

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1 , Q2 & Q3), HALF YEAR and FULL YEAR RESULTS

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the Third Quarter ended 30 September 2016

[illegible]

Notes to Group Consolidated Statement of Comprehensive Income

1(a) (i) Profit/(Loss) for the period is arrived at after (charging) / crediting the following items:

	Note	Quarter Ended 30-Sep		9 Months Ended 30-Sep	
		2016	2015	2016	2015
		S\$'000	S\$'000	S\$'000	S\$'000
(a) Included in cost of sales are :					
- Inventories recognised as an expense in cost of sales		(20,750)	(24,959)	(62,201)	(75,318)
- (Provision) / write-back for inventory obsolescence		(5)	(291)	114	(1,069)
- Depreciation of property, plant and equipment ("PPE")	1(a)(i)(e)	(1,028)	(1,611)	(3,522)	(5,126)
- Wages and salaries	1(a)(i)(f)	(10,701)	(13,808)	(34,210)	(40,841)
(b) Included in administrative expenses are :					
- Depreciation of property, plant and equipment ("PPE")	1(a)(i)(g)	(350)	(544)	(969)	(1,837)
- Amortisation of prepaid land lease payments		(21)	(24)	(66)	(70)
- Amortisation of intangible assets		(43)	(114)	(185)	(338)
- Wages and salaries	1(a)(i)(h)	(3,116)	(3,101)	(8,645)	(9,514)
(c) Included in other expenses are :					
- Loss on disposal of held for trading investments	1(a)(i)(i)	-	(23)	(20)	-
- Net fair value loss on held for trading investments	1(a)(i)(j)	-	(449)	(357)	-
- Loss on derivative	1(a)(i)(n)	(68)	(124)	(64)	(120)
- Foreign currency loss	1(a)(i)(k)	-	-	(735)	-
- Allowance for doubtful debts		(345)	(14)	(131)	(157)
(d) Included in other income are :					
- Property rental income	1(a)(i)(l)	390	329	1,065	989
- Dividend income from investment securities	1(a)(i)(m)	14	45	113	343
- Gain on disposal of PPE and intangible assets		81	232	227	1,150
- Gain on disposal of held for trading investments	1(a)(i)(i)	8	-	-	160
- Net fair value gain on held for trading investments	1(a)(i)(j)	125	-	-	168
- Gain on disposal of other investments	1(a)(i)(m)	-	-	-	107
- Foreign currency gain	1(a)(i)(k)	141	1,777	-	1,997

Notes to Group Consolidated Statement of Comprehensive Income (Cont'd)

- (e) Depreciation for Q3'16 was lower than Q3'15 due mainly to the impairment provision for PPE of a stamping component segment subsidiary and a subassembly segment subsidiary in December 2015.
- (f) Q3'16 wages and salaries were lower mainly due to a decrease in direct and indirect labor headcount (September 2016: 3,015, September 2015: 4,128) and reduction of overtime expenses. Retrenchment cost was S\$0.4 million for Q3'16 and S\$1.6 million for 9 months ended 30 September 2016.
- (g) Lower depreciation mainly due to the impairment of leasehold improvements for unoccupied space from a subassembly segment subsidiary provided in December 2015.
- (h) Q3'16 wages and salaries were lower mainly due to lower G&A headcount (September 2016: 317, September 2015: 374) and reduction of overtime expense. Retrenchment cost was S\$0.5 million for Q3'16 and S\$0.6 million for 9 months ended 30 September 2016.
- (i) This relates to loss or gain on disposal of investment securities under investment portfolio managed by an investment bank.
- (j) This relates to fair value gain or (loss) from investment securities under investment portfolio managed by an investment bank.
- (k) The foreign currency gain in Q3'16 was mainly due to the strengthening of the HK\$ vs RMB in Q3'16 (mainly from Suns Mansfield's HK\$ intercompany receivable from Mansfield HK) while 9 months ended 30 September 2016 loss was mainly due to the weakening of the HK\$ vs S\$ from the S\$ loans extended to Mansfield Manufacturing in the first half of 2016.
- (l) This relates to the investment property which was rented out by Magix.
- (m) Dividend income for 9 months ended 30 September 2016 (9M'16) was lower compared to 9 months ended 30 September 2015 (9M'15) following the complete disposal of shares in Sabana Reit in Q2'15. Dividend income for 9M'16 relates to dividend from equities under the Group's Portfolio Management only. The gain from disposal of Sabana Reit was reflected in the gain on disposal of other investments amounting to S\$107,000 in 9M'15 and the proceeds from the disposal of Sabana Reit shares was reflected in the Consolidated Cash Flow Statement.
- (n) This relates to an unrealized fair value gain or loss on forward contracts under an investment portfolio managed by an investment bank.

1(b) (i) A balance sheet (for the issuer and the Group), together with a comparative statement as at the end of the immediately preceding financial year

Balance Sheets (Unaudited)

		Group		Company	
		As at 30-Sep-16 S\$'000	As at 31-Dec-15 S\$'000	As at 30-Sep-16 S\$'000	As at 31-Dec-15 S\$'000
Note					
Non-current Assets					
		36,574	42,259	13	20
		17,154	18,243	-	-
		3,349	3,631	-	-
		185	370	30	25
		-	-	47,061	47,061
	A	1,456	1,092	-	-
		594	154	-	-
	B	1,420	1,684	-	-
	H	-	-	24,268	-
		3,424	3,559	-	-
		64,156	70,992	71,372	47,106
Current Assets					
		21,023	21,564	-	-
	C	60,616	68,213	2,956	2,390
		42	43	-	-
		569	790	32	56
	H	-	-	-	24,141
	D	15,295	15,106	15,295	15,106
	E	4	19	4	19
	F	24,457	25,180	4,528	6,242
		122,006	130,915	22,815	47,954
Total Assets		186,162	201,907	94,187	95,060
Current Liabilities					
	1(b)(ii)	-	5,288	-	-
		61,905	75,058	675	753
	G	778	318	-	-
	E	74	26	74	26
		2,073	2,042	10	10
		64,830	82,732	759	789
Net Current Assets		57,176	48,183	22,056	47,165
Non-current Liabilities					
	1(b)(ii)	77	-	-	-
	G	656	690	-	-
		2,139	2,259	241	241
		2,795	2,949	241	241
Total Liabilities		67,702	85,681	1,000	1,030
Net Assets		118,460	116,226	93,187	94,030
		98,021	98,021	98,021	98,021
		(13,164)	(13,164)	(13,164)	(13,164)
		146	75	146	75
		35,467	28,655	8,184	9,098
		(2,010)	2,639	-	-
Total Equity		118,460	116,226	93,187	94,030

Notes to Group Balance Sheet

- A This relates to the joint venture ("JV") of the Group's wholly-owned subsidiary, Mansfield Manufacturing Company Limited, together with Shenzhen Konka Precision Mould Manufactory Co. Ltd. Anhui KM Technology which was incorporated with a registered share capital of RMB20 million in which Mansfield holds a 49%-stake. As at 31 March 2016, the Group had completed its injection of RMB9.8 million (31 December 2015 RMB7.5 million) capital into the JV. The Group recognized its share of the profit of S\$5,000 from the JV for the 9 months ended 30 September 2016.
- B These are mainly long-term rental and utilities deposit for PRC factory facilities.
- C Decrease mainly due to reduction in stamping and tooling sales in Q3'16 compared to Q4'15. In addition, Magix was able to negotiate with a major customer for reduction in credit term from 120 days to 90 days. As a result, Magix receivable did not increase significantly in relation to its sales.
- D These are quoted equities, trusts and bonds held for trading and managed by an investment bank in Singapore. The fair value was computed based on the last transacted bid prices on the stock exchange or in active markets at the end of the reporting period. The Board has approved to change the Mandate towards a higher mix for bonds in Q2'16 to reduce financial risk due to the volatility of the global equity markets.
- E These derivatives are the unrealized fair value gains or losses from forward contracts under the portfolio investment managed by the investment bank.
- F Decrease in cash and short-term deposit were mainly due to repayment of invoice financing to a PRC bank.
- G This comprise mainly of provisions for retrenchment cost and long-service payment.
- H Effective 1 July 2016, this loan had been converted to a long-term loan. Under FRS 21, exchange rate differences arising from such long-term loan that forms part of InnoTek's net investment in a foreign operation shall be recognised initially to other comprehensive income (part of shareholder's equity reserve) in the consolidated financial statement and reclassified from equity to profit or loss on disposal of the net investment.

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

	As at 30-Sep-16 S\$'000	As at 31-Dec-15 S\$'000
Amount repayable in one year or less, on demand		
- Secured	-	5,288
- Unsecured	-	-
	-	5,288
Amount repayable after one year		
- Secured	77	-
- Unsecured	-	-
	77	-
Total	77	5,288

Details of any collateral

Total borrowings as at 30 September 2016 amounted to S\$0.1 million mainly due to lease financing. Invoice Factoring of S\$5.3 million from a PRC bank as at 31 December 2015 had been fully settled during the period.

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

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

GROUP	Note	Quarter Ended 30-Sep		9 Months Ended 30-Sep	
		2016	2015	2016	2015
		S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities :					
Profit/(Loss) before tax		5,314	(3,494)	7,620	(10,907)
Adjustment items	I	2,937	5,556	222	10,869
Cash flows from/(used in) operations before reinvesting in working capital					
		8,251	2,062	7,842	(38)
Working capital changes , excluding changes relating to cash		(4,590)	(2,947)	(4,413)	(6,056)
Cash generated from/(used in) operating activities					
		3,661	(885)	3,429	(6,094)
Net interest and income tax (paid) / received		(214)	31	(497)	(331)
Net cash generated from/(used in) operating activities					
		3,447	(854)	2,932	(6,425)
Cash flows from investing activities :					
Purchase of property, plant and equipment ("PPE")		(832)	(491)	(1,338)	(2,809)
Deposit (paid)/refund for property, plant and equipment		(208)	411	(440)	943
Proceeds from sale of PPE		89	1,190	271	3,466
Additions to intangible assets		-	(1)	-	(19)
Proceed from sales of Sabana Reit	1(a)(i)(m)	-	-	-	5,574
Proceed from sale of intangible assets		-	70	-	141
Proceeds from sale of investment securities		4,577	1,033	19,307	14,526
Acquisition of investment securities under portfolio management		(9,643)	(2,862)	(19,851)	(9,733)
Dividend from investment securities		14	44	113	342
Investment in joint venture		-	-	(507)	(988)
Decrease/(Increase) in bank balance under portfolio investment management		5,053	(23)	281	(204)
(Increase)/Decrease in pledged time deposits		(616)	734	(321)	960
Decrease in restricted cash		-	108	-	915
Effect of exchange rate changes	J	(347)	(3,911)	4,018	(5,229)
Net cash (used in)/ generated from investing activities					
		(1,913)	(3,698)	1,533	7,885
Cash flows from financing activities :					
(Decrease)/ increase in short term financing		(2,849)	1,459	(5,454)	1,355
Effect of exchange rate changes		56	77	166	73
Net cash (used in)/generated from financing activities					
		(2,793)	1,536	(5,288)	1,428
Net change in cash and cash equivalents					
		(1,259)	(3,016)	(823)	2,888
Effect of exchange rate changes on cash and cash equivalents					
		(151)	287	59	400
Cash and cash equivalents as at beginning of period					
		23,429	25,579	22,783	19,562
Cash and cash equivalents as at end of period					
	K	22,019	22,850	22,019	22,850

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

I Details of adjustment items as follows:

GROUP	Note	Quarter Ended 30-Sep		9 Months Ended 30-Sep	
		2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Depreciation of property, plant and equipment (PPE)		1,378	2,155	4,491	6,963
Amortisation of intangible assets		43	114	185	338
Amortisation of prepaid land lease payments		21	24	66	70
Gain on disposal of PPE and intangible assets		(81)	(232)	(227)	(1,150)
(Gain)/Loss on disposal of held for trading investments	1(a)(i)(i)	(8)	23	20	(160)
Gain on disposal of other investments	1(a)(i)(m)	-	-	-	(107)
Share option expense		35	-	71	41
Allowance for doubtful debts		345	14	131	157
Net fair value (gain)/loss on held for trading investments	1(a)(i)(j)	(125)	449	357	(168)
Net fair value loss on derivatives	1(a)(i)(n)	68	124	64	120
Interest expense		7	35	90	148
Interest income		(143)	(71)	(277)	(225)
Provision/ (Write-back) for inventory obsolescence		5	291	(114)	1,069
Effect of exchange rate changes		964	2,485	(5,000)	3,894
Share of results of joint venture		8	111	(5)	137
Provision for severance benefits and restructuring expenses		434	79	483	85
Dividend income from investment securities		(14)	(45)	(113)	(343)
Total		<u>2,937</u>	<u>5,556</u>	<u>222</u>	<u>10,869</u>

J This mainly came from fixed assets and investment property translation loss resulting from the change in HK\$/S\$ exchange rate in December 2015 and September 2016.

K For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise:

GROUP	As at 30 September	
	2016 S\$'000	2015 S\$'000
Cash and bank balances	18,989	19,123
Cash and bank balance under portfolio investment management	809	1,066
Fixed deposits	4,659	5,052
Total cash and bank balance per balance sheet	24,457	25,241
Less : Cash and bank balance under portfolio investment management	(809)	(1,066)
Less: Pledged fixed deposit and restricted cash	(1,629)	(1,325)
Cash and cash equivalents at end of period	22,019	22,850 *

* The decrease in cash and cash equivalents from 30 September 2015 to 30 September 2016 was mainly due to repayment of short-term financing.

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

Statement of changes in equity

GROUP	Attributable to owners of the parent							Equity attributable to owners of the parent, Non-controlling Interest, Total Equity		
	Share Capital S\$'000	Treasury Shares S\$'000	Retained earnings S\$'000	Share Option Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Fair value adjustment reserve S\$'000	Total other Reserve S\$'000	to owners of the parent, total S\$'000	Non-controlling Interest S\$'000	Total Equity S\$'000
2016										
Balance at 1 January 2016	98,021	(13,164)	28,655	75	2,639	-	2,714	116,226	-	116,226
Profit for 1H'16	-	-	1,795	-	-	-	-	1,795	-	1,795
Other Comprehensive Income										
Foreign currency translation	-	-	-	-	(5,437)	-	(5,437)	(5,437)	-	(5,437)
Total comprehensive Income	-	-	1,795	-	(5,437)	-	(5,437)	(3,642)	-	(3,642)
Contribution by and distribution to owners										
Share Option expense	-	-	-	36	-	-	36	36	-	36
Total contribution by and distribution to owners	-	-	-	36	-	-	36	36	-	36
Balance at 30 June 2016	98,021	(13,164)	30,450	111	(2,798)	-	(2,687)	112,620	-	112,620
Profit for Q3'16	-	-	5,017	-	-	-	-	5,017	-	5,017
Other Comprehensive Income										
Foreign currency translation	-	-	-	-	788	-	788	788	-	788
Total comprehensive Income	-	-	5,017	-	788	-	788	5,805	-	5,805
Contribution by and distribution to owners										
Share Option expense	-	-	-	35	-	-	35	35	-	35
Total contribution by and distribution to owners	-	-	-	35	-	-	35	35	-	35
Balance at 30 September 2016	98,021	(13,164)	35,467	146	(2,010)	-	(1,864)	118,460	-	118,460

Statement of changes in equity (Cont'd)

GROUP	Attributable to owners of the parent							Equity attributable to owners of the parent, Non-controlling Interest, Total Equity		
	Share Capital S\$'000	Treasury Shares S\$'000	Retained earnings S\$'000	Foreign				to owners of the parent, total S\$'000	Non-controlling Interest S\$'000	Total Equity S\$'000
				Share Option Reserve S\$'000	Currency Translation Reserve S\$'000	Fair value adjustment reserve S\$'000	Total other Reserve S\$'000			
2015										
Balance at 1 January 2015	98,021	(13,164)	44,911	83	960	406	1,449	131,217	-	131,217
Loss for 1H'15	-	-	(7,585)	-	-	-	-	(7,585)	-	(7,585)
Other Comprehensive Income										
Foreign currency translation	-	-	-	-	1,486	-	1,486	1,486	-	1,486
realisation of fair value gain on disposal of available-for-sale financial assets	-	-	-	-	-	(167)	(167)	(167)	-	(167)
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	-	(239)	(239)	(239)	-	(239)
Other comprehensive income	-	-	-	-	1,486	(406)	1,080	1,080	-	1,080
Total comprehensive Income	-	-	(7,585)	-	1,486	(406)	1,080	(6,505)	-	(6,505)
Contribution by and distribution to owners										
Share Option expense	-	-	-	41	-	-	41	41	-	41
Expiry of employee share options	-	-	6	(6)	-	-	(6)	-	-	-
Total contribution by and distribution to owners	-	-	6	35	-	-	35	41	-	41
Balance at 30 June 2015	98,021	(13,164)	37,332	118	2,446	-	2,564	124,753	-	124,753
Loss for Q3'15	-	-	(3,499)	-	-	-	-	(3,499)	-	(3,499)
Other Comprehensive Income										
Foreign currency translation	-	-	-	-	2,769	-	2,769	2,769	-	2,769
Other comprehensive income	-	-	-	-	2,769	-	2,769	2,769	-	2,769
Total comprehensive Income	-	-	(3,499)	-	2,769	-	2,769	(730)	-	(730)
Balance at 30 September 2015	98,021	(13,164)	33,833	118	5,215	-	5,333	124,023	-	124,023

Statement of changes in equity (Cont'd)

	Attributable to owners of the parent						
COMPANY	Issued Capital S\$'000	Treasury Shares S\$'000	Retained earnings S\$'000	Share Option Reserve S\$'000	Fair Value Adjustment Reserve S\$'000	Total Other reserves S\$'000	Total equity S\$'000
2016							
Balance at 1 January 2016	98,021	(13,164)	9,098	75	-	75	94,030
Loss for 1H'16	-	-	(1,204)	-	-	-	(1,204)
Total comprehensive income for 1H'16	-	-	(1,204)	-	-	-	(1,204)
Contributions by and distribution to owners							
Share option expense	-	-	-	36	-	36	36
Total transactions with owners in their capacity as owners	-	-	-	36	-	36	36
Balance at 30 June 2016	98,021	(13,164)	7,894	111	-	111	92,862
Profit for Q3'16	-	-	290	-	-	-	290
Total comprehensive income for Q3'16	-	-	290	-	-	-	290
Contributions by and distribution to owners							
Share Option expense	-	-	-	35	-	35	35
Total transactions with owners in their capacity as owners	-	-	-	35	-	35	35
Balance at 30 September 2016	98,021	(13,164)	8,184	146	-	146	93,187
2015							
Balance at 1 January 2015	98,021	(13,164)	9,535	83	406	489	94,881
Profit for 1H'15	-	-	375	-	-	-	375
Other Comprehensive Income							
Realisation of fair value gain on disposal of available-for-sale financial assets	-	-	-	-	(167)	(167)	(167)
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	(239)	(239)	(239)
Total comprehensive income for 1H'15	-	-	375	-	(406)	(406)	(31)
Contributions by and distribution to owners							
Expiry of Employee Share Option	-	-	6	(6)	-	(6)	-
Share Option expense	-	-	-	41	-	41	41
Total transactions with owners in their capacity as owners	-	-	6	35	-	35	41
Balance at 30 June 2015	98,021	(13,164)	9,916	118	-	118	94,891
Loss for Q3'15	-	-	(794)	-	-	-	(794)
Total comprehensive income	-	-	(794)	-	-	-	(794)
Balance at 30 September 2015	98,021	(13,164)	9,122	118	-	118	94,097

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

(a) Share Capital

Number of ordinary shares as at 30 September 2016 and 30 September 2015 is 246,656,428.

Number of shares that may be issued on conversion of all outstanding options are as follows:-

	As at 30/9/2016	As at 30/9/2015
Options granted under the InnoTek Employees' Share Option Scheme II *	970,000	1,680,000
Options granted under the InnoTek Employees' Share Option Scheme 2014 **	<u>3,500,000</u>	<u>1,000,000</u>
	<u>4,470,000</u>	<u>2,680,000</u>

* On 23 May 2013, 7,730,000 options were granted to the Group's and the Company's employees under the "InnoTek Employee's Share Option Scheme II" plan which was approved by shareholders at the Extraordinary General Meeting held on 30 April 2008. The option price for the grant was S\$0.28 per share which was based on the average of the last dealt prices for the shares on the SGX-ST over five consecutive Market Days immediately preceding the Date of Grant of Option as determined by the Remuneration Committee. 6,760,000 options had been forfeited since May 2013 due to staff resignation. Number of options forfeited in Q3'16 due to staff resignation was 180,000.

** 1,000,000 share options were granted to a senior management staff at an option price of S\$0.27 on 1 December 2014 but was forfeited due to his resignation on 2 December 2015. 2,000,000 share options were granted to new Executive Director and Chief Executive Officer of Mansfield Group, Mr. Lou Yiliang at an option price of S\$0.185 on 19 January 2016. Another 1,500,000 share options was granted to new Chief Operating Officer, Mr. Kuang Yubin at an option price of S\$0.156 on 6 June 2016. The option price for the grant was based on the average of the last dealt prices for the shares on the SGX-ST over five consecutive Market Days immediately preceding the Date of the Grant of Option as determined by the Remuneration Committee.

(b) Treasury Shares

	No of shares '000	S\$'000
Balance as at 1 January and 30 September 2016	<u>22,821</u>	<u>13,164</u>

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

	As at 30/9/2016		As at 30/9/2015	
	No of shares '000	\$'000	No of shares '000	\$'000
Total number of issued shares at the end of period	246,656	98,021	246,656	98,021
Number of Treasury Shares at the end of period	<u>(22,821)</u>	<u>(13,164)</u>	<u>(22,821)</u>	<u>(13,164)</u>
Net number of issued shares at the end of period	<u>223,835</u>	<u>84,857</u>	<u>223,835</u>	<u>84,857</u>

- 1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of Treasury Shares as at the end of the current financial period reported on.**

None

- 2. Whether the figures have been audited, or reviewed and in accordance with the standard (e.g. The Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed by auditors.

3. Whether the figures have been audited , or reviewed , the auditor's report (including any qualifications or emphasis of matter)

The figures have not been audited or reviewed by auditors.

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

The accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements as at 31 December 2015 except that the Group has adopted the new Financial Reporting Standards ("FRS") which became effective for periods beginning on or after 1 January 2016.

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

The adoption of the standards and interpretations highlighted in paragraph 4 above did not have any effect on the financial performance or position of the Group presented in this announcement.

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

	Quarter Ended 30 September		9 Months Ended 30 September	
	2016	2015	2016	2015
Earning per ordinary share of the Group based on net profit/(loss) attributable to the shareholders of the Company :				
(i) Based on the weighted average number of shares (in cents)				
Earning per share	2.24	(1.56)	3.04	(4.95)
Weighted average number of shares ('000)	223,835	223,835	223,835	223,835
(ii) On a fully diluted basis (in cents)				
Earning per share	2.24	(1.56)	3.04	(4.95)
Adjusted weighted average number of shares ('000)	224,011	223,835	223,912	223,835

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

	Group		Company	
	As at 30-Sep-16	As at 31-Dec-15	As at 30-Sep-16	As at 31-Dec-15
Net asset backing per ordinary share based on the total number of issued share excluding treasury shares as at the end of the period reported on	52.9 cents	51.9 cents	41.6 cents	42.0 cents

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group business. The review must discuss any significant factors that affected the turnover costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital assets or liabilities of the Group during the current financial period reported on

Review for the Quarter ended 30 September 2016 (Q3'16)

	Q2'16 S\$'000	Q3'16 S\$'000	Q3'15 S\$'000	Q3'16 vs Q3'15 S\$'000	Q3'16 vs Q3'15 %
Turnover					
MSF	50,638	55,753	58,591	(2,838)	(4.8)
Net (Loss)/Profit attributable to owners of the parent					
MSF - before exchange rate impact	2,049	4,921	(4,405)	9,326	NM
Exchange gain	402	109	1,700	(1,591)	(93.6)
MSF Group	2,451	5,030	(2,705)	7,735	NM
InnoTek - before exchange rate impact	(299)	(45)	(871)	826	(94.8)
Exchange gain	151	32	77	(45)	(58.4)
Total InnoTek	(148)	(13)	(794)	781	98.4
InnoTek Group - before exchange rate impact	1,750	4,876	(5,276)	10,152	NM
Exchange gain	553	141	1,777	(1,636)	(92.1)
Total Innotek Group	2,303	5,017	(3,499)	8,516	NM
Basic EPS (cents)	1.03	2.24	(1.56)	3.80	243.6

Turnover

The Group's revenue for the July-September 2016 quarter ("Q3'16") decreased S\$2.8 million or 4.8% to S\$55.8 million from S\$58.6 million in Q3'15.

The lower revenue was mainly due to:

- (1) Revenue decline from the Precision Components and Tooling segment due to lower demand for office automation and consumer products. Certain major Japanese customers have also allocated new production programmes to plants outside of China. In addition, sales for automotive products were lower as current programmes are nearing end-of-life while mass production from newly secured automotive programmes has not started.

This was offset by:

- (2) Revenue increase from the Assembly segment mainly due to the higher sales from TV Bezel programmes from two major Taiwanese customers.

Net Profit

Despite lower revenue, the Group's profit (before exchange gain) increased to S\$4.9 million in Q3'16, representing a positive swing of S\$10.2 million, from a loss (before exchange gain) of S\$5.3 million in Q3'15 mainly due to:

- (1) Mansfield Group ("MSF") recording a profit (before exchange gain) of S\$4.9 million in Q3'16 compared to a loss (before exchange gain) of S\$4.4 million in Q3'15 as a result of:
 - a) Increase in MSF's gross profit ("GP") margin to 21.9% in Q3'16 from 4.6% in Q3'15, attributable to:
 - (i) Lower cost of materials (38.6% of revenue in Q3'16 compared to 42.6% in Q3'15);
 - (ii) Lower salaries and wages (Note 1(a)(i)(f));
 - (iii) Lower depreciation of PPE as a result of an impairment loss charged in Q4'15; and
 - (iv) Maximizing in-house production to reduce subcontract expense.
 - b) Lower G&A wages and salaries (Note 1(a)(i)(h))

This was offset by:

- (2) InnoTek's loss (before exchange gain) in Q3'16 of S\$0.1 million, S\$0.8 million lower than Q3'15 loss (before exchange gain) of S\$0.9 million due mainly to the net fair value gain of investment securities managed by an investment bank in Q3'16 compared to a loss in Q3'15.

Review for 9 months ended 30 September 2016 (9M'16)

	9M'16 S\$'000	9M'15 S\$'000	9M'16 vs 9M'15 S\$'000	9M'16 vs 9M'15 %
Turnover				
MSF	159,352	171,879	(12,527)	(7.3)
Net (Loss)/Profit attributable to owners of the parent				
MSF - before exchange rate impact	8,534	(12,525)	21,059	NM
Exchange gain /(loss)	(505)	1,857	(2,362)	NM
MSF Group	8,029	(10,668)	18,697	NM
InnoTek - before exchange rate impact	(987)	(556)	(431)	(77.5)
Exchange gain /(loss)	(230)	140	(370)	NM
Total InnoTek	(1,217)	(416)	(801)	NM
InnoTek Group - before exchange rate impact	7,547	(13,081)	20,628	NM
Exchange gain /(loss)	(735)	1,997	(2,732)	NM
Total Innotek Group	6,812	(11,084)	17,896	NM
Basic EPS (cents)	3.04	(4.95)	7.99	NM

Turnover

The Group's revenue for the nine months ended 30 September 2016 ("9M'16") decreased S\$12.5 million or 7.3% to S\$159.4 million from S\$171.9 million in 9M'15 mainly due to:

- (1) Revenue decline from the Precision Components and Tooling segment due to lower demand for office automation and consumer products. Certain major Japanese customers have also allocated new production programmes to plants outside of China. In addition, sales for automotive products were lower as current programmes are nearing end-of-life while mass production from newly secured automotive programmes has not started.

This was offset by:

- (2) Revenue increase from the Assembly segment mainly due to the higher sales from TV Bezel programmes from two major Taiwanese customers.

Net Profit

Despite lower revenue, the Group's profit (before exchange loss) increased to S\$7.5 million in 9M'16, representing a positive swing of S\$20.6 million, from a loss (before exchange gain) of S\$13.1 million in 9M'15 mainly due to:

- (1) MSF recording profit (before exchange loss) of S\$8.5 million in 9M'16 compared to a loss (before exchange gain) of S\$12.5 million in 9M'15 as a result of:
 - (a) Increase in MSF's GP margin to 18.0% in 9M'16 from 5.1% in 9M'15 attributable to:
 - (i) Lower cost of materials (39.0% of revenue in 9M'16 compared to 43.8% in 9M'15);
 - (ii) Lower salaries and wages (Note 1(a)(i)(f));
 - (iii) Lower depreciation of PPE as a result of an impairment loss charged in Q4'15; and
 - (iv) Maximizing in-house production to reduce subcontract expenses.
 - (b) Lower G&A wages and salaries (Note 1(a)(i)(h)).

This was offset by:

- (2) InnoTek's higher loss (before exchange loss) of S\$0.4 million mainly from net fair value loss for equities and loss on disposal of investment securities managed under an investment portfolio due to the volatility of global equity markets in 9M'16 compared to gains in 9M'15.

9. A forecast, or projected statement, has been previously disclosed to shareholders, any variance between it and the actual results

None

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

China's operating environment continues to be challenging to manufacturers due to continued rise in labour costs, slower domestic growth and increasing competition from local component parts suppliers.

The Group remains optimistic about the automotive sector. According to the China Association of Automotive Manufacturers, automotive sales in China reached a year high of 2.56 million units in September, rising 26.6% year-on-year. A major catalyst for this growth is a recent tax cut on vehicles with engines of 1.6 litres and lower up till end of 2016. The Chinese central government has also granted subsidies for purchase of locally made New Energy Vehicles ("NEVs") to reduce air pollution and to promote growth of this sub-sector. The Group intends to leverage on these trends to secure contracts for new automotive programmes. Key concerns going forward are the extent and duration of relevant government subsidies as well as increasing competition from local manufacturers. Nonetheless, this sector is expected to be a key revenue contributor for the Group for the foreseeable future.

For the office automation sector, the rising costs and increased competition are among major factors that have prompted some leading Japanese brands manufacturers to relocate some production facilities from China to lower-cost countries including Vietnam. Despite the slowdown in this sub-sector, the Group has maintained close relationships with existing top Japanese brands.

For the TV sector, the global flat-screen TV panel market continues to grow, with rising consumer affluence underpinning demand for bigger and higher-definition ("4K") screens. Despite rising competition from domestic producers, the Group continues to see opportunity in its focus on metal TV bezels for larger-size screens, serving Taiwanese OEMs and Japanese clients. The focus on these products – which require higher precision and quality of finish – will allow the Group to better differentiate itself from local competitors. The Group also intends to penetrate the display market in China. The Group started mass production of its car display panels in Q2'16.

Following Mr. Lou Yiliang's appointment as Executive Director and CEO of Mansfield Group on 2 November 2015, his management team has executed strategies to reduce operating costs, increase automation via technology utilisation, improve staff skills, and strengthen customer engagement by focusing on quality products and timely delivery. These initiatives have helped the Group achieve two consecutive quarters of profitability with rising operating margins, reversing earlier losses. The Group will continue to build upon the momentum from these operational changes to improve operating margins and profitability while seeking to retain existing customers and secure new clients.

Barring unforeseen circumstances, the Board of Directors expects to record an operating profit for the second half ending 31 December 2016 ("2H'16") and its performance for the whole of FY2016 to improve upon that of FY2015.

11. Dividend

(a) Current Financial period Reported On

Any dividend declared for the present financial period? No

(b) Corresponding period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable

(d) Books closing date

Not applicable

12. If no dividend has been declared / recommended , a statement to that effect

No dividend was declared for the present financial period

- 13. Interested Person Transactions – Rule 920(1)(a)(ii) – An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate for interested person transactions for the financial period which it is required to report on pursuant to Rule 705.**

Interested Parties transactions for the 9 months ended 30 September 2016

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Konka Precision Mould Plastic Co., Ltd	478,775	N/A
Anhui KM Technology	740,754	N/A

- 14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

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

15. STATEMENT PURSUANT TO SGX LISTING RULE 705(5) OF THE LISTING MANUAL

The directors confirmed that to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results of the Company and of the Group for the third quarter ended 30 September 2016 to be false or misleading in any material aspects.

Signed by Robert Sebastiaan Lette, Chairman and Lou Yiliang, Executive Director

BY ORDER OF THE BOARD

Lou Yiliang

Executive Director

14 November 2016