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InnoTek Records Higher Gross Profit of S$14.4 Million in 1H'26, EBITDA Increases to S$7.5 Million

S$'000	1H'26	1H'25	Change %
Revenue	99,519	102,549	(3.0)
Gross Profit	14,446	13,937	3.7
Gross Profit Margin (%)	14.5	13.6	0.9 ppt*
Earnings Before Interest, Tax, Depreciation and Amortisation	7,473	6,858	9.0
Profit before Tax	748	804	(7.0)
Net Profit attributable to owners of the Company	145	405	(64.2)
Earnings Per Share (Singapore cents)	0.06	0.18	(66.7)

** ppt denotes percentage points*

SINGAPORE, 13 August 2026 – InnoTek Limited ("InnoTek" or the "Group") reported today higher gross profit of S$14.4 million for the six months ended 30 June 2026 ("1H'26"), while earnings before interest, tax, depreciation and amortisation ("EBITDA") increased to S$7.5 million, even as it expands its manufacturing footprint in Southeast Asia.

The SGX Mainboard-listed precision metal components manufacturer said gross profit increased 3.7% from S$13.9 million in 1H'25, due to a favourable change in product mix. Accordingly, gross profit margin improved to 14.5% in 1H'26, compared to 13.6% in 1H'25.

The higher gross profit was achieved despite revenue declining 3.0% to S$99.5 million in 1H'26 from S$102.5 million in 1H'25, mainly due to lower sales from the Group's business sectors, partially offset by higher revenue contributions from the Automotive sector.

The Automotive sector recorded higher order volumes from the electric vehicle ("EV") market, partially offset by weaker demand for components used in traditional internal combustion engine vehicles. Revenue from the Artificial Intelligence ("AI") server sector declined, as the Group's customers transition to next-generation AI servers, which resulted in a change in order volumes and product mix during the period under review.

The Office Automation ("OA") sector recorded lower sales amid weak market demand, particularly in China, partially offset by sales growth in Southeast Asia, while the TV/Display sector declined due to lower orders from a key customer, as a result of changes in its procurement and supplier arrangements.

EBITDA for the period under review increased 9.0% from S$6.9 million in 1H'25, underscoring the Group's strengthening business operations. Profit before tax stood at S$0.7 million in 1H'26, compared to S$0.8 million in 1H'25, mainly due to a foreign exchange ("forex") loss of S$1.6 million in 1H'26 from a forex gain of S$0.3 million a year ago. Net profit attributable to owners of the Company was S$0.1 million, compared to S$0.4 million a year ago.

Net cash flows from operating activities rose to S$9.7 million in 1H'26 from S$3.6 million in 1H'25. The Group's balance sheet remained healthy, with a net cash position of S$66.8 million as at 30 June 2026, providing a strong buffer against macroeconomic headwinds. The Group's balance sheet was further strengthened in April 2026, when it raised S$16.0 million from a private placement of new shares.

Earnings per share stood at 0.06 Singapore cent for 1H'26, compared to 0.18 Singapore cent for 1H'25, while net asset value per share stood at 71.7 Singapore cents as at 30 June 2026, compared to 73.4 Singapore cents as at 31 December 2025.

On the outlook, the Group remains optimistic about its longer-term growth prospects, even as the broader manufacturing sector adjusts to the evolving tariff and trade policies. Demand for AI, data centres and high-performance computing remains resilient. The Group is actively pursuing new model qualifications and adjacent product categories to capture evolving demand and deepen customer relationships.

To support growth in the sector, InnoTek announced the establishment of Mansfield Technology (Thailand) Co., Ltd. in Chonburi, Thailand in June 2026. The facility will support the Group's first liquid cooling component project, with pilot production and mass production scheduled for October 2026 and January 2027, respectively.

In parallel, the Group is expanding its presence in robotics and humanoid technologies through its existing manufacturing facilities in Dongguan, China, which have successfully delivered a pilot batch of components for humanoid robotics in June 2026. As these projects progress and customer demand scales up, they are expected to broaden the Group's exposure to high-growth technology sectors and strengthen its long-term earnings potential and competitive positioning.

In July 2026, the Group also built a 15,772 sqm (169,768 sqft) extension to its existing manufacturing facility in Rayong, Thailand, providing additional capacity and greater flexibility to support global customers, particularly from the U.S, Europe, and Japan, spanning OA, Automotive, industrial systems, as well as AI-related and liquid cooling.

In Malaysia, the Group held the opening ceremony for its new facility in Melaka in April 2026, with operations expected to commence in the third quarter of FY2026. The new facility further strengthens the Group's regional manufacturing footprint and enhances its ability to support customers seeking greater supply chain diversification, manufacturing flexibility and resilience.

On the Automotive front, the Group continues to leverage its established manufacturing presence across China and Thailand to serve global Tier-1 automotive customers. At the same time, the Group is progressively adapting its product portfolio to capture growing demand for EV batteries and components, while navigating continued softness in China’s traditional internal combustion engine vehicle market.

Meanwhile, the Group will continue to work closely with its OA customers to support their production relocation strategies. The TV/Display sector is expected to face significant headwinds, following a change in corporate ownership at a key customer. The Group is actively managing the impact and expects the growth from the AI-related products, New Energy, and robotics sectors to offset the lower contribution from this sector.

FY2026 is expected to be a year of transition for InnoTek, as start-up and pre-operating costs associated with the new facilities are expected to weigh on near-term financial performance. Combined with the gestation period required for new projects in GPU servers, liquid cooling and robotics, the Group expects to recognise the financial benefits of its transformation from FY2027 onwards.

Mr Lou Yiliang, CEO of InnoTek, said: “Despite the challenging operating environment, we improved our gross profit margin through a favourable product mix and disciplined cost management. We are making strategic investments, expanding our manufacturing footprint in Southeast Asia and strengthening our capabilities across AI servers, liquid cooling and other emerging technology sectors.

Combined with our strong balance sheet, we are well-positioned to capture more opportunities in emerging industries. Several of the projects we have secured are expected to commence or ramp up production progressively in the second half of the year, with their financial contributions becoming increasing meaningful from FY 2027 onwards. As we executive our growth strategy and build momentum across these new business areas, we remain focused on delivering sustainable long-term value for our shareholders.”

End of Release

About InnoTek Limited

Singapore Exchange Mainboard-listed InnoTek Limited is a precision metal components manufacturer serving the consumer electronics, office automation, automotive and AI-related industries. With five manufacturing facilities in the PRC, two facilities in Thailand located in Rayong and Chonburi, one facility in Hanoi, Vietnam and one facility in Melaka, Malaysia, the Group's wholly owned subsidiary, Mansfield Manufacturing Company Limited, provides precision metal stamping, commercial tool and die fabrications and precision machining works to a strong and diversified base of international end-customers.

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

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