

Net profit margin **14.7%**

➤ **YOY** **+ 0.3ppts**

FY 2015 **14.4%**

Gross profit margin **30.1%**

➤ **YOY** **+ 3.7ppts**

FY 2015 **26.4%**

Net profit (RMB) **205 million**

➤ **YOY** **-15.3%**

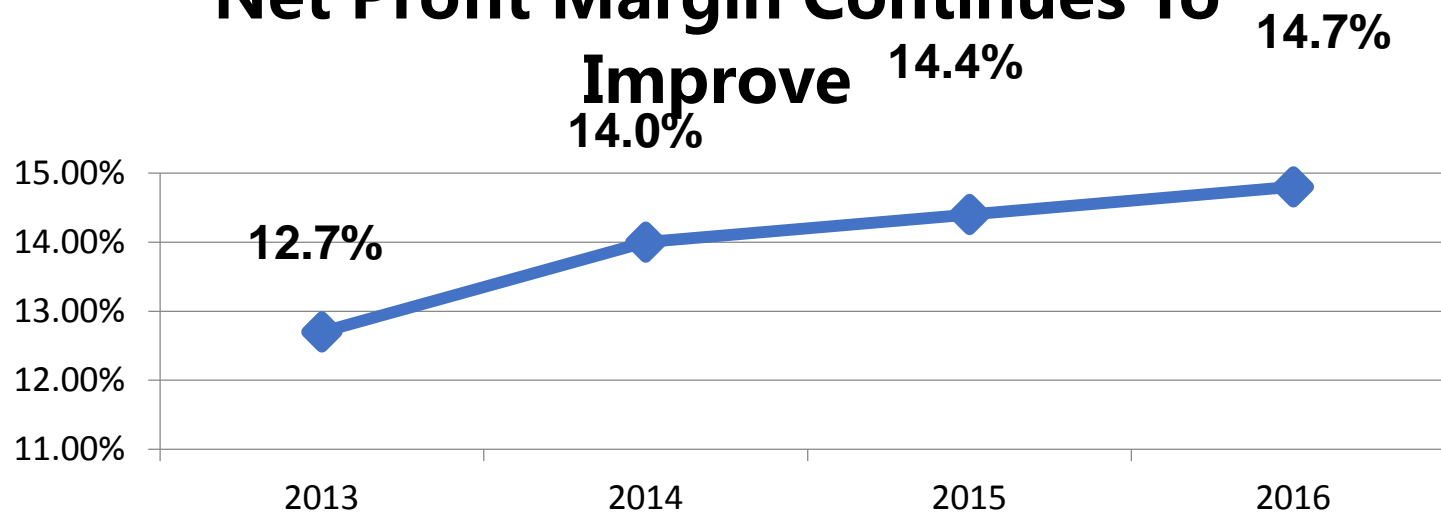
FY 2015 (RMB) **242 million**

Turnover (RMB) **1.39 billion**

➤ **YOY** **-17.3%**

FY 2015 (RMB) **1.69 billion**

## Net Profit Margin Continues To Improve



# Financial Highlights

(RMB '000)	FY2016	FY2015	YOY Change
Turnover	1,393,713	1,684,632	-17.3%
Gross profit	419,002	445,000	-5.8%
<b>Gross profit margin ( % )</b>	<b>30.1%</b>	<b>26.4%</b>	<b>+3.7ppts</b>
Period expenses	263,136	222,612	+18.2%
- R&D expenses	98,050	79,539	+23.3%
- Other operating expenses	165,086	143,073	+15.4%
Period expenses margin ( % )	18.9%	13.2%	+5.7ppts
Net profit	204,900	241,838	-15.3%
<b>Net profit margin ( % )</b>	<b>14.7%</b>	<b>14.4%</b>	<b>+0.3ppts</b>
Dividend per share (HK cents)			
- Final	17.0	15.0	+13.3%
<b>Dividend payout ratio</b>	<b>61%</b>	<b>43%</b>	<b>+18ppts</b>
EPS (RMB Cents)			
- Basic	24.6	29.1	-15.5%
- Diluted	24.6	28.7	-14.3%

## Gross Margin And Net Profit Margin Increases

- Thanks to measured pricing strategies and a restrained and controlled implementation.
- Furthered product portfolio diversification efforts and promoted higher value add and gross margin products to accelerate growth of business innovation.
- Pursued the digitization of operations processes to lower operation costs.

## Investment In R&D Rises

- R&D investment increased by 23% with the ratio to turnover climbing from 4.7% to 7.0% year on year.

# Key Financial Indicators

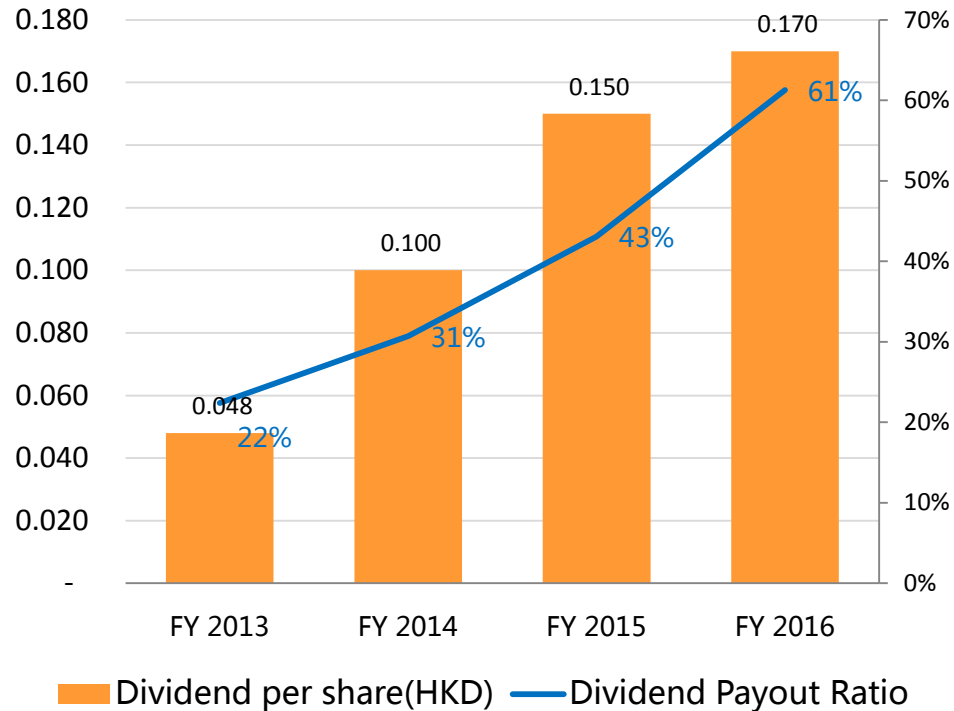
Indicators	As at 31 Dec, 2016	As at 31 Dec, 2015	As at 30 Jun, 2016
Inventories ( RMB ' 000 )	211,212	320,936	198,135
Inventory turnover ( days )	100	89	100
Account receivable ( RMB ' 000 )	339,970	492,903	702,909
A/R turnover ( days )	109	86	160
Account payable ( RMB ' 000 )	515,101	567,317	347,673
A/P turnover ( days )	203	164	175
Cash conversion cycle ( days )	6	11	85
Current assets ( RMB ' 000 )	2,145,375	2,139,354	1,937,176
Current liabilities ( RMB ' 000 )	716,142	769,879	552,448
Current ratio (times)	3.0	2.8	3.5
Debt to assets ratio (Total debt / Total assets)	27.9%	30.4%	24.1%

# Cash Flow And Financial Position

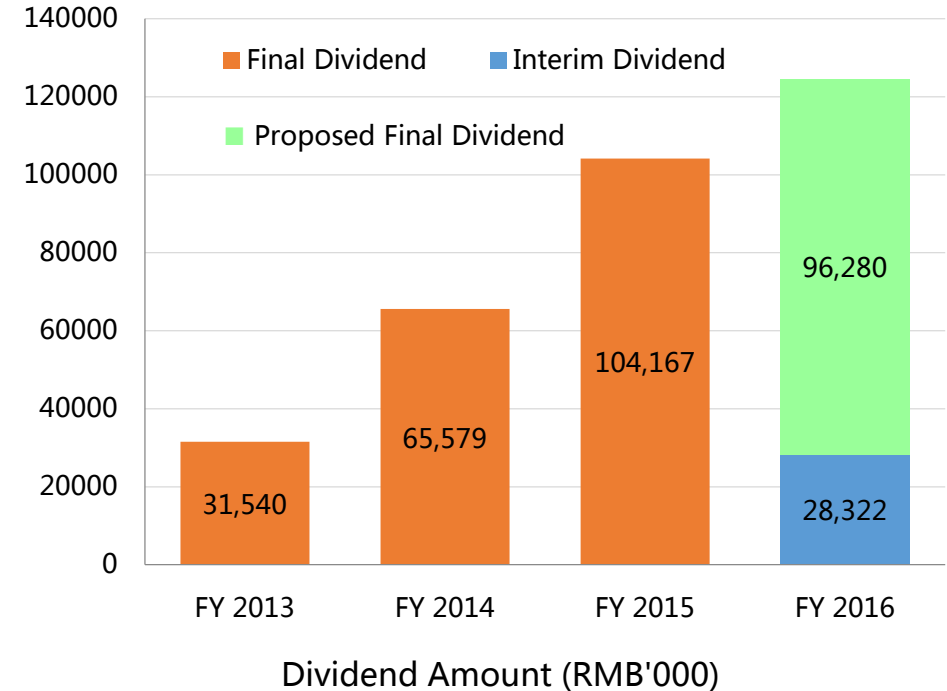
( RMB '000 )	As at 31 Dec, 2016	As at 31 Dec, 2015	As at 30 Jun, 2016
Non-current assets	454,207	467,487	443,754
-Fixed bank deposits	110,000	110,000	110,000
-Pledged bank deposits	100,000	100,000	100,000
Current assets	2,145,375	2,139,354	1,937,176
- Bank balances and cash	825,442	983,620	402,624
- Fixed bank deposits	687,988	296,089	603,771
- Pledged bank deposits	39,707	22,064	1,187
Current liabilities	716,142	769,879	552,448
Net current assets	1,429,233	1,369,475	1,384,728
Non-current liabilities	10,111	22,748	21,419
Net assets	1,873,329	1,814,214	1,807,063
Cash available for use	1,763,137	1,511,773	1,217,582
Net assets per share	2.25	2.18	2.17
Net cash per share	2.11	1.81	1.46
Share price ( 21 Mar 2017 )	RMB 2.05 ( =HKD 2.31 )		

# Steady And Generous Dividend Payout

## Dividend Ratio



## Dividend Amount



**As at the end of 2016, the aggregate amount of dividends paid out (exclusive of the 2016 proposed final dividends) amounted to approximately RMB 230 million.**