

## **Delta Galil Reports Double Digit Sales Growth for 2017 Third Quarter**

*Sales Increased 15% to \$340.3 Million;  
EBITDA Increased 9% to \$31.3 Million*

*Reaffirms 2017 Guidance; Sales Expected to Reach \$1,330 Million-\$1,370 Million and  
Full-Year EPS Expected to Reach \$1.95-\$2.02*

### **2017 Third Quarter Highlights**

- Sales increased 15% and totaled \$340.3 million in the 2017 third quarter, compared to \$296.6 million in the same quarter last year.
- Net income excluding one-time items increased 12% in the third quarter to \$14.5 million, from \$13.0 million in the comparable period in 2016.
- EBITDA rose 9% in the third quarter of 2017 and amounted to \$31.3 million, compared to \$28.7 million in the same quarter last year.
- Operating profit excluding one-time items increased 8% to \$24.3 million in the third quarter, compared to \$22.5 million in the third quarter of 2016.
- Operating cash flow for the last twelve months ended September 30, 2017 was \$80.7 million, compared with \$75.8 million for the same period last year.
- The Board of Directors declared a dividend of \$3.5 million, or \$0.139 per share, to be distributed on November 23, 2017. The determining and "ex-dividend" date will be November 15, 2017, per the Tel Aviv Stock Exchange.
- A strong balance sheet was highlighted by \$436 million in equity and \$97.3 million in cash as of September 30, 2017.
- Financial guidance for 2017 was reaffirmed: Full-year 2017 sales are expected to range between \$1,330 million-\$1,370 million, representing an increase of 13%-16% from 2016 actual sales of \$1,179 million. Full-year 2017 diluted EPS is expected to range between \$1.95-\$2.02, representing an increase of 5%-9% from 2016 actual EPS of \$1.85.
- Isaac Dabah, CEO of Delta Galil, stated: "We are very pleased with our third quarter results, which reflect our balanced and diversified mix of businesses, products and markets. Looking ahead, we will continue to grow organically, with a focus on our international and e-commerce businesses, while we will also continue to pursue the right strategic acquisition opportunities to drive sustained profitable growth and long-term shareholder value."

**Tel Aviv, November 7, 2017 – Delta Galil Industries, Ltd.** (DELT/Tel Aviv Stock Exchange, DELTY.PK/OTCQX), the global manufacturer and marketer of branded and private label apparel products for men, women and children, as well as leisurewear and activewear, today reported its financial results for the third quarter ended September 30, 2017.

### **Sales**

The Company reported sales of \$340.3 million for the third quarter of 2017, a 15% increase from \$296.6 million for the third quarter of 2016. The sales increase reflected a full period of results from Delta Galil Premium Brands (DGPB), as well as strength in the Global Upper Market, Schiesser and Delta Israel, while sales of Delta USA were impacted by hurricanes. Excluding DGPB, sales increased by 2% compared to the third quarter of 2016. For the first nine months of 2017, sales rose 24% to \$996.4 million, compared to \$802.8 million in the first nine months of 2016. Excluding DGPB, sales for the nine-month period increased by 3% compared to the first nine months of 2016.

### **Operating Profit**

Operating profit for the third quarter of 2017 was \$24.2 million, compared to \$24.6 million in the third quarter of 2016, representing a 2% decrease. Operating profit before one-time items for the third quarter increased 8% to \$24.3 million, from \$22.5 million for the comparable period last year. For the first nine months of 2017, operating profit before one-time items was \$54.9 million, an 8% increase from \$50.9 million a year earlier. Operating profit in the first nine months was \$52.1 million, down 2% from \$53.0 million in the same period of 2016.

### **Net Income**

Net income attributable to shareholders was \$14.4 million in the third quarter of 2017, compared to \$17.7 million in the same quarter of 2016, representing an 18% decrease. Net income excluding one-time items attributable to shareholders for the third quarter of 2017 increased 12% to \$14.5 million, compared to \$13.0 million in the same quarter last year. For the first nine months of 2017, net income attributable to shareholders was \$28.8 million, compared to \$33.3 million last year, representing a 13% decrease. Net income excluding one-time items attributable to shareholders for the first nine months of 2017 increased 7% to \$30.6 million, compared to \$28.6 million in the same period of 2016. The trend in net income attributable to shareholders largely reflected the growth in operating profit excluding one-time items partially offset by an increase in finance expenses.

### **Diluted Earnings Per Share**

Diluted earnings per share attributed to shareholders were \$0.56 for the 2017 third quarter, compared to \$0.69 for the same quarter last year, representing a 19% decrease. Diluted earnings per share excluding one-time items attributed to shareholders in the third quarter of 2017 increased by 12% to \$0.57, from \$0.51 in the third quarter of 2016. Diluted earnings per share excluding one-time items attributed to shareholders in the first nine months of 2017 increased by 7% to \$1.20, from \$1.12 in the same period of 2016. For the first nine months of 2017, diluted

earnings were \$1.13, compared to \$1.30 per diluted share for the same period of 2016, representing a 13% decrease.

### **Management Comment**

Isaac Dabah, CEO of Delta Galil, stated: “We are very pleased with our third quarter results, which reflect our balanced and diversified mix of businesses, products and markets. We delivered a strong quarter in our global upper market, Schiesser and recently acquired, Delta Galil Premium Brands, segments.

“During the quarter, we did see softer sales in the US resulting from the hurricane’s impact and port closures, as well as big launches of club programs which were not anniversaried from last year. However, we remained focused on centralizing and consolidating several manufacturing capabilities and store locations to promote greater efficiency, teamwork and more agile decision-making. And we expect to begin benefiting from these efforts, as well as expansion into Asian and Latin American markets, and initiatives to enhance the performance of Delta Galil Premium Brands beginning in 2018 and beyond.”

“Looking ahead, we will continue to grow organically, with a focus on our international and e-commerce businesses, while we will also continue to pursue the right strategic acquisition opportunities. We currently have a strong balance sheet, and we remain committed to investing in new products and resources to drive sustained profitable growth and long-term shareholder value.”

### **EBITDA, Cash Flow, Net Debt, Equity and Dividend**

EBITDA increased 9% compared to Q3 of 2016 and was \$31.3 million. For the first nine months of 2017, EBITDA increased 12% compared to the same period of last year and was \$75.9 million.

Operating cash flow for the trailing 12 months ended September 30, 2017 was \$80.7 million, compared to \$75.8 million for the trailing 12 months ended September 30, 2016.

Net financial debt as of September 30, 2017 decreased to \$164.8 million, compared to \$223.8 million as of September 30, 2016, and \$181.2 million as of December 31, 2016.

Equity on September 30, 2017 was \$436.0 million, up from \$382.0 million a year earlier.

Delta Galil declared a dividend of \$3.5 million, or \$0.139 per share, to be distributed on November 23, 2017. The determining and "ex-dividend" date will be November 15, 2017, per the Tel Aviv Stock Exchange.

### **2017 Financial Guidance**

Delta Galil reaffirmed its 2017 financial guidance, excluding non-recurring items which is based on current market conditions and current exchange rate of \$1.17 per euro and 3.50 NIS per US\$.

- Full-year 2017 sales are expected to range between \$1,330 million-\$1,370 million, representing an increase of 13%-16% from 2016 actual sales of \$1,179 million.
- Full-year 2017 EBIT is expected to range between \$86 million-\$91 million, representing an increase of 3%-9% from 2016 actual EBIT of \$83.2 million.
- Full-year 2017 EBITDA is expected to range between \$113.0 million-\$118.0 million, representing an increase of 6%-10% from 2016 actual EBITDA of \$107.0 million.
- Full-year 2017 net income is expected to range between \$50.0 million-\$52.0 million, representing an increase of 6%-10% from 2016 actual net income of \$47.2 million.
- Full-year 2017 diluted EPS is expected to range between \$1.95-\$2.02, representing an increase of 5%-9% from 2016 actual EPS of \$1.85.

### **About Delta Galil Industries**

Delta Galil Industries is a global manufacturer and marketer of branded and private label apparel products for men, women and children. Since its inception in 1975, the Company has continually strived to create products that follow a body-before-fabric philosophy, placing equal emphasis on comfort, aesthetics and quality. Delta Galil develops innovative seamless apparel including bras, shapewear and socks; intimate apparel for women; extensive lines of underwear for men; babywear, activewear, sleepwear, and leisurewear. Delta Galil also designs, develops, markets and sells branded denim apparel under the brand 7 For All Mankind®, and ladies apparel under the brands Splendid® and Ella Moss®. For more information, visit [www.deltagalil.com](http://www.deltagalil.com).

### **Safe Harbor Statement**

Matters discussed in this press release contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this press release, the words "anticipate," "believe," "estimate," "may," "intend," "expect" and similar expressions identify such forward-looking statements. Actual results, performance or achievements could differ materially from those contemplated, expressed or implied by the forward-looking statements contained herein, and while expected, there is no guarantee that we will attain the aforementioned anticipated developmental milestones. These forward-looking statements are based largely on the expectations of the Company and are subject to a number of risks and uncertainties. These include, but are not limited to, risks and uncertainties associated with: the impact of economic, competitive and other factors affecting the Company and its operations, markets, product, and distributor performance, the impact on the national and local economies resulting from terrorist actions, and U.S. actions subsequently; and other factors detailed in reports filed by the Company.

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**DELTA GALIL INDUSTRIES LTD.**

Concise Consolidated Balance Sheets

As of September 30, 2017

|   | <u>September 30</u>         |                       | <u>December 31</u>    |
|---|-----------------------------|-----------------------|-----------------------|
|   | <u>2017</u>                 | <u>2016</u>           | <u>2016</u>           |
|   | <u>(Unaudited)</u>          |                       | <u>(Audited)</u>      |
|   | <u>Thousands of Dollars</u> |                       |                       |
| <b>Assets</b>   |                             |                       |                       |
| <b>Current assets:</b>  |                             |                       |                       |
| Cash and cash equivalents   | 95,685                      | 47,788                | 81,947                |
| Restricted Cash   | 1,646                       | 1,762                 | 1,767                 |
| Other accounts receivable:  |                             |                       |                       |
| Trade receivables   | 152,363                     | 144,949               | 153,044               |
| Taxes on income receivable  | 2,266                       | 5,599                 | 2,264                 |
| Others  | 20,060                      | 18,703                | 16,980                |
| Financial derivative  | 996                         | 511                   | 286                   |
| Inventory   | 275,130                     | 267,693               | 233,114               |
| Assets classified as held for sale  | 1,000                       | 1,000                 | 1,000                 |
| Total current assets  | <u>549,146</u>              | <u>488,005</u>        | <u>490,402</u>        |
| <b>Non-current assets:</b>  |                             |                       |                       |
| Investments in associated companies accounted using the equity method and long-term receivables | 11,289                      | 11,256                | 11,341                |
| Investment property   | 3,691                       | 3,639                 | 3,389                 |
| Fixed assets, net of accumulated depreciation   | 158,371                     | 167,724               | 171,954               |
| Goodwill  | 70,101                      | 70,101                | 70,101                |
| Intangible assets, net of accumulated amortization  | 150,111                     | 135,707               | 147,990               |
| Deferred tax assets   | 14,422                      | 16,912                | 14,269                |
| Financial derivative  | 20,623                      | 6,490                 | 4,096                 |
| Total non-current assets  | <u>428,608</u>              | <u>411,829</u>        | <u>423,140</u>        |
| <b>Total assets</b>   | <u><b>977,754</b></u>       | <u><b>899,834</b></u> | <u><b>913,542</b></u> |

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Concise Consolidated Balance Sheets

As of September 30, 2017

|  | <b>September 30</b>         |                | <b>December 31</b> |
|--|-----------------------------|----------------|--------------------|
|  | <b>2017</b>                 | <b>2016</b>    | <b>2016</b>        |
|  | <b>(Unaudited)</b>          |                | <b>(Audited)</b>   |
|  | <b>Thousands of Dollars</b> |                |                    |
| <b>Liabilities and Equity</b>                                |                             |                |                    |
| <b>Current liabilities:</b>                                  |                             |                |                    |
| Short-term bank loans  | -                           | 51,332         | 44,988             |
| Current maturities of debentures                             | 14,465                      | 13,583         | 13,479             |
| Financial derivative   | 1,341                       | 1,832          | 2,383              |
| Other accounts payable:                                      |                             |                |                    |
| Trade payables   | 104,140                     | 103,859        | 104,797            |
| Taxes on income payable                                      | 5,017                       | 4,393          | 3,478              |
| Others   | 100,851                     | 87,905         | 95,767             |
| <b>Total current liabilities</b>                             | <b>225,814</b>              | <b>262,904</b> | <b>264,892</b>     |
| <b>Non-current liabilities:</b>                              |                             |                |                    |
| Severance pay liabilities less plan assets                   | 3,594                       | 2,867          | 3,213              |
| Other non-current liabilities                                | 37,474                      | 33,810         | 42,040             |
| Debentures   | 267,959                     | 211,981        | 207,024            |
| Reserve for deferred taxes                                   | 6,918                       | 4,638          | 4,353              |
| Financial derivative   | -                           | 1,607          | 1,383              |
| Total non-current liabilities                                | 315,945                     | 254,903        | 258,018            |
| <b>Total liabilities</b>                                     | <b>541,759</b>              | <b>517,807</b> | <b>522,910</b>     |
| <b>Equity:</b>   |                             |                |                    |
| Equity attributable to equity holders of the parent company: |                             |                |                    |
| Share capital  | 23,706                      | 23,688         | 23,696             |
| Share premium  | 130,799                     | 130,529        | 130,901            |
| Other capital reserves                                       | 9,330                       | (8,759)        | (15,824)           |
| Retained earning   | 288,079                     | 252,943        | 268,217            |
| Treasury shares  | (17,035)                    | (17,490)       | (17,474)           |
|  | <b>434,879</b>              | <b>380,911</b> | <b>389,516</b>     |
| Minority interests   | 1,116                       | 1,116          | 1,116              |
| <b>Total equity</b>  | <b>435,995</b>              | <b>382,027</b> | <b>390,632</b>     |
| <b>Total liabilities and equity</b>                          | <b>977,754</b>              | <b>899,834</b> | <b>913,542</b>     |

## DELTA GALIL INDUSTRIES LTD.

Consolidated Statement of Comprehensive Income  
For the 3-month and 9-month periods ending September 30, 2017

|  | Nine months ended September 30 |         | %     | Three months ended September 30 |         | %     |
|--|--------------------------------|---------|-------|---------------------------------|---------|-------|
|  | 2017                           | 2016    |       | Increase/(Decrease)             | 2017    |       |
| <b>(Unaudited)</b>   |                                |         |       |                                 |         |       |
| <b>Thousands of Dollars</b>  |                                |         |       |                                 |         |       |
| <b>Except for Earnings per Share Data</b>                                    |                                |         |       |                                 |         |       |
| <b>Sales</b>   | <b>996,443</b>                 | 802,852 |       | <b>340,301</b>                  | 296,634 |       |
| Cost of sales  | <b>629,316</b>                 | 548,151 | 24%   | <b>211,218</b>                  | 196,164 | 15%   |
| <b>Gross profit</b>  | <b>367,127</b>                 | 254,701 | 44%   | <b>129,083</b>                  | 100,470 | 28%   |
| % of sales   | <b>36.8%</b>                   | 31.7%   |       | <b>37.9%</b>                    | 33.9%   |       |
| Selling and marketing expenses   | <b>262,140</b>                 | 172,122 | 52%   | <b>88,191</b>                   | 65,191  | 35%   |
| % of sales   | <b>26.3%</b>                   | 21.4%   |       | <b>25.9%</b>                    | 22.0%   |       |
| General and administrative expenses  | <b>50,295</b>                  | 30,936  | 63%   | <b>17,157</b>                   | 12,483  | 37%   |
| % of sales   | <b>5.0%</b>                    | 3.9%    |       | <b>5.0%</b>                     | 4.2%    |       |
| Other Expenses (income), net   | <b>222</b>                     | 1,053   |       | <b>(354)</b>                    | 427     |       |
| Share in profits of associated company accounted for using the equity method | <b>432</b>                     | 305     |       | <b>245</b>                      | 166     |       |
| <b>Operating income excluding non-recurring items</b>                        | <b>54,902</b>                  | 50,895  | 8%    | <b>24,334</b>                   | 22,535  | 8%    |
| % of sales   | <b>5.5%</b>                    | 6.3%    |       | <b>7.2%</b>                     | 7.6%    |       |
| Restructuring expenses   | <b>2,832</b>                   | 6,895   |       | <b>167</b>                      | 6,895   |       |
| Bargain purchase   | -                              | 10,420  |       | -                               | 10,420  |       |
| Deal cost  | -                              | 1,456   |       | -                               | 1,456   |       |
| <b>Operating income</b>  | <b>52,070</b>                  | 52,964  | (2%)  | <b>24,167</b>                   | 24,604  | (2%)  |
| % of sales   | <b>5.2%</b>                    | 6.6%    |       | <b>7.1%</b>                     | 8.3%    |       |
| Finance expenses, net  | <b>14,518</b>                  | 10,786  |       | <b>5,403</b>                    | 3,519   |       |
| Income before tax on income  | <b>37,552</b>                  | 42,178  |       | <b>18,764</b>                   | 21,085  |       |
| Taxes on income  | <b>8,664</b>                   | 8,823   |       | <b>4,375</b>                    | 3,430   |       |
| <b>Net income for the period</b>   | <b>28,888</b>                  | 33,355  | (13%) | <b>14,389</b>                   | 17,655  | (18%) |
| <b>Attribution of net earnings for the period:</b>                           |                                |         |       |                                 |         |       |
| <b>Attributed to company's shareholders</b>                                  | <b>28,798</b>                  | 33,265  |       | <b>14,359</b>                   | 17,625  |       |
| <b>Attributed to non-controlling interests</b>                               | <b>90</b>                      | 90      |       | <b>30</b>                       | 30      |       |
|  | <b>28,888</b>                  | 33,355  |       | <b>14,389</b>                   | 17,655  |       |
| <b>Net diluted earnings per share attributed to company's shareholders</b>   | <b>1.13</b>                    | 1.30    | (13%) | <b>0.56</b>                     | 0.69    | (19%) |
| <b>Net diluted earnings per share, before non-recurring items</b>            | <b>1.20</b>                    | 1.12    | 7%    | <b>0.57</b>                     | 0.51    | 12%   |





attributable to Company's shareholders

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## DELTA GALIL INDUSTRIES LTD.

Consolidated Cash Flow Reports  
For the 3-month and 9-month periods ending September 30, 2017

|   | Nine months ending<br>September 30 |                      | Three months ending<br>September 30 |                      |
|---|------------------------------------|----------------------|-------------------------------------|----------------------|
|   | 2017                               | 2016                 | 2017                                | 2016                 |
| (Unaudited)   |                                    |                      |                                     |                      |
| Thousands of Dollars  |                                    |                      |                                     |                      |
| <b>Cash flows from operating activities:</b>  |                                    |                      |                                     |                      |
| Net income for the period   | 28,888                             | 33,355               | 14,389                              | 17,655               |
| Adjustments required to reflect cash flows deriving from operating activities         | 4,869                              | (4,811)              | 6,622                               | 600                  |
| Interest paid in cash   | (10,281)                           | (9,678)              | (2,801)                             | (3,401)              |
| Interest received in cash   | 498                                | 1,160                | 267                                 | 220                  |
| Taxes on income paid in cash, net   | (4,351)                            | (4,510)              | (1,605)                             | (2,520)              |
| Net cash generated from operating activities  | <u>19,623</u>                      | <u>15,516</u>        | <u>16,872</u>                       | <u>12,554</u>        |
| <b>Cash flows from investment activities:</b>   |                                    |                      |                                     |                      |
| Acquisition of fixed assets and intangible assets                                     | (21,520)                           | (29,184)             | (8,711)                             | (10,354)             |
| Restricted cash release (deposit)   | 121                                | (1,224)              | (69)                                | (1,226)              |
| Earn-out payment for acquisition of an activity                                       | (1,500)                            | -                    | -                                   | -                    |
| Acquisition of activity   | -                                  | (116,902)            | -                                   | (116,902)            |
| Proceeds from selling of fixed asset  | 28,275                             | 159                  | 44                                  | 84                   |
| Others  | (882)                              | (552)                | (242)                               | (135)                |
| Net cash generated from ( used in) Investing activities                               | <u>4,494</u>                       | <u>(147,703)</u>     | <u>(8,978)</u>                      | <u>(128,533)</u>     |
| <b>Cash flows from financing activities:</b>  |                                    |                      |                                     |                      |
| Dividends paid to non-controlling interest holders in consolidated subsidiary         | (90)                               | (90)                 | (60)                                | (30)                 |
| Long term payables credit for fixed assets purchase                                   | (2,034)                            | (2,896)              | -                                   | (245)                |
| Shares Buy-Back   | -                                  | (6,895)              | -                                   | -                    |
| Debentures principle repayment  | (14,506)                           | (19,379)             | (8,093)                             | (19,379)             |
| Dividend paid   | (10,522)                           | (10,567)             | (4,222)                             | (3,511)              |
| Repayment of loans and other long-term liabilities                                    | -                                  | (755)                | -                                   | -                    |
| Short-term credit from banking corporations, net                                      | (44,988)                           | 50,503               | (108)                               | 50,278               |
| Debentures issuance net of issuance expenses  | 57,152                             | -                    | -                                   | -                    |
| Release (deposit) of bank deposit used as a security with respect of SWAP transaction | 1,545                              | 1,745                | -                                   | 2,080                |
| Proceeds from exercise of employees options   | 347                                | 384                  | 244                                 | 285                  |
| Net cash generated from ( used in) financing activities                               | <u>(13,096)</u>                    | <u>12,050</u>        | <u>(12,239)</u>                     | <u>29,478</u>        |
| <b>Net increase (decrease) in cash and cash equivalents</b>                           | <b>11,021</b>                      | <b>(120,137)</b>     | <b>(4,345)</b>                      | <b>(86,501)</b>      |
| <b>Exchange rate differences and revaluation of cash and cash equivalents, net</b>    | <b>2,717</b>                       | <b>393</b>           | <b>892</b>                          | <b>112</b>           |
| <b>Balance of cash and cash equivalents at the beginning of the period</b>            | <b>81,947</b>                      | <b>167,532</b>       | <b>99,138</b>                       | <b>134,177</b>       |
| <b>Balance of cash and cash equivalents at the end of the Period</b>                  | <b><u>95,685</u></b>               | <b><u>47,788</u></b> | <b><u>95,685</u></b>                | <b><u>47,788</u></b> |

**DELTA GALIL INDUSTRIES LTD.**

Consolidated Cash Flow Reports  
For the 3-month and 9-month periods ending September 30, 2017

|                      | Nine months ending<br>September 30 |      | Three months ending<br>September 30 |      |
|----------------------|------------------------------------|------|-------------------------------------|------|
|                      | 2017                               | 2016 | 2017                                | 2016 |
| (Unaudited)          |                                    |      |                                     |      |
| Thousands of Dollars |                                    |      |                                     |      |

**Adjustments required to reflect cash flows  
from operating activities:**

Revenues and expenses not involving cash flow:

|  |                 |                 |                |                |
|--|-----------------|-----------------|----------------|----------------|
| Depreciation   | 17,391          | 15,157          | 5,982          | 5,925          |
| Amortization   | 3,559           | 2,307           | 959            | 829            |
| Cash erosion, net  | (470)           | (115)           | (64)           | (53)           |
| Interest paid in cash  | 10,281          | 9,678           | 2,801          | 3,401          |
| Interest received in cash  | (498)           | (1,160)         | (267)          | (220)          |
| Taxes on income paid in cash, net  | 4,351           | 4,510           | 1,605          | 2,520          |
| Deferred taxes on income, net  | 1,691           | (1,582)         | 4,146          | (740)          |
| Severance pay liability, net   | 232             | 146             | 42             | 70             |
| Restructuring expenses ,net  | 2,832           | 3,984           | 167            | 3,984          |
| Capital loss (gain) from sale of fixed assets and asset held for sale        | (3,495)         | (48)            | (353)          | (77)           |
| Change to the benefit component of options granted to employees              | 1,586           | 1,454           | 412            | 1,084          |
| Bargain purchase   | -               | (10,420)        | -              | (10,420)       |
| Share in profits of associated company accounted for using the equity method | (432)           | (305)           | (245)          | (166)          |
| Others   | 733             | 212             | 500            | 174            |
|  | <u>37,761</u>   | <u>23,818</u>   | <u>15,685</u>  | <u>6,311</u>   |
| Changes to operating assets and liabilities:                                 |                 |                 |                |                |
| Decrease (increase) in trade receivables                                     | 1,630           | (17,703)        | (4,634)        | (9,980)        |
| Decrease in other receivable and balances                                    | 5,279           | 2,514           | 4,785          | 582            |
| Increase (decrease) in trade payables  | (671)           | (6,385)         | 3,982          | 7,342          |
| Increase (decrease) in other payables  | (5,522)         | 2,314           | (1,875)        | 9,082          |
| Decrease in inventory  | (33,608)        | (9,369)         | (11,321)       | (12,737)       |
|  | <u>(32,892)</u> | <u>(28,629)</u> | <u>(9,063)</u> | <u>(5,711)</u> |
|  | <u>4,869</u>    | <u>(4,811)</u>  | <u>6,622</u>   | <u>600</u>     |