevailing local rates.

(b) The reconciliation between income tax expense and accounting profit at applicable tax rates is as follows:

	2016	**2015**
	HK$'000	*HK$'000*
Profit before income tax	23,423	43,187
Tax thereon at domestic rates applicable to profits or losses in the jurisdictions concerned	5,501	8,687
Tax effect of non-deductible expenses	3,061	11
Tax effect of non-taxable income	(209)	(167)
Utilisation of tax losses not previously recognised	—	(2)
Withholding tax on dividends	—	547
Tax effect of temporary differences arising from withholding tax on undistributed profits	400	900
Others	6	3
Income tax expense	8,759	9,979

(c) The PRC corporate income tax is computed according to relevant laws and regulations in Mainland China. The income tax rate is 25% (2015: 25%) for the year.

During the year ended 30 September 2015, dividends attributable to post 1 January 2008 earnings were remitted to Pantene Industrial Co. Limited ("Pantene Industrial") from its wholly owned PRC-based subsidiary, Shenzhen Pantai Electronic Co., Ltd. ("Shenzhen Pantai"). The transaction gave rise to withholding tax of HK$547,000, based on 5% of the earnings remitted.

(d) The Company has decided that, as it is probable that Shenzhen Pantai will continue to distribute earnings in the foreseeable future, a deferred tax provision of HK$1,300,000 (2015: HK$900,000) has been established in relation to withholding tax based on 5% of post 1 January 2008 unremitted earnings.

11. DIVIDENDS

A first and final dividend of HK$20,000,000 (HK$100,000 per ordinary share) relating to the year ended 30 September 2014 was paid on 15 December 2014.

A first interim dividend in relation to the year ended 30 September 2015 of HK$15,602,000 (HK$78,010 per ordinary share) was paid on 18 June 2015.

A second interim dividend in relation to the year ended 30 September 2015 of HK$6,000,000 (HK$30,000 per ordinary share) was paid on 11 August 2015.

A third interim dividend in relation to the year ended 30 September 2015 of HK$32,992,000 (HK$164,968 per ordinary share) was paid in two tranches, one of HK$20,000,000 on 23 September 2015 and the remaining HK$12,992,000 on 29 September 2015.

A fourth interim dividend in relation to the year ended 30 September 2015 of HK$4,000,000 (HK$20,000 per ordinary share) was paid on 30 September 2015.

A final dividend of HK$8,500,000 (HK$42,500 per ordinary share) in relation to the year ended 30 September 2015 was declared. The dividend has been distributed to the Company's immediate parent undertaking, NWC, as follows: HK$1,500,000 on 6 October 2015; HK$4,000,000 on 12 October 2015 and; the balance of HK$3,000,000 on 4 December 2015.

On 14 December 2015, the Company declared an interim dividend in relation to the year ended 30 September 2016 of HK$50,000,000 (HK$250,000 per ordinary share), of which HK$20,000,000 was paid on 16 December 2015, the remaining HK$30,000,000 declared to be paid was later rescinded by the Board of Directors on 29 January 2016.

On 15 April 2016, the Company declared a second interim dividend in relation to the year ended 30 September 2016 of HK$30,000,000 (HK$150 per ordinary share) which was paid on 28 October 2016. This dividend has been recognised as a liability at 30 September 2016.

The Board does not recommend the payment of a final dividend for the year ended 30 September 2016.

12. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares deemed to be in issue during the relevant years.

	2016	2015
	HK$'000	*HK$'000*
Profit attributable to owners of the Company	14,664	33,208
Weighted average number of ordinary shares for the purpose of basic earnings per share (note (i))	237,000,000	237,000,000
	HK cents	**HK cents**
Basic earnings per share	6.19	14.01

Note:

(i) The weighted average of 237,000,000 ordinary shares used in the calculation of basic earnings per share for the year ended 30 September 2015 comprising: (i) 200 ordinary shares of the Company in issue as at 30 September 2015; (ii) 200,000 ordinary shares of the Company to be issued and allotted to the immediate holding company, NWC, at par value of HK$0.001 each and the 200 ordinary shares at par value of US$1 each in the Company originally held by NWC to be repurchased by the Company and cancelled, pursuant to the shareholder's resolution dated 15 January 2016 (note 15(ii)); and (iii) 236,800,000 ordinary shares to be issued and allotted to NWC for cash at par value of HK$0.001 each pursuant to the shareholder's resolution dated 17 November 2016 (note 15(vi)) as if these issues had occurred at 1 October 2014, the beginning of the earliest period reported.

The weighted average of 237,000,000 ordinary shares used in the calculation of basic earnings per share for the year ended 30 September 2016 comprising: (i) 200,000 ordinary shares of the Company in issue as at 30 September 2016; and (ii) 236,800,000 ordinary shares to be issued and allotted to NWC for cash at par value of HK$0.001 each pursuant to the shareholder's resolution dated 17 November 2016 (note 15(vi)) as if the issue had occurred at 1 October 2015, the beginning of the reporting period.

Diluted earnings per share

There were no potential dilutive ordinary shares outstanding during the years ended 30 September 2016 and 2015, and hence the diluted earnings per share is the same as basic earnings per share.

13. TRADE AND OTHER RECEIVABLES

	2016	2015
	HK$'000	*HK$'000*
Trade receivables	52,882	66,607
Less: impairment provisions	—	(817)
Trade receivables – net	52,882	65,790
Prepayments and other receivables	9,987	4,084
	62,869	69,874

The Group operates an asset-backed lending facility based on certain of its trade receivables. The discounting transactions do not meet the requirements in HKAS 39 for de-recognition of financial assets as the Group retains substantially all of the risks and rewards of ownership of the discounted trade receivables. At 30 September 2016, trade receivables of HK$56,034,000 (2015: HK$70,735,000) continue to be recognised in the consolidated statement of financial position even though they have been legally transferred to the financial institutions. The proceeds of the discounting transactions are included in borrowings as asset-backed financing until the trade receivables are collected or the Group settles any losses suffered by the financial institutions. At 30 September 2016, the asset-backed lending liabilities amounted to HK$32,889,000 (2015: HK$34,061,000).

At the reporting date, the aged analysis of trade receivables, based on invoice date, is as follows:

	2016	2015
	HK$'000	*HK$'000*
0 - 60 days	37,749	44,385
61 – 90 days	9,011	9,865
91 - 120 days	5,293	7,297
More than 120 days	829	5,060
	52,882	66,607

Trade receivables that were neither past due nor impaired related to a large number of customers for whom there has been no recent history of default.

The Group allows credit periods ranging from 30 to 120 days (2015: 30 to 120 days) to its customers depending on their credit status and geographical location during the year. The Directors of the Company consider that the carrying amounts of trade and other receivables approximate to their fair values.

Movements in the provision for impairment of trade receivables are as follows:

	2016	**2015**
	HK$'000	*HK$'000*
At 1 October	817	1,035
(Impairment losses reversed)/impairment losses	(725)	23
Uncollectible amounts written off	(92)	(241)
At 30 September	—	817

The Group has provided in full against those receivables where evidence suggests that the amounts outstanding are not recoverable.

The aged analysis of the Group's trade receivables, based on due date, that were past due as at the reporting date but not impaired, is as follows:

	2016	**2015**
	HK$'000	*HK$'000*
Neither past due nor impaired	51,779	31,935
0 - 60 days past due	1,085	22,585
61 - 90 days past due	16	7,272
91 - 120 days past due	2	3,998
	1,103	33,855
	52,882	65,790

Trade receivables that are past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the Directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality.

14. TRADE AND OTHER PAYABLES

	2016	**2015**
	HK$'000	*HK$'000*
Trade payables (note (i))	31,470	27,579
Other payables and accruals (note (ii))	28,112	16,574
	59,582	44,153

Notes:

(i) At the reporting date, the aged analysis of trade payables, based on invoice date, is as follows:

	2016	2015
	HK$'000	*HK$'000*
0 - 60 days	22,899	20,065
61- 90 days	5,438	5,508
Greater than 90 days	3,133	2,006
	31,470	27,579

The Directors of the Company consider that the carrying amounts of trade and other payables approximate to their fair values.

(ii) Included in other payables as at 30 September 2016 are receipts in advance of HK$1,214,000 (2015: HK$nil) from the immediate holding company, NWC, in relation to its share of listing expenses incurred.

15. SHARE CAPITAL

	Number of ordinary shares of US$1 each	Amount US$	Number of ordinary shares of HK$0.001 each	Amount HK$	Amount HK$
Authorised:					
At 1 October 2014 and 30 September 2015	50,000	50,000	—	—	
Increase in authorised share capital (note (i))	—	—	50,000,000	50,000	
Reduction of authorised share capital (note (iii))	(50,000)	(50,000)	–	–	
Increase in authorised share capital (note (iv))	—	—	450,000,000	450,000	
At 30 September 2016	—	—	500,000,000	500,000	
Issued and fully paid:					
At 1 October 2014 and 30 September 2015	200	200	—	—	1,560
Repurchase of shares (note (ii))	(200)	(200)	—	—	(1,560)
Issue of shares on 15 January 2016 (note (ii))	—	—	200,000	200	200
At 30 September 2016	—	—	200,000	200	200

Notes:

(i) Pursuant to the shareholder's resolution dated 15 January 2016, the Company's authorised share capital was increased from 50,000 ordinary shares at par value of US$1 each to 50,000 ordinary shares at par value of US$1 each and 50,000,000 ordinary shares at par value of HK$0.001 each.

(ii) On 15 January 2016, 200,000 ordinary shares were issued and allotted to the immediate holding company, NWC, at par value of HK$0.001 each and the 200 ordinary shares at par value of US$1 each in the Company originally held by NWC were repurchased by the Company and cancelled (the "Repurchase of Shares").

(iii) Upon the Repurchase of Shares, the Company reduced its authorised but unissued shares by the cancellation of 50,000 ordinary shares at par value of US$1 each.

(iv) Pursuant to the shareholder's resolution dated 29 March 2016, the Company's maximum authorised share capital was increased from 50,000,000 ordinary shares at par value of HK$0.001 each to 500,000,000 ordinary shares at par value of HK$0.001 each.

(v) All the shares issued during the reporting period ranked pari passu in all respects with the then existing shares in issue.

Subsequent to the reporting date, pursuant to the shareholder's resolution dated 17 November 2016, 236,800,000 ordinary shares were issued and allotted to the immediate holding company, NWC, for cash at par value of HK$0.001 each, thus bringing the total of shares issued to NWC to 237,000,000 ordinary shares of HK$0.001 each.

On 21 November 2016, pursuant to the shareholder's resolution dated 17 November 2016, 63,000,000 ordinary shares ("New Shares") of par value HK$0.001 each, were issued at a price of HK$1.50 per share and allotted by way of public offer and placing on the Stock Exchange of Hong Kong. In addition to the 63,000,000 New Shares above, NWC placed an additional 27,000,000 ordinary shares ("Sale Shares") of par value HK$0.001 each at a price of HK$1.50 per share. In summary, 90,000,000 ordinary shares, comprising 63,000,000 New Shares and 27,000,000 Sale Shares, representing 30% of the Company's issued and fully paid share capital were offered by way of public offer (27,000,000 New Shares) and placing (63,000,000 shares comprising 36,000,000 New Shares and 27,000,000 Sale Shares) on the Stock Exchange of Hong Kong. Dealings in the New Shares and Sale Shares on the Stock Exchange of Hong Kong commenced on 21 November 2016.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

The Group has experienced a 11.8% reduction in revenue in FY 2016, primarily due to the continued economic slow-down in Europe and the US. The weak global growth and political uncertainty in both Europe and the US has had a direct adverse impact on the Group's top line growth.

Despite reduced revenues and intense price competition, the Group has increased both its gross profit and gross profit margins in FY 2016 as reduced raw material costs, predominantly copper, relatively stable labour costs and improvements in operational efficiencies, have contributed to the strong gross margin contribution.

The Group has faced many challenges in FY 2016 including temporary labour shortages around the Chinese New Year period and continued pressures form certain customers to reduce sales prices. However, it has been highly successful in managing its business operations during FY 2016.

During FY 2016, the Group has continued to develop new products and adapt to technological advancements and changes in the market environment. Research and development into an electronic hook has resulted in a Chinese patent and the Group is looking to expand its patent coverage in its major markets in the forthcoming year.

Excluding the impact of HK$17.2 million of one-time listing expenses incurred in FY 2016 and the FY 2015 non-recurring interest receivable of HK$2.5 million, the adjusted profit before tax in FY 2016 of HK$40.7 million is comparable with that in FY 2015 of HK$40.7 million. Given the economic climate, this is a positive result for the Group.

The Group has also seen a strong cash generation in FY 2016 as its net cash has improved by HK$11.4 million from HK$23.4 million as at 30 September 2015 to HK$34.8 million as at 30 September 2016. This represents cash generation of HK$39.9 million before taking into account the HK$28.5 million dividend payments in FY 2016.

FINANCIAL REVIEW

Revenue

The Group's revenue, decreased by HK$38.6 million or 11.8% from HK$327.6 million in the year ended 30 September 2015 to HK$289.0 million in the year ended 30 September 2016, primarily due to the continued economic slowdown in Europe and the US. Specifically, solenoid coil revenue, the Group's largest revenue stream, decreased by 25.4% while sales to its largest customer suffered a 25.2% decline. At the same time, the Group witnessed a 19.5% increase in its LED lighting sales.

Cost of sales

Cost of sales, primarily comprising direct materials, direct labour and manufacturing overheads, amounted to HK$219.9 million and HK$259.6 million for the years ended 30 September 2016 and 30 September 2015, respectively. This represents 76.1% and 79.2% of revenue for the years ended 30 September 2016 and 30 September 2015, respectively. While the cost of sales has moved in line with revenue, lower raw material costs and relatively stable labour rates have also contributed to the decreased costs.

Gross profit and gross profit margin

The Group's gross profit was HK$69.1 million and HK$68.1 million, representing a gross profit margin of 23.9% and 20.8% for the years ended 30 September 2016 and 30 September 2015, respectively.

Despite reduced sales in the year, the gross profit increased by HK$1.1 million and the gross profit margin increased to 23.9%. This reflects the combination of lower raw material costs, predominantly copper costs, coupled with unchanged minimum labour rates when compared to the prior year. Additionally, the Group benefited from reduced sales of lower margin sales into Europe.

Other income

Other income, which includes certification and inspection fees, sample sales and rework costs recharged to customers, decreased by HK$1.0 million in the year ended 30 September 2016. This is in line with the reduced sales activity that the Group has witnessed during FY 2016.

Interest income

Interest income decreased by HK$2.6 million from HK$2.7 million in the year ended 30 September 2015 to HK$0.1 million in the year ended 30 September 2016. The prior year included interest of HK$2.5 million in relation to immediate parent undertaking loans and shareholder loans which were repaid during the year ended 30 September 2015.

Selling and distribution expenses

Selling and distribution expenses decreased by HK$1.2 million or 13.6% from HK$9.0 million in the year ended 30 September 2015 to HK$7.8 million in the year ended 30 September 2016. The decrease was primarily due to decreased sales levels.

Administrative expenses

Administrative expenses increased by HK$0.7 million or 3.3% from HK$21.6 million in the year ended 30 September 2015 to HK$22.3 million in the year ended 30 September 2016. This marginal increase includes increases in staff salaries, allowances and welfare costs as well as increases in head office rentals.

Finance costs

Finance costs increased by HK$0.2 million from HK$1.1 million in the year ended 30 September 2015 to HK$1.3 million in the year ended 30 September 2016. This was primarily attributable to increased average borrowing levels during the year ended 30 September 2016.

Listing expenses

The Group has incurred listing expenses of approximately HK$17.2 million in the year ended 30 September 2016 in relation to the Group's listing (the "Listing") on the Stock Exchange of Hong Kong on 21 November 2016 (the "Listing Date").

Profit before tax

The Group's profit before tax has decreased by HK$19.8 million or 45.8% from HK$43.2 million for the year ended 30 September 2015 to HK$23.4 million in the year ended 30 September 2016. Excluding the impact of the HK$17.2 million listing expenses incurred in FY 2016 and the non-recurring interest receivable of HK$2.5 million received in FY 2015, the adjusted profit before tax in both years would have been HK$40.7 million.

Income tax expense

Our income tax expense decreased by HK$1.2 million or 12.2% from HK$10.0 million in the year ended 30 September 2015 to HK$8.8 million in the year ended 30 September 2016. The effective tax rates for the years ended 30 September 2016 and 2015 were 37.4% and 23.1%, respectively. Excluding the impact of HK$17.2 million of listing expenses which have been treated as non-tax deductible, the effective tax rate for the year ended 30 September 2016 was 21.5%.

Profit for the year

Our net profit decreased by HK$18.5 million or 55.8% from HK$33.2 million in the year ended 30 September 2015 to HK$14.7 million in the year ended 30 September 2016. Excluding the impact of the HK$17.2 million listing expenses in FY 2016, the net profit would have been HK$31.9 million, HK$1.3 million or 4.0% lower than that for the year ended 30 September 2015. Despite reduced revenues, the Group has benefited from lower raw material costs and stable labour rates, which has ensured that its underlying profitability has not been eroded.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

We finance our operations primarily through cash generated from our operating activities and bank borrowings. The Group's net cash as at 30 September 2016, together with the prior year comparatives, is summarised below:

	2016	**2015**
	HK$'000	*HK$'000*
Cash and bank balances	74,456	67,264
Less: interest-bearing bank borrowings	(39,682)	(43,891)
Net cash	34,774	23,373

The working capital position of the Group remains healthy and we expect that our liquidity position will be further strengthened by using a combination of cash generated from operating activities, bank borrowings and net proceeds received from the share offer. Going forward, we expect to use our resources for our operations and the expansion plans as stated in the prospectus of the Company dated 9 November 2016 (the "Prospectus").

CASH FLOW FROM OPERATING ACTIVITIES

Net cash generated from operating activities was HK$43.8 million (2015 – HK$28.7 million). Contributing to the increased FY 2016 net cash inflow were decreases in working capital of HK$24.5 million in FY 2016, compared to HK$4.5 million in FY 2015 and the non-occurrence in FY 2016 of HK$13.4 million decrease in the amount due to the immediate holding company, offset by a lower level of operating profit.

CASH FLOW FROM INVESTING ACTIVITIES

Net cash used in investing activities was HK$0.6 million in FY 2016 compared to HK$76.3 million generated from investing activities in FY 2015. The FY 2015 cash generation included a HK$43.8 million repayment of loans from the immediate parent undertaking, a HK$31.0 million shareholder loan repayment and capital expenditure of HK$2.3 million. The FY 2016 outflow included HK$0.6 million of capital expenditure.

CASH FLOW FROM FINANCING ACTIVITIES

Net cash used in financing activities was HK$34.0 million in FY 2016 compared to HK$76.2 million in FY 2015. The FY 2016 outflow included HK$28.5 million of dividend payments and HK$4.2 million of bank borrowing repayments. The FY 2015 outflow included HK$78.6 million of dividend payments off-set by a HK$3.5 million increase in bank borrowings.

CAPITAL EXPENDITURE

Capital expenditure in FY 2016, financed by internal resources and banking facilities, amounted to HK$0.6 million (2015 – HK$2.3 million).

TREASURY MANAGEMENT

During FY 2016, there has been no material change in the Group's funding and treasury policies. The Group had a sufficient level of cash and banking facilities for the conduct if its trade in the normal course of business.

We closely review our trade receivable balances and any overdue balances on an ongoing basis and only trade with creditworthy parties. To manage liquidity risk, we closely monitor the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

For exchange risk management, the Group's foreign currency risk is mainly concentrated on the fluctuation of the US$ against the RMB. While the Group has no formal hedging policy, it seeks to manage its foreign currency exposures by constructing natural hedges as well as entering into certain forward foreign exchange contracts to minimise any currency risks, when necessary.

MAJOR CUSTOMERS AND MAJOR SUPPLIERS

For FY 2016, sales to the largest customer and the five largest customers accounted for 32.0% and 76.5%, respectively, of total sales for FY 2016.

Purchases from the largest supplier and the five largest suppliers accounted for 16.9% and 34.8%, respectively, of total purchases for FY 2016.

As far as the Directors are aware, none of the Directors of the Company, their associates, or any shareholder has any interest in the customers or suppliers of the Company disclosed above.

CHARGE ON GROUP ASSETS

As at 30 September 2016, the banking facilities of the Company's wholly owned subsidiaries based in Hong Kong and the PRC, amounted to approximately HK$108.6 million, comprising overdraft, confidential invoicing and import loans. The facilities are secured against certain keyman insurance and debentures over all of the assets of Pantene Industrial. As at 30 September 2016, the amount drawn down under the confidential invoice facility was HK$32.9 million and the import loans facility was HK$6.8 million.

As at 30 September 2015, the banking facilities of the Company's wholly owned subsidiaries based in Hong Kong and the PRC, amounted to approximately HK$109.8 million, comprising overdraft, confidential invoicing and import loans. The facilities were secured against certain keyman insurance and debentures over all of the assets of Pantene Industrial and guarantees from the Company and its immediate and ultimate holding companies, collectively the corporate guarantees. As at 30 September 2015, the amount drawn down under the confidential invoice facility was HK$34.1 million and the import loans facility was HK$9.8 million. The corporate guarantees in respect of import loans and confidential invoicing were subsequently released on 11 November 2015 and 17 December 2015, respectively.

CONTINGENT LIABILITIES

As at 30 September 2016, the Group did not have any significant contingent liabilities (2015 – Nil).

COMMITMENTS

Our contract commitments include minimum lease payments under non-cancellable operating leases in respect of rented premises of approximately HK$ 6.2 million (2015 – HK$4.6 million).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

In preparation for the Listing, the Company underwent a corporate reorganisation, the details of which are set out in the section headed "History, Reorganisation and Group Structure" of the Prospectus.

Save as disclosed herein, there has been no significant investment, material acquisition or disposal of subsidiaries and associated companies by the Company during the year ended 30 September 2016.

EMPLOYEES

As at 30 September 2016, the Group had 776 employees (30 September 2015 – 871) working in Hong Kong, the PRC and the USA. The reduction in the year reflects the reduction in sales revenues. Employees are remunerated according to their performance and work experience. The Group has also adopted certain bonus programmes, which are determined annually based on certain criteria including performance of the Company and individual employees. The total employment costs (including remuneration of the Directors and mandatory provident fund contributions) for the year ended 30 September 2016 amounted to approximately HK$63.3 million (30 September 2015 – HK$66.1 million).

USE OF PROCEEDS FROM THE SHARE OFFER

Our Company was successfully listed on the Main Board on 21 November 2016 under the share offer (the "Share Offer") in connection with 63,000,000 new shares of the Company ("New Shares") and 27,000,000 sale shares of the Company ("Sale Shares"). The net proceeds from the Share Offer were approximately HK$63.6 million, after deducting the listing-related expenses.

In line with disclosures in the Prospectus, the Company intends to use the proceeds as follows:

(a) approximately HK$62.0 million (or approximately 97.5% of our total net proceeds) will be used for streamlining and modernising our production process as well as the re-location of production facilities from the Songgang factory to a self-contained leasehold manufacturing facility in the Shenzhen area of which:

  (i) approximately HK$29.4 million (or approximately 46.2% of our total net proceeds) will be used to purchase new machines and equipment for the installation of new production lines, including injection moulding machines, auto-wiring machines and SMT machines;

  (ii) approximately HK$15.4 million (or approximately 24.3% of our total net proceeds) will be used for the leasehold improvements to the new manufacturing facility in Shenzhen;

(iii) approximately HK$10.3 million (or approximately 16.2% of our total net proceeds) will be used to manufacture additional inventories to meet our customers' demands during the relocation process and;

(iv) approximately HK$6.9 million (or approximately 10.8% of our net proceeds) will be used to relocate our existing machines and equipment to the new manufacturing facility, including relocation expenses and deposits payable on the new production plant and dormitory leases; and

(b) approximately HK$1.6 million (or approximately 2.5% of our total net proceeds) will be used for general working capital and general corporate purposes.

As at the date of this announcement, we have been informed that construction planning acceptance and construction completion acceptance approvals have now been obtained by the landlord of our pre-leased property. We are currently in the course of negotiating the detailed terms and conditions of the formal lease agreement.

As at the date of this announcement, the Directors do not anticipate any change to the plan of the use of proceeds as disclosed above. The unused net proceeds have been deposited with banks in Hong Kong.

OUTLOOK

Our Company became listed on the Main Board of the Stock Exchange of Hong Kong on 21 November 2016. The Directors believe that this is a significant milestone in the Company's history and the net proceeds received from the Share Offer will raise our corporate profile, strengthen our capital base and enable us to implement our business strategies and initiatives as set out in the Prospectus. Because of the relatively short period between the Listing Date and this announcement, the Group is still in its preliminary stage of implementing its business strategies and initiatives as set out in the Prospectus. The Group however, is fully committed to its business development plan and will strive to meet in full its undertakings and commitments as set out in the Prospectus.

Our principal business objective is to achieve sustainable growth in our current business and to strengthen our capability to secure more business opportunities.

To this end, we are looking to streamline and modernise our production processes and improve our production efficiency and enable us to take advantage of the predicted growth in the solenoid coil market. This involves the relocation of our manufacturing facilities, currently carried out at our Songgang Factory, to a self-contained leasehold manufacturing facility in the Shenzhen area. As well as relocating to a new site, we plan to invest in new equipment. We believe that, by streamlining and modernising our production processes, we will be able to increase production capacity, thereby enjoying economies of scale and production efficiencies, which will enable us to compete more successfully and improve our financial performance.

The manufacture of solenoid coils, battery charger solution and power supply and LED lighting, our major product groups, are characterised by rapid technological advancements. In order to keep up to date with the evolving advancements and market and customer demands, we are planning to strengthen our product development capabilities by continuing to invest in highly-competent and well-trained employees as well as using our existing facilities, such as plastic-injection moulding, to expand our core competencies.

Additionally, our past focus has been on design and manufacture to customer requirements rather than the development and promotion of our own brands. We believe that, in order to promote and enhance our product and corporate recognition, we need to engage more actively in marketing and promotional activities. To this end, we have already restructured our sales and marketing team and are planning to recruit more marketing staff to engage in more market networking activities and, in conjunction with our product development capabilities, to promote and expand our customer base. Initially, efforts are being concentrated in the PRC, then as our capabilities and resources grow, this will be expanded.

A major part of our strategic plan is to expand and grow our market share in our solenoid coil business. According to industry market research, the total production of solenoid coils in the PRC is expected to grow significantly in the next few years. Our market share in the PRC is relatively small. As discussed in the Prospectus, we have entered into a non-legally binding memorandum of understanding with our largest customer, to establish a joint venture company to engage in the production of solenoid coils in the PRC and subsequently supply to our largest customer and other potential customers. Our company will own the majority interests in the joint venture and will exercise control over the operation. We are currently negotiating the terms and conditions of the agreement. The Directors believe that the joint venture will enable us to increase our market share, benefit in the expected growth in the PRC and develop highly price-competitive products.

Fiscal 2017 will be a busy time for our Group as we implement our various business objectives as well as managing our underlying current business.

Entering the new financial year, it is clear that there are certain financial and economic uncertainties in the markets in which our Group operates which could have a negative impact on our business activities.

Fiscal 2017's results will be adversely affected by remaining estimated listing costs of approximately HK$4.9 million which will be charged to the consolidated statement of profit and loss in addition to relocation costs and incremental costs associated with a listed company. While our anticipated 2017 results will be adversely affected by the initial costs associated with our business initiatives, the Group's strategy is to achieve sustainable growth going forward and in the medium to long term enhance shareholders' value.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the "Model Code") as the code of conduct governing Directors' securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standards set out in the Model Code and there were no events of non-compliance from the Listing Date up to the date of this announcement.

CORPORATE GOVERNANCE CODE

The Company has adopted all the code provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules. The Company has complied with the CG Code from the Listing Date up to the date of this announcement.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Group did not purchase, sell or redeem any listed securities of the Company from the Listing Date up to the date of this announcement.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the period from the Listing Date and up to the date of this announcement, the Directors were not aware of any business or interest of the Directors or any substantial shareholder (as defined under the Listing Rules) of the Company and their respective associates that had competed or might compete with the business of the Group and any other conflicts of interests which any such person had or might have with the Group.

On 27 October 2016, the Group and each of Mr. Hsu Simon Nai-cheng, SNHGH and NWC (the "Covenantors") have executed a deed of non-competition (the "Deed of Non-competition"), pursuant to which they have irrevocably and unconditionally undertaken to the Company (for itself and as trustee for its subsidiaries). Details of which are set out in the section headed "Relationship with the Controlling Shareholders – Deed of Non-Competition" in the Prospectus.

Each of the Covenantors declared that they have complied with the Deed of Non-competition. The independent non-executive Directors have conducted such review for the period from the Listing Date and up to the date of this announcement and also reviewed the relevant undertakings and are satisfied that the Deed of Non-competition has been fully complied.

EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting date, pursuant to the shareholder's resolution dated 17 November 2016, 236,800,000 ordinary shares were issued and allotted to the immediate holding company, NWC, for cash at par value of HK$0.001 each, thus bringing the total of shares issued to NWC to 237,000,000 ordinary shares of HK$0.001 each.

On 21 November 2016, pursuant to the shareholder's resolution dated 17 November 2016, 63,000,000 New Shares of par value HK$0.001 each, were issued at a price of HK$1.50 per share and allotted by way of public offer and placing on the Stock Exchange of Hong Kong. In addition to the 63,000,000 New Shares above, NWC placed an additional 27,000,000 Sale Shares of par value HK$0.001 each at a price of HK$1.50 per share. In summary, 90,000,000 ordinary shares, comprising 63,000,000 New Shares and 27,000,000 Sale Shares, representing 30% of the Company's issued and fully paid share capital were offered by way of public offer (27,000,000 New Shares) and placing (63,000,000 shares comprising 36,000,000 New Shares and 27,000,000 Sale Shares) on the Stock Exchange of Hong Kong. Dealings in the shares of the Company on the Stock Exchange of Hong Kong commenced on 21 November 2016.

Save as disclosed above and elsewhere in these consolidated financial statements, no other significant events took place subsequent to 30 September 2016 up to the date of this announcement.

AUDIT COMMITTEE

The Audit Committee was established on 27 October 2016. It comprises three independent non-executive Directors, namely Mr. Pochin Christopher Lu (Chairman), Mr. Danny J Lay and Ms. Hui Leung Ching Patricia.

The Audit Committee has reviewed the annual results announcement and the audited consolidated annual financial statements of the Group for the year ended 30 September 2016.

SCOPE OF WORK PERFORMED BY AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, the consolidated statement of other comprehensive income and the related notes thereto for the year ended 30 September 2016 as set out in this announcement have been agreed by the Company's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO Limited on this preliminary results announcement.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 30 September 2016 (2015 - HK$42,500 per ordinary share) of the Company.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from 24 March 2017 to 28 March 2017, both days inclusive, in order to determine the identity of the shareholders of the Company who are entitled to attend the Annual General Meeting ("**AGM**") on 28 March 2017, during which period no share transfers will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 22 Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 23 March 2017.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND THE 2016 ANNUAL REPORT

This announcement is published on the respective websites of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.pantronicshk.com. The Company's 2016 annual report containing all of the information as required by the Listing Rules will be despatched to shareholders of the Company and published on the websites of the Stock Exchange of Hong Kong and the Company in due course.

By order of the Board
PANTRONICS HOLDINGS LIMITED
Hsu Simon Nai-cheng
Chairman

Hong Kong, 16 December 2016

As at the date of this announcement, the Board comprises (1) Mr. Henry Woon-hoe Lim and Mr. Ho Hon Ching as the executive Directors; (2) Mr. Hsu Simon Nai-cheng as the non-executive Director; and (3) Mr. Pochin Christopher Lu, Mr. Danny J Lay and Ms. Hui Leung Ching Patricia as the independent non-executive Directors.