

08 PART 1 - INFORMATION REQUIRED FOR HALF-YEAR and FULL-YEAR ANNOUNCEMENTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, together with a comparative statement for the corresponding period of the immediately preceding financial year

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the 12 months ended 31 December 2023

Group	Note	2nd Half Year Ended 31-Dec		Change %	12 Months Ended 31-Dec		Change %
		2023 S\$'000	2022 S\$'000		2023 S\$'000	2022 S\$'000	
Revenue		112,699	102,314	10.2	205,560	186,755	10.1
Cost of sales	1(e)6.1(a)	(95,401)	(86,683)	10.1	(172,603)	(159,565)	8.2
Gross profit		17,298	15,631	10.7	32,957	27,190	21.2
Other items of expense							
Selling and distribution expenses		(2,214)	(2,046)	8.2	(3,721)	(3,686)	0.9
Administrative expenses	1(e)6.1(b)	(12,583)	(12,068)	4.3	(24,820)	(24,829)	(0.0)
Finance costs		(1,134)	(1,054)	7.6	(2,200)	(2,236)	(1.6)
Other expenses	1(e)6.1(c)	(1,350)	(113)	NM	(1,626)	(151)	NM
Share of results of joint venture		(155)	(64)	NM	(283)	(215)	NM
Total other items of expense		(17,436)	(15,345)	13.6	(32,650)	(31,117)	4.9
Other items of income							
Interest income		645	551	17.1	1,213	952	27.4
Other income	1(e)6.1(c)	2,060	3,176	NM	4,858	5,343	NM
Total other items of income		2,705	3,727	NM	6,071	6,295	NM
Profit before tax		2,567	4,013	(36.0)	6,378	2,368	169.3
Income tax expense	1(e)7	(1,315)	(91)	NM	(2,020)	(114)	NM
Profit net of tax		1,252	3,922	(68.1)	4,358	2,254	93.3
Profit/(loss) attributable to :							
- Owners of the Company		1,216	3,922	(69.0)	4,655	2,254	106.5
- Non-controlling interest		36	-	NM	(297)	-	
Other comprehensive income :							
Items that may be classified subsequently to profit or loss							
- Foreign currency translation		(1,108)	(9,335)	(88.1)	(4,871)	(11,588)	(58.0)
- Fair value gain/(loss) on financial assets measured at fair value through other comprehensive income ("FVOCI")		125	(295)	NM	484	(737)	NM
Other comprehensive income for the period , net of tax		(983)	(9,630)	(89.8)	(4,387)	(12,325)	(64.4)
Total comprehensive income		269	(5,708)	NM	(29)	(10,071)	NM
Comprehensive income attributable to :							
- Owners of the Company		228	(5,708)	NM	268	(10,071)	NM
- Non-controlling interest		41	-	NM	(297)	-	NM
Earnings per share attributable to owners of the Company (cents per share)							
Basic	Note 9.1	0.39	1.70	(77.1)	1.88	0.98	91.8
Diluted	Note 9.1	0.39	1.70	(77.1)	1.88	0.98	91.8
NM denotes Not Meaningful							

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

BALANCE SHEETS (UNAUDITED)

	Note	Group		Company	
		As at 31-Dec-23 S\$'000	As at 31-Dec-22 S\$'000	As at 31-Dec-23 S\$'000	As at 31-Dec-22 S\$'000
Non-current Assets					
Property, plant and equipment		35,653	31,125	-	-
Investment properties		26,529	26,859	-	-
Intangible assets		366	473	-	-
Investment in subsidiary		-	-	47,061	47,061
Loan to subsidiary		-	-	10,000	10,000
Investment in joint venture		823	1,146	-	-
Right-of-use assets		15,798	18,554	11	54
Other receivables		1,485	1,224	-	-
Deferred tax assets		1,640	1,726	-	-
		82,294	81,107	57,072	57,115
Current Assets					
Inventories		37,639	41,771	-	-
Trade and other receivables		64,554	54,258	7,260	3,176
Income tax receivable		44	283	-	-
Contract assets		4,666	616	-	-
Prepayments		4,603	2,888	38	42
Other investments	1(e)(5)(A)(i)	20,117	18,482	20,117	18,482
Cash and short-term deposits	1(e)(5)(A)(ii)	50,168	58,978	15,357	19,061
		181,791	177,276	42,772	40,761
Total Assets		264,085	258,383	99,844	97,876
Current Liabilities					
Lease liabilities	1(e)(5)(B)	6,084	4,738	11	45
Trade and other payables		57,433	54,418	505	499
Contract liabilities		4,257	3,519	-	-
Provisions		5	5	-	-
Loans and borrowings	1(e)(5)(B)	5,773	-	-	-
Income tax payable		3,604	2,080	73	55
		77,156	64,760	589	599
Net Current Assets		104,635	112,516	42,183	40,162
Non-current Liabilities					
Provisions		386	437	-	-
Lease liabilities	1(e)(5)(B)	11,151	14,263	-	10
Deferred tax liabilities		2,056	2,220	127	45
		13,593	16,920	127	55
Total Liabilities		90,749	81,680	716	654
Net Assets		173,336	176,703	99,128	97,222
Share capital		98,021	98,021	98,021	98,021
Treasury shares	1(d)(ii) (b)	(8,855)	(8,855)	(8,855)	(8,855)
Retained earnings		87,578	88,146	10,599	9,177
Other reserves		(4,399)	(609)	(637)	(1,121)
Equity attributable to owners of the Company		172,345	176,703	99,128	97,222
Equity attributable to Non-Controlling Interest		991	-	-	-
Total Equity		173,336	176,703	99,128	97,222

1(c) A statement of cash flows (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	12 Months Ended	
		2023	2022
		S\$'000	S\$'000
Operating activities :			
Profit before tax		6,378	2,368
Adjustments for:			
Depreciation of property, plant and equipment		5,132	5,438
Amortisation of intangible assets		167	202
Depreciation of right-of-use assets ("ROUA")		5,797	5,433
Net loss/(gain) on disposal of PPE and intangible assets		14	(23)
Net loss on disposal of other investments		197	36
Provision for doubtful debts		61	37
Net fair value gain on investment securities		(71)	(58)
Interest expense		2,200	2,236
Interest income		(1,213)	(952)
Provision for inventory obsolescence		223	321
Exchange gain		(1,587)	(4,174)
Gain on termination of lease		-	(2)
Fair value gain on investment properties		(637)	(493)
Share of results of joint venture		283	215
Share-based payment expense		-	507
Allowance of ECL		-	78
Reversal of severance benefits and restructuring expenses		(24)	(10)
Dividend income from other investments		(312)	(308)
Impairment loss on PPE and ROUA		1,417	-
Total adjustment items		11,647	8,483
Operating cash flows before changes in working capital		18,025	10,851
<u>Changes in working capital</u>			
Increase in trade and other receivables and contract assets		(14,781)	(7,087)
Decrease/(increase) in inventories		3,931	(6,338)
Increase in prepayments		(240)	(155)
Increase in trade and other payables and contract liabilities		2,039	9,625
Decrease in provision		(12)	-
		(9,063)	(3,955)
Cash flow from operations		8,962	6,896
Interest paid		(2,200)	(2,236)
Interest received		1,197	982
Income taxes paid		(417)	(66)
Income taxes refunded		190	-
		(1,230)	(1,320)
Net cash generated from operating activities		7,732	5,576

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED) – Cont'd

GROUP	Note	12 Months Ended 31-Dec	
		2023 S\$'000	2022 S\$'000
Net cash generated from operating activities		7,732	5,576
Investing activities :			
Purchase of property, plant and equipment ("PPE")		(7,076)	(6,414)
Deposit utilised for PPE		(1,475)	(436)
Proceeds from disposal of PPE		36	106
Purchase of intangible assets		(18)	(136)
Proceeds from disposal of other investments		5,978	6,492
Purchase of other investments		(7,243)	(5,496)
Net cash paid on acquisition of Hua Yuan Sheng Industrial Co. Ltd.	1(e)(4.4)	(3,123)	-
Dividend from other investments		312	304
Decrease/(Increase) in bank balance under portfolio investment management		720	(1,528)
Net cash flows used in investing activities		<u>(11,889)</u>	<u>(7,108)</u>
Financing activities :			
Proceeds from exercise of share options		-	1,050
Proceed from borrowings	1(e)5.(A)(ii.b)	5,773	-
Repayment of bank loans		-	(1,115)
Loan from non-controlling interest		1,187	-
Repayment of principal portion of lease liabilities		(5,133)	(4,502)
Dividend paid on ordinary shares by the company		(4,626)	(4,626)
Net cash used in financing activities		<u>(2,799)</u>	<u>(9,193)</u>
Net change in cash and cash equivalents		(6,956)	(10,725)
Effect of exchange rate changes on cash and cash equivalents		(1,134)	(2,231)
Cash and cash equivalents as at beginning of period		56,806	69,762
Cash and cash equivalents as at end of period	5(A)(ii)	<u>48,716</u>	<u>56,806</u>

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 IN CHANGES IN EQUITY (UNAUDITED)

GROUP	Total Equity S\$'000	Attributable to owners of the Group										Non-controlling interest
		Share Capital S\$'000	Treasury Shares S\$'000	Retained Earnings S\$'000	Share Option Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Statutory Reserve S\$'000	Fair Value Reserve of Financial Assets at FVOCI S\$'000	Asset Revaluation Reserve S\$'000	Gain or Loss on Reissuance of Treasury Shares S\$'000	Total Other Reserve S\$'000	
2023												
Balance at 1 January 2023	176,703	98,021	(8,855)	88,146	1,228	(8,686)	6,648	(643)	2,550	(1,706)	(609)	-
Non-controlling interest arising from acquisition of subsidiary	1,288	-	-	-	-	-	-	-	-	-	-	1,288
Profit/(loss) for January - December 2023	4,358	-	-	4,655	-	-	-	-	-	-	-	(297)
<u>Other comprehensive income</u>												
- Foreign currency translation	(4,871)	-	-	-	-	(4,871)	-	-	-	-	(4,871)	-
- Fair value gain on financial assets measured at fair value through other comprehensive income ("FVOCI")	484	-	-	-	-	-	-	484	-	-	484	-
Total comprehensive income	1,259	-	-	4,655	-	(4,871)	-	484	-	-	(4,387)	991
<u>Contribution by and distribution to owners</u>												
- Dividends on ordinary shares	(4,626)	-	-	(4,626)	-	-	-	-	-	-	-	-
Total contribution by and distribution to owners, representing total transactions with owners in their capacity as owners	(4,626)	-	-	(4,626)	-	-	-	-	-	-	-	-
<u>Others</u>												
- Transfer to statutory reserve (Note (i))	-	-	-	(597)	-	-	597	-	-	-	597	-
Balance at 31 December 2023	173,336	98,021	(8,855)	87,578	1,228	(13,557)	7,245	(159)	2,550	(1,706)	(4,399)	991
2022												
Balance at 1 January 2022	189,843	98,021	(10,586)	90,558	1,087	2,902	6,608	94	2,550	(1,391)	11,850	-
Profit for January - Dec ember 2022	2,254	-	-	2,254	-	-	-	-	-	-	-	-
<u>Other comprehensive income</u>												
- Foreign currency translation	(11,588)	-	-	-	-	(11,588)	-	-	-	-	(11,588)	-
- Fair value loss on financial assets measured at fair value through other comprehensive income ("FVOCI")	(737)	-	-	-	-	-	-	(737)	-	-	(737)	-
Other comprehensive income	(12,325)	-	-	-	-	(11,588)	-	(737)	-	-	(12,325)	-
Total comprehensive income	(10,071)	-	-	2,254	-	(11,588)	-	(737)	-	-	(12,325)	-
<u>Contribution by and distribution to owners</u>												
- Grant of equity-settled share options to employees	507	-	-	-	507	-	-	-	-	-	507	-
- Treasury shares issued pursuant to employee share option plan	1,050	-	1,731	-	(366)	-	-	-	-	(315)	(681)	-
- Dividends on ordinary shares	(4,626)	-	-	(4,626)	-	-	-	-	-	-	-	-
Total contribution by and distribution to owners, representing total transactions with owners in their capacity as owners	(3,069)	-	1,731	(4,626)	141	-	-	-	-	(315)	(174)	-
<u>Others</u>												
- Transfer to statutory reserve (Note (i))	-	-	-	(40)	-	-	40	-	-	-	40	-
Balance at 31 December 2022	176,703	98,021	(8,855)	88,146	1,228	(8,686)	6,648	(643)	2,550	(1,706)	(609)	-

Note (i): In accordance with the Foreign Enterprise Law applicable to the subsidiaries in the PRC, such subsidiaries are required to make an appropriation to a Statutory Reserve Fund ("SRF"). At least 10% of the statutory profits after tax as determined in accordance with the applicable PRC accounting standards and regulations must be allocated to the SRF until the accumulative total of the SRF reaches 50% of the subsidiary's registered capital. Subject to approval from the relevant PRC authorities, the SRF may be used to offset any accumulated losses or increase the registered capital of the subsidiary. The SRF is not available for dividend distribution to shareholders.

STATEMENT IN CHANGES IN EQUITY (UNAUDITED) – Cont'd

COMPANY	Total Equity S\$'000	Attributable to owners of the Company						
		Share Capital S\$'000	Treasury Shares S\$'000	Retained Earnings S\$'000	Share Option Reserve S\$'000	Fair Value	Gain or Loss on Reissuance of Treasury Shares S\$'000	Total Other Reserve S\$'000
						Reserve of Financial Assets at FVOCI S\$'000		
2023								
Balance at 1 January 2023	97,222	98,021	(8,855)	9,177	1,228	(643)	(1,706)	(1,121)
Profit for January - December 2023	6,048	-	-	6,048	-	-	-	-
<u>Other comprehensive income</u>								
- Fair value gain on financial assets measured at fair value through other comprehensive income ("FVOCI")	484	-	-	-	-	484	-	484
Other comprehensive income	484	-	-	-	-	484	-	484
Total comprehensive income	6,532	-	-	6,048	-	484	-	484
<u>Contribution by and distribution to owners</u>								
- Dividends on ordinary shares	(4,626)	-	-	(4,626)	-	-	-	-
Total contribution by and distribution to owners, representing total transactions with owners in their capacity as owners	(4,626)	-	-	(4,626)	-	-	-	-
Balance at 31 December 2023	99,128	98,021	(8,855)	10,599	1,228	(159)	(1,706)	(637)
2022								
Balance at 1 January 2022	94,800	98,021	(10,586)	7,575	1,087	94	(1,391)	(210)
Profit for January - December 2022	6,228	-	-	6,228	-	-	-	-
<u>Other comprehensive income</u>								
- Fair value loss on financial assets measured at fair value through other comprehensive income ("FVOCI")	(737)	-	-	-	-	(737)	-	(737)
Other comprehensive income	(737)	-	-	-	-	(737)	-	(737)
Total comprehensive income	5,491	-	-	6,228	-	(737)	-	(737)
<u>Contribution by and distribution to owners</u>								
- Grant of equity-settled share options to employees	507	-	-	-	507	-	-	507
- Treasury shares reissued pursuant to employee share option plan	1,050	-	1,731	-	(366)	-	(315)	(681)
- Dividends on ordinary shares	(4,626)	-	-	(4,626)	-	-	-	-
Total contribution by and distribution to owners, representing total transactions with owners in their capacity as owners	(3,069)	-	1,731	(4,626)	141	-	(315)	(174)
Balance at 31 December 2022	97,222	98,021	(8,855)	9,177	1,228	(643)	(1,706)	(1,121)

1(d)(ii) Details of any changes in the company's share capital arising from the rights issue, bonus issue, subdivision, consolidation, share buy-backs, the exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for the acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed at 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

	As at 31 December 2023		As at 31 December 2022	
	No. of Shares	Amount S\$'000	No. of Shares	Amount S\$'000
Number of issued ordinary shares	246,656,428	98,021	246,656,428	98,021

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

Options granted under the InnoTek Employees' Share Option Scheme II *

	As at 31 December 2023	As at 31 December 2022
Outstanding at 1 January	8,000,000	11,300,000
Exercised *	-	(3,000,000)
Cancelled	-	(300,000)
Options granted under the InnoTek Employees' Share Option Scheme II *	<u>8,000,000</u>	<u>8,000,000</u>

* On 8 March 2022, Mr. Lou Yiliang exercised 3,000,000 of his share options and 3,000,000 treasury shares were issued, increasing the total number of issued shares net of treasury shares to 231,305,428 from 228,305,428.

(c) Treasury shares

	No. of Shares	Amount S\$'000
Balance as at 31 December 2023	15,351,000	8,855

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 immediately preceding year.

	As at 31 December 2023		As at 31 December 2022	
	No of shares '000	S\$'000	No of shares '000	S\$'000
Total number of issued shares at end of the period	246,656	98,021	246,656	98,021
Number of treasury shares at end of the period	<u>(15,351)</u>	<u>(8,855)</u>	<u>(15,351)</u>	<u>(8,855)</u>
Net number of issued shares at end of the period	<u>231,305</u>	<u>89,166</u>	<u>231,305</u>	<u>89,166</u>

1(d)(iv) A statement showing all sales, transfers, cancellations, and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, cancellations, and/or use of subsidiary holdings as of the current financial period.

1(d)(v) A statement showing all sales, transfers, cancellations, and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no sales, transfers, cancellations, and/or use of subsidiary holdings as of the current financial period.

1(e) Notes to the consolidated financial statements

1. Corporate information

InnoTek Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange. The registered office and principal place of business of the Company is located at 160 Robinson Road, #24-12 SBF Center, Singapore 068914. The principal activity of the Company is investment holding.

The principal activities of the Group are:

- (a) Manufacturing and sales of precision component stamping and tooling products
- (b) Manufacturing and sales of precision machining products
- (c) Investment holding

2. Basis of preparation

The Group and the Company prepared the consolidated financial statements under Rule 705 in accordance with Appendix 7.2 and also in accordance with the relevant accounting standards for *interim* financial reporting under SFRS(I).

The accounting policies and method of computation adopted are consistent with those of the previous financial year's audited financial statements which were prepared in accordance with SFRS(I), except for changes, if any, as set out in Note 2.1.

The *interim* consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements. The consolidated financial statements are prepared in Singapore dollars, which is the Company's functional currency.

2.1 Changes in accounting policies and method of computation, if any, giving reasons and impact of the changes.

There are no new accounting standards adopted by the Group and no changes in the accounting policies and method of computation.

2.2 Uses of judgments and estimates

The preparation of the Group's *interim* consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

• Fair value of investment properties

Investment properties are valued only once at the end of each financial year unless unfavorable economic situations warrant a special valuation exercise. In preparing the *interim* consolidated financial statements, it is assumed that the fair value of investment properties does not change as at the end of the previous fiscal year-end.

• Impairment/reversal of property, plant, and equipment, and right-of-use assets

The carrying amounts of items of property, plant, and equipment, and right-of-use assets are reviewed for impairment when events or changes in circumstances indicate the carrying amounts may not be recoverable. Such reviews will only be done at the end of each financial year unless unfavourable circumstances warrant a special review exercise in the preparation of the *interim* consolidated financial statements.

3. Seasonal operations

The Group's businesses are generally affected by the long Chinese New Year and China Labor Day holidays in China during the first half of each financial year.

4. Segment and revenue information

The Group is organised into business units based on its products and services, and has three reportable operating segments as follows:

- I. The precision components and tooling segment specialises in sales of stamping components, tooling design, and fabrication
- II. The precision machining segment specialises in the machining of products mainly from the TV and office automation industries.
- III. The corporate and others segment is involved in group-level corporate services and treasury functions.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

**4.1 Reportable Segments
By Business Segment (Group Figures S\$'000)s**

	Mansfield								Corporate and Others		Elimination		Per consolidated financial statements	
	Precision Components and Tooling		Precision Machining		Adjustments and eliminations		Total							
	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22
Business Segments														
Revenue														
External customers	172,987	153,288	32,573	33,467	-	-	205,560	186,755	-	-	-	-	205,560	186,755
Inter-segment	92,188	81,089	790	40	(92,978)	(81,129)	-	-	-	-	-	-	-	-
Total Revenue	265,175	234,377	33,363	33,507	(92,978)	(81,129)	205,560	186,755	-	-	-	-	205,560	186,755
Results														
External interest income	209	255	122	4	-	-	331	259	882	693	-	-	1,213	952
Inter-segment interest income	-	-	-	-	-	-	-	-	581	12	(581)	(12)	-	-
Inter-segment interest expense	(581)	(12)	-	-	-	-	(581)	(12)	-	-	581	12	-	-
Depreciation and amortisation	(7,930)	(7,432)	(3,122)	(3,597)	-	-	(11,052)	(11,029)	(44)	(44)	-	-	(11,096)	(11,073)
Net Fair value gain on investment property	112	171	525	322	-	-	637	493	-	-	-	-	637	493
Dividend income from other investments	-	-	-	-	-	-	-	-	312	308	-	-	312	308
Gain/(loss) on disposal of PPE	14	112	(28)	(89)	-	-	(14)	23	-	-	-	-	(14)	23
Foreign currency gain/(loss)	157	704	385	365	-	-	542	1,069	(90)	(56)	-	-	452	1,013
Impairment loss on PPE and right-of-use assets	(1,417)	-	-	-	-	-	(1,417)	-	-	-	-	-	(1,417)	-
Rental income	1,040	1,138	1,810	1,616	-	-	2,850	2,754	-	-	-	-	2,850	2,754
Share of results of joint venture	(283)	(215)	-	-	-	-	(283)	(215)	-	-	-	-	(283)	(215)
Finance costs	(1,762)	(2,001)	(437)	(233)	-	-	(2,199)	(2,234)	(1)	(2)	-	-	(2,200)	(2,236)
Other non-cash expenses	(141)	(342)	(81)	(436)	-	-	(222)	(778)	71	(57)	-	-	(151)	(835)
Inter-segment dividend income	-	-	-	-	-	-	-	-	6,142	6,954	(6,142)	(6,954)	-	-
Segment profit/(loss) before tax	3,102	5,152	3,224	(2,104)	-	-	6,326	3,048	6,194	6,273	(6,142)	(6,954)	6,378	2,367
Income tax (expenses)/credit	(160)	360	(1,715)	(429)	-	-	(1,875)	(69)	(145)	(45)	-	-	(2,020)	(114)
Assets														
Investment in joint venture	823	1,146	-	-	-	-	823	1,146	-	-	-	-	823	1,146
Additions to non-current assets	6,165	3,121	2,433	3,864	-	-	8,598	6,986	-	-	-	-	8,598	6,986
Segment assets	153,755	159,463	68,694	58,676	-	-	222,449	218,139	41,636	40,244	-	-	264,085	258,383
Segment Liabilities	67,549	63,417	22,484	17,609	-	-	90,033	81,026	716	654	-	-	90,749	81,680

By Business Segment (Group Figures S\$'000s) – Cont'd

	Mansfield								Corporate and Others		Elimination		Per consolidated financial statements	
	Precision Components and Tooling		Precision Machining		Adjustments and eliminations		Total							
	2H'23	2H'22	2H'23	2H'22	2H'23	2H'22	2H'23	2H'22	2H'23	2H'22	2H'23	2H'22	2H'23	2H'22
Business Segments														
Revenue														
External customers	94,961	84,888	17,738	17,426	-	-	112,699	102,314	-	-	-	-	112,699	102,314
Inter-segment	51,903	45,788	501	19	(52,404)	(45,807)	-	-	-	-	-	-	-	-
Total Revenue	146,864	130,676	18,239	17,445	(52,404)	(45,807)	112,699	102,314	-	-	-	-	112,699	102,314
Results														
External interest income	114	128	120	2	-	-	234	130	412	421	-	-	646	551
Inter-segment interest income	-	-	-	-	-	-	-	-	325	12	(325)	(12)	-	-
Inter-segment interest expense	(325)	(12)	-	-	-	-	(325)	(12)	-	-	325	12	-	-
Depreciation and amortisation	(4,051)	(3,648)	(1,576)	(1,730)	-	-	(5,627)	(5,378)	(22)	(22)	-	-	(5,649)	(5,400)
Net Fair value gain on investment property	112	171	525	322	-	-	637	493	-	-	-	-	637	493
Dividend income from other investments	-	-	-	-	-	-	-	-	156	144	-	-	156	144
Gain/(loss) on disposal of PPE	(11)	71	(28)	6	-	-	(39)	79	-	-	-	-	(39)	79
Foreign currency (loss)/gain	(190)	550	(97)	120	-	-	(287)	670	(78)	(78)	-	-	(365)	592
Impairment loss on PPE and right-of-use assets	(1,417)	-	-	-	-	-	(1,417)	-	-	-	-	-	1,417	-
Rental income	502	531	973	785	-	-	1,475	1,316	-	-	-	-	1,475	1,316
Share of results of joint venture losses	(155)	(64)	-	-	-	-	(155)	(64)	-	-	-	-	(155)	(64)
Finance costs	(969)	(943)	(165)	(110)	-	-	(1,134)	(1,053)	-	(1)	-	-	(1,134)	(1,054)
Other non-cash expenses	(177)	(53)	(75)	(323)	-	-	(252)	(376)	330	(40)	-	-	78	(416)
Inter-segment dividend income	-	-	-	-	-	-	-	-	6,142	6,954	(6,142)	(6,954)	-	-
Segment profit/(loss) before tax	365	4,766	1,962	(470)	-	-	2,327	4,296	6,142	6,671	(6,142)	(6,954)	2,327	4,013
Income tax (expenses)/credit	(160)	360	(1,010)	(429)	-	-	(1,170)	(69)	(145)	(22)	-	-	(1,315)	(91)
Assets														
Investment in joint venture	823	1,146	-	-	-	-	823	1,146	-	-	-	-	823	1,146
Additions to non-current assets	4,003	207	3,072	3,025	-	-	7,075	3,232	-	-	-	-	7,075	3,232
Segment assets	153,755	159,463	68,694	58,676	-	-	222,449	218,139	41,636	40,244	-	-	264,085	258,383
Segment Liabilities	67,549	63,417	22,484	17,609	-	-	90,033	81,026	716	654	-	-	90,749	81,680

4.2 Revenue and non-current assets

By Geographical Location (Group Figures S\$'000)

	Revenue		Non-current Assets	
	12 Months Ended		As at	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	S\$'000	S\$'000	S\$'000	S\$'000
Hong Kong / PRC	192,841	176,362	62,586	71,071
Thailand	6,292	7,321	5,283	4,295
Vietnam	6,427	3,072	12,774	3,961
Singapore	-	-	11	54
Total	205,560	186,755	80,654	79,381

Non-current assets consist of property, plant, and equipment ("PPE"), right-of-use assets, investment properties, intangible assets, investment in the joint venture and non-current other receivables as presented in the balance sheet.

4.3 A breakdown of sales

	Latest Period S\$'000	Previous Period S\$'000	% Increase/ (decrease)
(a) Sales reported for 1st half of the financial year	92,861	84,441	10.0
(b) Profit/(loss) net of tax	3,106	(1,668)	NM
attributable to :			
(i) Owners of the Company	3,439	(1,668)	NM
(ii) Non-controlling interest	(333)	-	NM
(c) Sales reported for 2nd half of the financial year	112,699	102,314	10.2
(d) Profit, net of tax	1,252	3,922	(68.1)
attributable to :			
(i) Owners of the Company	1,216	3,922	(69.0)
(ii) Non-controlling interest	36	-	NM

4.4 Acquisition of subsidiary

On 27 February 2023, the Company set up a subsidiary in partnership with Huayuansheng Metal, Plastic and Electronic Limited in Vietnam. The subsidiary is located in Bac Giang Province, Vietnam, with a 70% ownership stake.

(a) Purchase consideration

	Amount S\$'000
Cash paid	3,525

(b) Assets and liabilities recognised as a result of the acquisition

	Fair value S\$'000
Cash and cash equivalents	402
Property, Plant and equipment	4,525
Receivables	413
Payables	(527)
Net identifiable assets acquired	4,813

5. Financial assets and financial liabilities

	Note	Fair Value Hierarchy Level	Group		Company	
			As at 31-Dec-23	As at 31-Dec-22	As at 31-Dec-23	As at 31-Dec-22
			S\$'000	S\$'000	S\$'000	S\$'000
(A) Financial assets						
(i) Other investment						
<u>At fair value through profit or loss ("FVPL")</u>						
Equity securities (quoted)	1		6,620	5,675	6,620	5,675
<u>At fair value through other comprehensive income ("FVOCI")</u>						
Debt securities (quoted)	1		13,497	12,807	13,497	12,807
			20,117	18,482	20,117	18,482
(ii) Cash and short-term deposits						
Cash and bank balance			36,330	41,184	1,519	1,267
Short-term deposits			12,386	15,622	12,386	15,622
Cash and cash equivalents per cashflow statements	(i)		48,716	56,806	13,905	16,889
Cash and bank balance under investment portfolio			1,452	2,172	1,452	2,172
Total cash and short-term deposits per balance sheet			50,168	58,978	15,357	19,061

- (i) The decrease in the Group's cash and cash equivalents by the end of 31 December 2023, resulted from the cash generated through operating activities, coupled with an outflow directed towards the acquisition of other investments, property, plant, and equipment (PPE), as well as the establishment of a joint venture in Vietnam.

(B) Financial liabilities

Below showed the aggregate amount of Group's borrowings and debt securities

	Note	Group		Company	
		As at 31-Dec-23	As at 31-Dec-22	As at 31-Dec-23	As at 31-Dec-22
		S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, on demand					
Lease liabilities		6,084	4,738	11	45
Total lease liabilities		6,084	4,738	11	45
Loans and borrowings - secured	(ii)	5,773	-	-	-
		11,857	4,738	11	45
Amount repayable after one year					
Lease liabilities		11,151	14,263	-	10
		11,151	14,263	-	10
Total		23,008	19,001	11	55

- (ii) The Chinese subsidiaries secured short-term bank loans totaling RMB 31 million (equivalent to S\$ 5.8 million). These loans were collateralized with investment property located in China.

6. Significant items and major variances explanations relating to:

6.1 Profit/(loss) before tax

	Note	2nd Half Year Ended 31-Dec		12 Months Ended 31-Dec	
		2023	2022	2023	2022
		S\$'000	S\$'000	S\$'000	S\$'000
(a) Major items included in cost of sales are :					
- Inventories recognised as an expense in cost of sales	(a)	(53,609)	(49,378)	(98,065)	(88,569)
- Provision for inventory obsolescence		(254)	(225)	(223)	(321)
- Depreciation of property, plant and equipment ("PPE")		(1,838)	(1,883)	(3,777)	(3,935)
- Depreciation of right-of-use assets		(2,529)	(2,149)	(4,902)	(4,290)
- Wages and salaries	(b)	(20,342)	(17,965)	(37,369)	(34,342)
(b) Major items included in administrative expenses are :					
- Depreciation of PPE		(719)	(734)	(1,355)	(1,514)
- Amortisation of intangible assets		(77)	(99)	(167)	(202)
- Depreciation of right-of-use assets		(476)	(535)	(895)	(1,132)
- Rental expense		(101)	(114)	(237)	(225)
- Wages and salaries	(b)	(6,994)	(6,648)	(14,096)	(13,943)
(c) Major items included in other expenses and other income are :					
- Items related to Investment Portfolio					
Fair value("FV") gain/(loss) for equities		141	(17)	71	(20)
FV gain/(loss) for debt instruments (through other comprehensive income) *		125	(295)	484	(737)
Net loss on disposal of other investments		(7)	(23)	(197)	(36)
Dividend income from other investment		156	144	312	308
Interest income from investment bonds		295	245	524	474
Total gain/(loss) for investment portfolio		710	54	1,194	(11)
* FV (gain)/loss of debt instruments through other comprehensive income		(125)	295	(484)	737
Gain for investment portfolio through income statement		585	349	710	726
- Foreign currency (loss)/gain		(366)	596	451	1,017
- Property rental income		1,475	1,316	2,850	2,754

Exceptional item :

- | | | | | | |
|--|-----|-------|---|-------|---|
| - Impairment loss on PPE and right-of-use assets | (c) | 1,417 | - | 1,417 | - |
|--|-----|-------|---|-------|---|
- (a) Raw material began to moderate post-pandemic, higher material cost mainly due to the upswing in sales and changes in the product mix.
- (b) The Company maintained a lower labour cost, mainly due to efforts to streamline the production process. This was offset by additional expenses due to the establishment of a new subsidiary in Vietnam.
- (c) A subsidiary in China incurred impairment loss due to the intense competition in China's electric vehicle (EV) industry, leading to the discontinuation of projects by certain customers.

7. Taxation

The Group makes or adjusts the tax provision for the period's income tax based on the relevant tax rates applied to the period's earnings. The major components of income tax expense in the Consolidated Statement of Comprehensive income are: -

GROUP	2nd Half Year Ended 31-Dec		12 Months Ended 31-Dec	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax expense	(1,101)	(440)	(1,806)	(463)
Deferred income tax (expense)/credit	(214)	349	(214)	349
Total tax expense	(1,315)	(91)	(2,020)	(114)

8. Dividend paid

GROUP	12 Months Ended	
	2023	2022
Ordinary dividends paid (S\$'000)	4,626	4,626
Dividend per share (net of tax) in S\$	0.020	0.020

9. Earning and net assets value per ordinary share

9.1 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 earnings attributable to the shareholders of the Company :	12 Months Ended	
	2023	2022
(i) Based on the weighted average number of shares (in cents)		
Earnings per share	1.88	0.98
Weighted average number of shares ('000)	231,305	230,762
(ii) On a fully diluted basis (in cents)		
Earnings per share	1.88	0.98
Adjusted weighted average number of shares ('000)	231,305	231,042

9.2 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; (b) immediately preceding financial year

	Group		Company	
	As at 31-Dec-23	As at 31-Dec-22	As at 31-Dec-23	As at 31-Dec-22
Net assets backing per ordinary share based on the total number of issued share excluding treasury shares as at the end of the period reported on	74.9 cents	76.4 cents	42.9 cents	42.0 cents

1(f) Other Information Required by Listing Rule Appendix 7.2

1. 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.

1.1 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.

1.1.A. Where the latest financial statements are subject to an adverse opinion, qualified opinion, or disclaimer of opinion:

(a) Updates on the efforts taken to resolve outstanding audit issues (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements has been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concerned

There are no adverse opinions, qualified opinions, or disclaimers of opinion.

2. 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

(A) Review for the second half ended 31 December 2023 (2H'23)

Turnover (2H'23 vs 2H'22)

The Group's revenue for July to December 2023 ("2H'23") increased by S\$10.4 million or 10.2% to S\$112.7 million from S\$102.3 million a year ago, mainly due to:

- (1) Substantial increase in turnover driven by projects secured in emerging industries such as GPU servers. Additionally, the demand for medical equipment, financial products, and other sectors has contributed to incremental growth.
- (2) Higher sales in the Auto segment as the electric vehicle (EV) market in China gains momentum, the growth was also supported by increasing sales of tooling and electric vehicle (EV) battery components.
- (3) Increased revenue contribution from the TV and display segment, despite weakened market demand from European and U.S. customers. The increase was mainly due to new product launches by key customers and seasonal trends.

The increase was also offset by:

- (4) Lower sales in the OA segment, as demand continues to soften as customers continue to diversify their production line away from China to Southeast Asia.

Net profit (2H'23 vs 2H'22)

The Group reported a net profit of S\$1.3 million for the July to December 2023 period ("2H'23"), compared to S\$3.9 million a year ago. This was mainly due to:

- (1) Increased G&A costs related to the Group's acquisition of a 70%-stake in a subsidiary in Vietnam in February 2023.
- (2) Exchange losses incurred due to the revaluation of current assets and liabilities.
- (3) Higher income tax expenses accrued, as one of the subsidiaries corporate income tax rates was restored to 25% following the expiry of its high-tech enterprise status.
- (4) A subsidiary in China incurred impairment loss due to the intense competition in China's electric vehicle (EV) industry, leading to the discontinuation of projects by certain customers

(B) Review for the 12 months ended 31 December 2023 (12M'23)

Turnover (12M'23 vs 12M'22)

The Group's revenue for January to December 2023 ("12M'23") increased by S\$18.8 million or 10.1% to S\$205.6 million from S\$186.8 million a year ago, mainly due to:

- (1) Higher turnover of projects secured in new segments such as servers, gaming machines, financial equipment, and medical equipment. In particular, the Group recorded the highest sales growth in high-end Graphics Processing Unit (GPU) servers and gaming machines.

- (2) Increased revenue in the Auto segment, buoyed by the increasing adoption of EVs in China, higher sales of tooling, and the rising demand for EV battery components. Additionally, the recovery in overseas demand also contributed to sales growth.

The increase was also offset by:

- (3) Lower sales in the OA segment amid softening demand, as certain customers continued their shift from China to Southeast Asia.
- (4) Decline in revenue for the TV/display segment, partially offset by new product launches by key customers.

Net profit (12M'23 vs 12M'22)

The Group reported net profit of S\$4.4 million for the January to December 2023 period ("12M'23"), compared to S\$2.3 million a year ago. The increase was mainly due to:

Favourable variance: -

- (1) The gross profit margin for FY2023 rose to 16.0%, a notable increase from 14.6% recorded in the same period of the previous year, mainly due to:
 - a) Higher revenue as the Group continues to ramp up production activities
 - b) Lower raw material costs, including steel, aluminium, etc., as prices began to moderate post-pandemic.
 - c) Lower scrap and rework rate, driven by enhanced quality and efficiency control.

Offset by unfavourable variance: -

- (2) The Group's newly established subsidiary in Vietnam recorded a loss due to start-up costs.
- (3) Higher income tax expenses were accrued, as one of the subsidiaries' corporate income tax rates was restored to 25% due to the expiry of high-tech enterprise status.
- (4) A subsidiary in China incurred impairment loss due to the intense competition in China's electric vehicle (EV) industry, leading to the discontinuation of projects by certain customers.

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

No forecast or projected statement has been previously disclosed to shareholders.

4. A commentary at the date of the announcement of the significant trends and 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 Group recorded significant improvement in its financial performance despite the challenges in China's manufacturing industry, underscoring the success of its diversification strategy and efforts to move up the value chain. Looking forward, the Group remains optimistic that its financial performance for FY2024 will improve compared to FY2023, buoyed by market recovery and ongoing efforts to expand its customer base and product portfolio.

The OA segment secured new projects and higher order volumes during FY2023. Moving forward, the Group is proactively engaging customers amid the ongoing trend to diversify its manufacturing footprint out of China into Southeast Asia.

Meanwhile, the Group anticipates short-term volatility in the automotive market amid the trend to shift from internal combustion engines towards EVs. In response, the Group is adjusting its range of products to better suit overseas customers while leveraging its precision stamping expertise to seize new opportunities in the EV and EV battery sectors.

On the TV/Display front, the Group's key customers are expected to maintain their market leadership in the high-end TV segment, buffering against short-term challenges faced by European and U.S. customers. InnoTek will continue to enhance technical capabilities and maintain a low-cost structure to ensure long-term business sustainability.

The Group has been actively increasing production capacity at its facility in Rayong, Thailand, paving the way for new OA orders and marking a new phase of mass production. Meanwhile, InnoTek's facility in Bac Ninh, Vietnam, began mass production of TV bezels in 2H2023; the facility's upgraded technical and manufacturing capabilities will allow InnoTek to align itself with the product strategies of its main customers.

In February 2023, the Group set up a subsidiary in Vietnam in partnership with Huayuansheng Metal, Plastic and Electronic Limited. Specialising in sheet metal processing for financial equipment and EV charging stations as well as metal stamping for OA customers, the facility recorded a promising performance in FY2023, and the Group is confident business will gain momentum in FY2024.

Having established strategic partnerships with customers in emerging industries such GPU servers used for Artificial Intelligence ("AI"), gaming machines, medical equipment, and financial equipment, these new business segments have contributed to overall financial performance and are anticipated to continue doing so in FY2024.

5. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the present financial period? Yes

Name of Dividend	Final One-Tier Tax Exempt Dividend
Dividend type	Cash
Dividend rate (cents per ordinary share)	2.0 cents
Tax Rate	NIL

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Final One-Tier Tax Exempt Dividend
Dividend type	Cash
Dividend rate (cents per ordinary share)	2.0 cents
Tax Rate	NIL

(c) Date payable

The date payable for the proposed final dividend is to be announced at the later date.

(d) Books closing date

The book closing date for the proposed final dividend is to be announced at the later date

5.1 If no dividend has been declared/recommended, a statement to that effect and provide the reasons

Dividend was declared for the present financial period.

- 6 **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 the Rule 705.**

Interested parties transactions for the 12 months ended 31 December 2023

Name of Interested Person	Nature of Relationship	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) S\$
Dongguan Konge Plastic Mould Co., Ltd (previously known as Dongguan Konka Mould Plastic Co., Ltd)	Mr. Lou Yiliang, CEO of InnoTek Limited has an indirect interest of 29.61%	70,550	N/A
Wuhan Grand Mould Plastic Co. Ltd	Mr. Lou Yiliang, CEO of InnoTek Limited has an indirect interest of 29.61%	1,078,543	N/A
All Brilliant Ltd	Mr. Lou Yiliang, CEO of InnoTek Limited has an indirect interest of 62.5%	3,565	NA
KunShan Grand Mould Plastic Co., Ltd	Mr. Lou Yiliang, CEO of InnoTek Limited has an indirect interest of 29.61%	133,928	N/A
Auhui KM Technology Co Ltd	Mr. Lou Yiliang, CEO of InnoTek Limited has an indirect interest of 15.1%	76,725	N/A

The company does not obtain any shareholders' general mandate for interested person transactions.

7. **Negative confirmation pursuant to Rule 705(5). (Not required for an announcement of full-year results)**
8. **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.

9. **Disclosure of a person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement**

Name	Age	Family relationship with any director, CEO, and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Okura Ippei	70	Brother of Mr. Lou Yiliang, Executive Director and CEO of the Company	Director of Mansfield Manufacturing Co. Ltd, Hong Kong, a wholly-owned subsidiary of the Company, since 16 December 2015	No change

Signed by Neal Manilal Chandaria, Chairman, and Lou Yiliang, Chief Executive Officer

BY ORDER OF THE BOARD

Lou Yiliang
 Chief Executive Officer
 29 February 2024

