

**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 First Quarter ended 31 March 2016

Group	Note	Quarter Ended 31-Mar		Change %
		2016 S\$'000	2015 S\$'000	
Revenue		52,961	55,698	(4.9)
Cost of sales	1(a)(i)(a)	(44,934)	(51,966)	(13.5)
Gross Profit		8,027	3,732	115.1
Other items of expense				
Selling and distribution		(890)	(1,139)	(21.9)
Administrative expense	1(a)(i)(b)	(6,166)	(7,150)	(13.8)
Finance cost		(36)	(62)	(41.9)
Share of joint venture profit	1(b)(i)(A)	66	-	NM
Other expenses	1(a)(i)(c)	(2,090)	(1)	NM
Total other item of expenses		(9,116)	(8,352)	9.1
Other items of income				
Interest income		59	87	(32.2)
Other income	1(a)(i)(d)	843	1,998	(57.8)
Total other items of Income		902	2,085	(56.7)
Loss before taxation and non-controlling interest		(187)	(2,535)	(92.6)
Tax expense		(321)	(39)	NM
Loss , net of tax		(508)	(2,574)	(80.3)
Other comprehensive income :				
Foreign currency translation		(2,725)	3,303	NM
Realisation of fair value gain on disposal of available-for-sale financial assets		-	(54)	NM
Net loss on fair value changes of available-for-sale financial assets		-	(226)	NM
Other comprehensive income , net of tax		(2,725)	3,023	NM
Total comprehensive income for the period		(3,233)	449	(820.0)
Loss attributable to :				
Owners of the parent		(508)	(2,574)	(80.3)
Non-controlling interests		-	-	NM
Loss, net of tax		(508)	(2,574)	(80.3)
Total comprehensive income attributable to :				
Owners of the parent		(3,233)	449	NM
Non-controlling interests		-	-	NM
Total comprehensive income for the period		(3,233)	449	NM
Loss per share (cents)				
Basic	Para 6	(0.23)	(1.15)	(80.0)
Diluted	Para 6	(0.23)	(1.15)	(80.0)
NM denotes Not Meaningful				

Notes to Group Consolidated Statement of Comprehensive Income

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

	Note	Quarter Ended	
		31-Mar	
		2016	2015
		S\$'000	S\$'000
(a) Included in cost of sales are :			
- Inventories recognised as an expense in cost of sales		(21,294)	(25,289)
- Write-back/ (provision) for inventory obsolescence		194	(74)
- Depreciation of property, plant and equipment ("PPE")	1(a)(i)(e)	(1,309)	(1,806)
- Wages and salaries	1(a)(i)(f)	(11,623)	(13,471)
(b) Included in administrative expenses are :			
- Depreciation of property, plant and equipment ("PPE")	1(a)(i)(g)	(307)	(655)
- Amortisation of prepaid land lease payments		(23)	(23)
- Amortisation of intangible assets		(77)	(113)
- Wages and salaries	1(a)(i)(h)	(2,946)	(3,225)
(c) Included in other expenses are :			
- Loss on disposal of held for trading investments	1(a)(i)(i)	(136)	-
- Net fair value loss on held for trading investments	1(a)(i)(j)	(524)	-
- Foreign currency loss	1(a)(i)(k)	(1,429)	-
(d) Included in other income are :			
- Write-back of allowance for doubtful debts		34	4
- Property rental income	1(a)(i)(l)	307	318
- Dividend income from investment securities	1(a)(i)(m)	46	193
- Gain on disposal of PPE		29	1
- Gain on derivative	1(a)(i)(n)	246	63
- Gain on disposal of held for trading investments	1(a)(i)(i)	-	268
- Net fair value gain on held for trading investments	1(a)(i)(j)	-	415
- Gain on disposal of other investments	1(a)(i)(m)	-	28
- Foreign currency gain	1(a)(i)(k)	-	490

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

- (e) Depreciation for Q1'16 was lower than Q1'15 due mainly to the impairment provision for PPE of a stamping component segment subsidiary and a subassembly segment subsidiary in December 2015.
- (f) Q1'16 wages and salaries were lower mainly due to a decrease in direct and indirect labor headcount and overtime expense.
- (g) Lower depreciation mainly due to the impairment of leasehold improvements for unoccupied space from a subassembly segment subsidiary provided in December 2015.
- (h) Q1'16 wages and salaries were lower mainly due to lower G&A headcount and reduction of overtime expense
- (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/(loss) from investment securities under investment portfolio managed by an investment bank.
- (k) The foreign currency loss in Q1'16 was mainly due to the weakening of the HK\$ vs S\$ in the first quarter of 2016 from the S\$ loans extended to Mansfield Manufacturing while the Q1'15 foreign currency gain was due to the strengthening of the HK\$ vs S\$ in the first quarter of 2015.
- (l) This relates to the investment property which was rented out by MGX.
- (m) Reduction in Q1'16 dividend income following the complete disposal of shares in Sabana Reit in Q2'15. Q1'16 dividend income 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\$28K in Q1'15 and the proceeds from the disposal of 1,200,000 Sabana Reit shares in Q1'15 at an average price of S\$0.90 was reflected in the Consolidated Cash Flow Statement.
- (n) This relates to an unrealized fair value gain 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)

	Note	Group		Company	
		As at 31-Mar-16 S\$'000	As at 31-Dec-15 S\$'000	As at 31-Mar-16 S\$'000	As at 31-Dec-15 S\$'000
Non-current Assets					
Property, plant and equipment ("PPE")		39,155	42,259	17	20
Investment property		17,506	18,243	-	-
Prepaid land lease payment		3,462	3,631	-	-
Intangible assets		292	370	33	25
Investment in subsidiary		-	-	47,061	47,061
Investment in joint venture	A	1,589	1,092	-	-
Deposit paid for purchases of property, plant and equipment		96	154	-	-
Other receivables	B	1,616	1,684	-	-
Deferred tax assets		3,401	3,559	-	-
		67,117	70,992	47,111	47,106
Current Assets					
Inventories		19,996	21,564	-	-
Trade and other receivables		56,475	68,213	2,507	2,390
Tax recoverables		41	43	-	-
Prepayments		941	790	54	56
Loan to subsidiary		-	-	25,863	24,141
Held for trading investments	C	15,049	15,106	15,049	15,106
Derivatives	D	239	19	239	19
Cash and short-term deposit	E	27,868	25,180	3,224	6,242
		120,609	130,915	46,936	47,954
Total Assets		187,726	201,907	94,047	95,060
Current Liabilities					
Invoice financing		5,567	5,288	-	-
Loans and borrowings	1(b)(ii)	5,567	5,288	-	-
Trade and other payables		63,999	75,058	804	753
Provisions	F	303	318	-	-
Derivatives	D	-	26	-	26
Tax payable		2,003	2,042	10	10
		71,872	82,732	814	789
Net Current Assets		48,737	48,183	46,122	47,165
Non-current Liabilities					
Provision	F	665	690	-	-
Deferred tax liabilities		2,178	2,259	241	241
		2,843	2,949	241	241
Total Liabilities		74,715	85,681	1,055	1,030
Net Assets		113,011	116,226	92,992	94,030
Share capital		98,021	98,021	98,021	98,021
Treasury shares		(13,164)	(13,164)	(13,164)	(13,164)
Share option reserve		93	75	93	75
Retained earnings		28,147	28,655	8,042	9,098
Translation reserves		(86)	2,639	-	-
Total Equity		113,011	116,226	92,992	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 Joint Venture. The Group recognized its share of the profit of S\$66K from the JV in Q1’16.
- B These are mainly long-term rental and utilities deposit for PRC factory facilities.
- C 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.
- D These derivatives are the unrealized fair value gains or losses from forward contracts under the portfolio investment.
- E The increase in cash and bank balances in Q1’16 was mainly due to positive EBITDA of S\$1.5 million and lower working capital.
- F This includes provision for a long-service payment and a warranty provision relating to the Option Agreement with Alliance Manufacturing Sdn. Bhd under the disposal of Exerion Precision Technology Holding B.V. in 2012.

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

	As at 31-Mar-16 S\$'000	As at 31-Dec-15 S\$'000
Amount repayable in one year or less, on demand		
- Secured	5,567	5,288
- Unsecured	-	-
	5,567	5,288
Amount repayable after one year		
- Secured	-	-
- Unsecured	-	-
	-	-
Total	5,567	5,288

Details of any collateral

Total borrowings as at 31 March 2016 amounted to S\$5.6 million mainly due to invoice factoring (31 December 2015: S\$5.3 million) from a PRC bank which is secured by trade receivables.

- 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 31-Mar	
		2016 S\$'000	2015 S\$'000
Cash flows from operating activities :			
Loss before tax		(187)	(2,535)
Adjustment items	I	(1,435)	5,056
Cash flows from/(used in) operations before reinvesting in working capital		(1,622)	2,521
Working capital changes, excluding changes relating to cash		2,503	1,250
Cash generated from operating activities		881	3,771
Net interest and income tax paid		(229)	(311)
Net cash generated from operating activities		652	3,460
Cash flows from investing activities :			
Purchase of property, plant and equipment ("PPE")		(210)	(715)
Deposit refund for property, plant and equipment		58	504
Proceeds from sale of PPE		44	-
Additions to intangible assets		(11)	(18)
Proceed from sales of Sabana Reit	1(a)(i)(m)	-	1,078
Proceed from sale of intangible assets		-	71
Proceeds from sale of investment securities		3,083	3,610
Acquisition of Investment securities under portfolio management		(3,710)	(3,892)
Dividend from investment securities		46	193
Investment in joint venture		(507)	(988)
Deposit in an investment portfolio account		600	321
(Increase)/Decrease in pledged time deposits		(703)	49
Decrease in restricted cash		-	915
Effect of exchange rate changes	J	2,655	(2,966)
Net cash generated from / (used in) investing activities		1,345	(1,838)
Cash flows from financing activities :			
Increase in short term financing		303	1,402
Effect of exchange rate changes		(24)	(46)
Net cash generated from financing activities		279	1,356
Net change in cash and cash equivalents		2,276	2,978
Effect of exchange rate changes on cash and cash equivalents		309	(4)
Cash and cash equivalents as at beginning of period		22,783	19,562
Cash and cash equivalents as at end of period	K	25,368	22,536

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

I Details of adjustment items as follows:

GROUP	Note	Quarter Ended 31-Mar	
		2016 S\$'000	2015 S\$'000
Depreciation of property, plant and equipment (PPE)		1,616	2,461
Amortisation of intangible assets		77	113
Amortisation of prepaid land lease payments		23	23
Gain on disposal of PPE and intangible assets		(29)	(6)
Loss/(Gain) on disposal of held for trading investments	1(a)(i)(i)	136	(268)
Gain on disposal of other investments	1(a)(i)(m)	-	(28)
Share option expense		18	-
Allowance for doubtful debts written back		(34)	(4)
Net fair value loss/(gain) on held for trading investments	1(a)(i)(j)	524	(415)
Net fair value gain for derivatives	1(a)(i)(n)	(246)	(63)
Interest expense		36	62
Interest income		(59)	(87)
(Write-back) / provision for inventory obsolescence		(194)	74
Effect of exchange rate changes		(3,194)	3,384
Share of results of joint venture		(66)	-
Provision for severance benefits and restructuring expenses		3	3
Dividend income from investment securities		(46)	(193)
Total		<u>(1,435)</u>	<u>5,056</u>

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

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

GROUP	As at 31 March	
	2016 S\$'000	2015 S\$'000
Cash and bank balances	23,724	22,877
Cash and bank balance under portfolio investment management	489	540
Fixed deposits	3,655	2,236
Total cash and bank balance per balance sheet	27,868	25,653
Less : Cash and bank balance under portfolio investment management	(489)	(540)
Less: Pledged fixed deposit and restricted cash	(2,011)	(2,236)
Net cash and bank balance	25,368	22,877
Less : Bank overdrafts	-	(341)
Cash and cash equivalents at end of period	25,368	22,536 *

* The increase in cash and cash equivalents from 31 March 2015 to 31 March 2016 was mainly due to positive EBITDA of S\$1.5 million and lower working capital in Q1'16.

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 parents							Equity attributable to owners of the parent, total S\$'000	Non-controlling Interest S\$'000	Total Equity S\$'000
	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			
2016										
Balance at 1 January 2016	98,021	(13,164)	28,655	75	2,639	-	2,714	116,226	-	116,226
Loss for Q1'16	-	-	(508)	-	-	-	-	(508)	-	(508)
Other Comprehensive Income										
Foreign currency translation	-	-	-	-	(2,725)	-	(2,725)	(2,725)	-	(2,725)
Other comprehensive income	-	-	-	-	(2,725)	-	(2,725)	(2,725)	-	(2,725)
Total comprehensive Income	-	-	(508)	-	(2,725)	-	(2,725)	(3,233)	-	(3,233)
Contribution by and distribution to owners										
Share Option expense	-	-	-	18	-	-	18	18	-	18
Total contribution by and distribution to owners	-	-	-	18	-	-	18	18	-	18
Balance at 31 March 2016	98,021	(13,164)	28,147	93	(86)	-	7	113,011	-	113,011
2015										
Balance at 1 January 2015	98,021	(13,164)	44,911	83	960	406	1,449	131,217	-	131,217
Loss for Q1'15	-	-	(2,574)	-	-	-	-	(2,574)	-	(2,574)
Other Comprehensive Income										
Foreign currency translation	-	-	-	-	3,303	-	3,303	3,303	-	3,303
Realisation of fair value gain on disposal of available-for-sale financial assets	-	-	-	-	-	(54)	(54)	(54)	-	(54)
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	-	(226)	(226)	(226)	-	(226)
Other comprehensive income	-	-	-	-	3,303	(280)	3,023	3,023	-	3,023
Total comprehensive Income	-	-	(2,574)	-	3,303	(280)	3,023	449	-	449
Balance at 31 March 2015	98,021	(13,164)	42,337	83	4,263	126	4,472	131,666	-	131,666

Statement of changes in equity (Cont'd)

COMPANY	Attributable to owners of the parents							Total equity S\$'000
	Issued Capital S\$'000	Treasury Shares S\$'000	Retained earnings S\$'000	Fair Value			Total Other reserves S\$'000	
				Share Option Reserve S\$'000	Adjustment Reserve S\$'000	Total		
Balance at 1 January 2016	98,021	(13,164)	9,098	75	-	75	94,030	
Loss for Q1'16	-	-	(1,056)	-	-	-	(1,056)	
Total comprehensive income	-	-	(1,056)	-	-	-	(1,056)	
<u>Contributions by and distribution to owners</u>								
Share option expense	-	-	-	18	-	18	18	
Total transactions with owners in their capacity as owners	-	-	-	18	-	18	18	
Balance at 31 March 2016	98,021	(13,164)	8,042	93	-	93	92,992	
2015								
Balance at 1 January 2015	98,021	(13,164)	9,535	83	406	489	94,881	
Profit for Q1'15	-	-	587	-	-	-	587	
<u>Other Comprehensive Income</u>								
Realisation of fair value gain on disposal of available-for-sale financial assets	-	-	-	-	(54)	(54)	(54)	
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	(226)	(226)	(226)	
Total comprehensive income	-	-	587	-	(280)	(280)	307	
Balance at 31 March 2015	98,021	(13,164)	10,122	83	126	209	95,188	

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 31 March 2016 and 31 December 2015 is 246,656,428.

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

	As at 31/3/2016	As at 31/12/2015
Options granted under the InnoTek Employees' Share Option Scheme II **	<u>3,240,000</u>	<u>1,510,000</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. 6,490,000 options had been forfeited since May 2013 due to staff resignation. 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. Number of options forfeited in Q1'16 due to staff resignation was 270,000.

(b) Treasury Shares

	No of shares '000	S\$'000
Balance as at 1 January and 31 March 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 31/3/2016		As at 31/3/2015	
	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 same accounting policies and method of computation have been applied to the financial statements as in the most recently audited annual financial statements.

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**

None.

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.**

Earning per ordinary share of the Group based on net loss attributable to the shareholders of the Company :	Quarter Ended 31 March	
	2016	2015
(i) Based on the weighted average number of shares (in cents)		
Earning per share	<u>(0.23)</u>	<u>(1.15)</u>
Weighted average number of shares ('000)	<u>223,835</u>	<u>223,835</u>
(ii) On a fully diluted basis (in cents)		
Earning per share	<u>(0.23)</u>	<u>(1.15)</u>
Adjusted weighted average number of shares ('000)	<u>223,835</u>	<u>223,835</u>

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 31-Mar-16	As at 31-Dec-15	As at 31-Mar-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	50.5 cents	51.9 cents	41.5 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 31 March 2016 (Q1'16)

	Q1'16 S\$'000	Q1'15 S\$'000	Q1'16 vs Q1'15 S\$'000	Q1'16 vs Q1'15 %
Turnover				
MSF	52,961	55,698	(2,737)	(4.9)
Net (Loss)/Profit attributable to owners of the parent				
MSF - before exchange rate impact	1,564	(3,601)	5,165	NM
Exchange gain /(loss)	(1,015)	432	(1,447)	NM
MSF Group	549	(3,169)	3,718	NM
InnoTek - before exchange rate impact	(643)	537	(1,180)	NM
Exchange gain /(loss)	(414)	58	(472)	(813.8)
Total InnoTek	(1,057)	595	(1,652)	(277.6)
InnoTek Group - before exchange rate impact	921	(3,064)	3,985	NM
Exchange gain /(loss)	(1,429)	490	(1,919)	(391.6)
Total Innotek Group	(508)	(2,574)	2,066	(80.3)
Basic EPS (cents)	(0.23)	(1.15)	0.92	80.0

Turnover

The Group's revenue for the January-to-March 2016 quarter ("Q1'16") decreased S\$2.7 million or 4.9% to S\$53.0 million from S\$55.7 million in Q1'15.

The lower revenue was mainly due to:

- (1) Revenue decline from the Precision Components segment, due to lower demand for office automation and consumer products. Certain major Japanese customers have also allocated more new production programmes to plants outside of China.

This was offset by:

- (2) Revenue increase from the Assembly segment due to the higher sales from TV Bezel programmes from 2 major Taiwanese customers in Q1'16.

Net Loss

InnoTek Group recorded a profit (before exchange loss) of S\$0.9 million in Q1'16 compared to a loss (before exchange gain) of S\$3.1 million in Q1'15 due mainly to:

- (1) Mansfield Group ("MSF") profit (before exchange loss) of S\$1.6 million in Q1'16 compared to a loss (before exchange loss) of S\$3.6 million in Q1'15 due mainly to:
 - a) Despite lower revenue, MSF's gross profit ("GP") margin increase to 15.0% in Q1'16 from 6.7% in Q1'15 mainly due to :
 - (i) Lower cost of material
 - (ii) Lower salaries and wages
 - (iii) Lower depreciation of PPE as a result of impairment loss charged in Q4'15
 - (iv) Reduction in subcontract expense by maximizing in-house production; and
 - (v) Reduction in plating pricing especially from the subassembly segment
 - b) Lower G&A wages and salaries (Note 1(a)(i)(h))

Offset by:

- (2) InnoTek's loss (before exchange loss) in Q1'16 of S\$0.6 million compared to a profit of S\$0.5 million in Q1'15 due mainly to net fair value loss and loss on disposal of investment securities managed by an investment bank in Q1'16 compared to an equivalent gain in Q1'15 due to the volatility of global equity markets during Q1'16.

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

The operating environment in China remains challenging amidst rising competition and labour costs, which have prompted Japan's top office automation brands to relocate some productions to lower-cost countries such as Vietnam. The Group has been stepping up efforts to retain its customers in China. Its office automation margins, which are tied to steel prices, remain soft as commodity prices continue to slide. This was already felt and reflected in the Group Q1'16 office automation revenue.

In the automotive business, despite the slower 2016 projected China economic growth, the Group remains optimistic about the automotive sector's potential. The Group will continue its marketing efforts to secure new automotive programmes in 2016.

The global flat-screen TV panels market continues to grow, with rising consumer affluence underpinning demand for bigger screens and high-definition TVs. This in turn is driving demand for metal TV bezels, which are sturdier than plastic bezels. The Group also sees an opportunity to penetrate the display market in China. Mass production of its car display panel is expected to start in Q2'16.

Under the leadership of Mr Lou Yiliang, Executive Director and CEO of Mansfield Group, the management team has identified three key strategies going forward. These include:

- (i) Further reduction in operating costs through decreasing indirect labour and expenses.
- (ii) Improving staff skill sets as well as utilizing technology to increase automation of more functions at the Group's factories.
- (iii) Strengthening customer engagement and ensuring a high level of service and accountability, as well as reaching out to new prospects.

The Group will build upon the positive momentum in Q1'16. Barring unforeseen circumstances, the Board of Directors expects 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.**

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to <u>Rule 920</u>)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to <u>Rule 920</u> (excluding transactions less than \$100,000)
Konka Precision Mould Plastic Co., Ltd	243,934	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 first quarter ended 31 March 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
28 April 2016