



InnoTek Limited

390 Orchard Road, Palais Renaissance #14-01, Singapore 238871
Tel: (65) 6535 0689 Fax: (65) 6533 2680
Reg. No. 199508431Z

InnoTek Turns In Operating Profit In Q1'16 Under New Management; Expects Improved Performance In FY2016

SINGAPORE, 28 April 2016 – InnoTek Limited (“InnoTek” or the “Group”), a precision metal components manufacturer listed on the SGX Mainboard, reported today an operating profit of S\$0.9 million for the quarter ended 31 March 2016 (“Q1'16”).

China-focused InnoTek attributed the turnaround in Q1'16 – it had an operating loss of S\$3.1 million for the same quarter last year (“Q1'15”) – to initiatives put in place by its new management team led by Executive Director Lou Yiliang, who is also the Chief Executive Officer of Mansfield Manufacturing Company Limited (“Mansfield”), the Group’s main operating unit.

These initiatives, including reducing labour and other operating costs, increasing productivity, and strengthening customer engagement, will continue in the quarters ahead as the Group seeks to sustain its recovery.

The Q1'16 operating profit excludes foreign-exchange differences. With these factored in, InnoTek would have a net loss of S\$0.5 million, stemming from an unrealised foreign-exchange loss of S\$1.4 million mainly due to the weakening of the Hong Kong dollar against the Singapore dollar. Even so, the Q1'16 net loss was smaller than the Group’s S\$2.6 million net loss in Q1'15.

Revenue for Q1'16 amounted to S\$53.0 million, compared to S\$55.7 million for Q1'15. The slight decline was due to lower demand for office automation and consumer products mainly due to moves by certain Japanese customers to carry out new production programmes outside China.

Gross profit more than doubled to S\$8.0 million in Q1'16 from S\$3.7 million a year earlier, while gross profit margin improved to 15.2% from 6.7% over the comparative periods, reflecting the Group’s progress in streamlining operations.

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.

End of Release

About InnoTek Limited

Singapore Exchange Mainboard-listed InnoTek Limited (“Innotek” or “the Group”) is a precision metal components manufacturer serving the consumer electronics, office automation and automotive industries.

With five manufacturing facilities in the PRC, the Group’s wholly owned subsidiary, Mansfield Manufacturing Company Limited (“MSF”), provides precision metal stamping, commercial tool and die fabrications and sub-assembly works to a strong and diversified base of Japanese and European end-customers.

For more information, visit: www.innotek.com.sg

InnoTek Limited contact:

390 Orchard Road, Palais Renaissance #14-01
Singapore 238871
Tel: (65) 6535 0689 Fax: (65) 6533 2680
Linda Sim, lindasim@innotek.com.sg

Investor Relations contact:

WeR1 Consultants Pte Ltd

3 Phillip Street, #12-01
Royal Group Building
Singapore 049394
Tel: (65) 6737 4844, Fax: (65) 6737 4944
Ian Lau, ianlau@wer1.net