



INNOTEK

INNOTEK LIMITED

(Company Reg. No. 199508431Z)

FY2023 Results Briefing
29 February 2024

Agenda

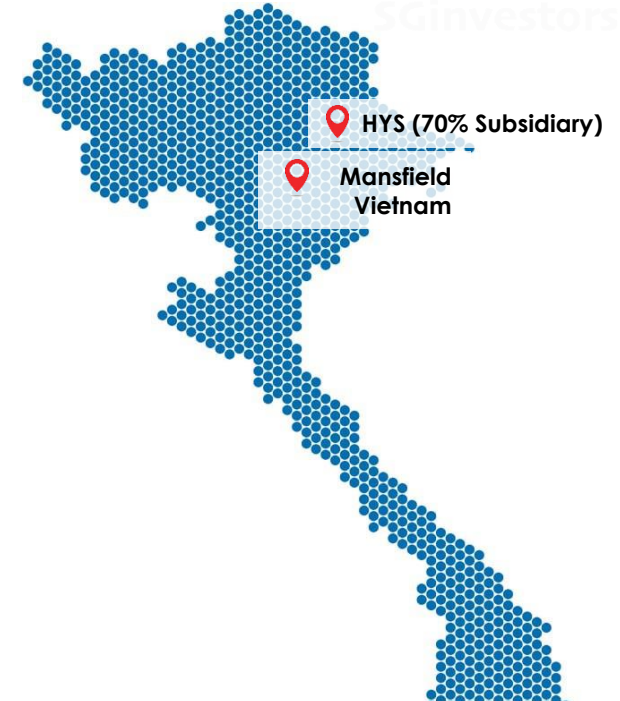
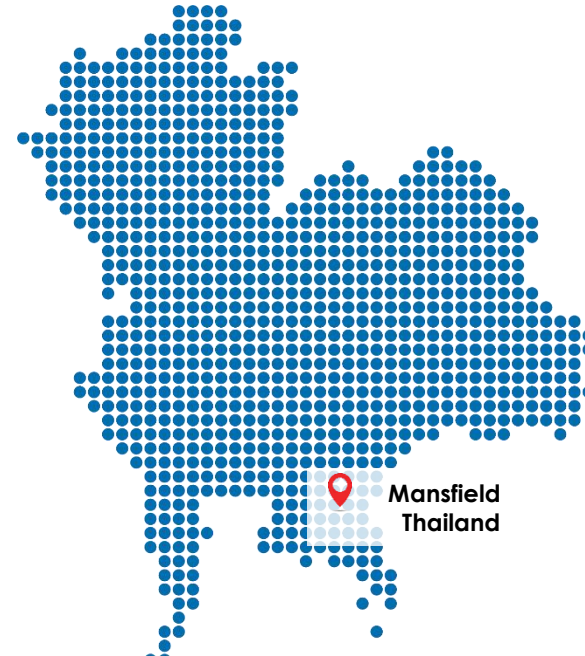
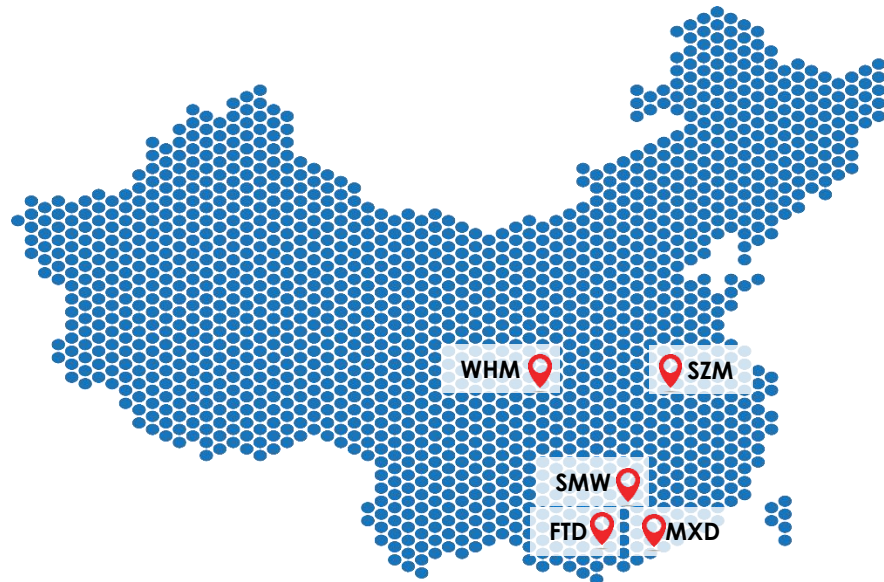
- Corporate Background
- Operational Highlights
- Financial & Balance Sheet Highlights
- Revenue by Product Segment
- Outlook



Corporate Background

茂森精藝金屬(蘇州)有限公司
Mansfield (Suzhou) Manufacturing Co., Ltd

Company Background



❑ Run by wholly-owned Mansfield Manufacturing Company Limited (“MSF”), a precision metal components manufacturer which provides the following services:

- Precision Metal Stamping
- Tool and Die design and fabrication
- Precision Machining

❑ Strong and diversified International customers

❑ Operates a manufacturing facility in Rayong Province, Thailand and Bac Ninh Province, Vietnam

❑ Acquired 70%-stake in a facility in Bac Giang Province, Vietnam in February 2023

Operational & Financial Highlights



Operational Highlights

1 New Field businesses gain momentum, with projects in high-end GPU servers and gaming machines recording the highest growth

2 Higher turnover in the Auto segment as EV adoption accelerates, driving demand for tooling and EV battery components; recovery in overseas demand also contributed to growth

3 Softer demand in the Office Automation (OA) segment as more customers shift their manufacturing footprint out of China into Southeast Asia

4 TV/Display segment recorded lower sales, as customers delay orders to digest earlier inventory holdings; decline was partially offset by new product launches

5 Lower scrap and rework rates as InnoTek continued to improve production processes, enhanced quality and efficiency control

6 The Group's Vietnam facility has commenced mass production of TV bezels since 2H'23; technical and manufacturing capabilities have been enhanced to better align with customers' product strategies

Financial Highlights

S\$'000	2H'23	2H'22	Change %	FY'23	FY'22	Change %
Revenue	112,699	102,314	10.2	205,560	186,755	10.1
Gross Profit	17,298	15,631	10.7	32,957	27,190	21.2
Gross Profit Margin (%)	15.3	15.3	–	16.0	14.6	1.4 ppt*
Income Tax Credit / (Expenses)	(1,315)	(91)	1,345.1	(2,020)	(114)	1,671.9
Net Profit	1,252	3,922	(31.9)	4,358	2,254	93.3
Earnings Per Share (Singapore cents)	0.39	1.70	(77.1)	1.88	0.98	91.8

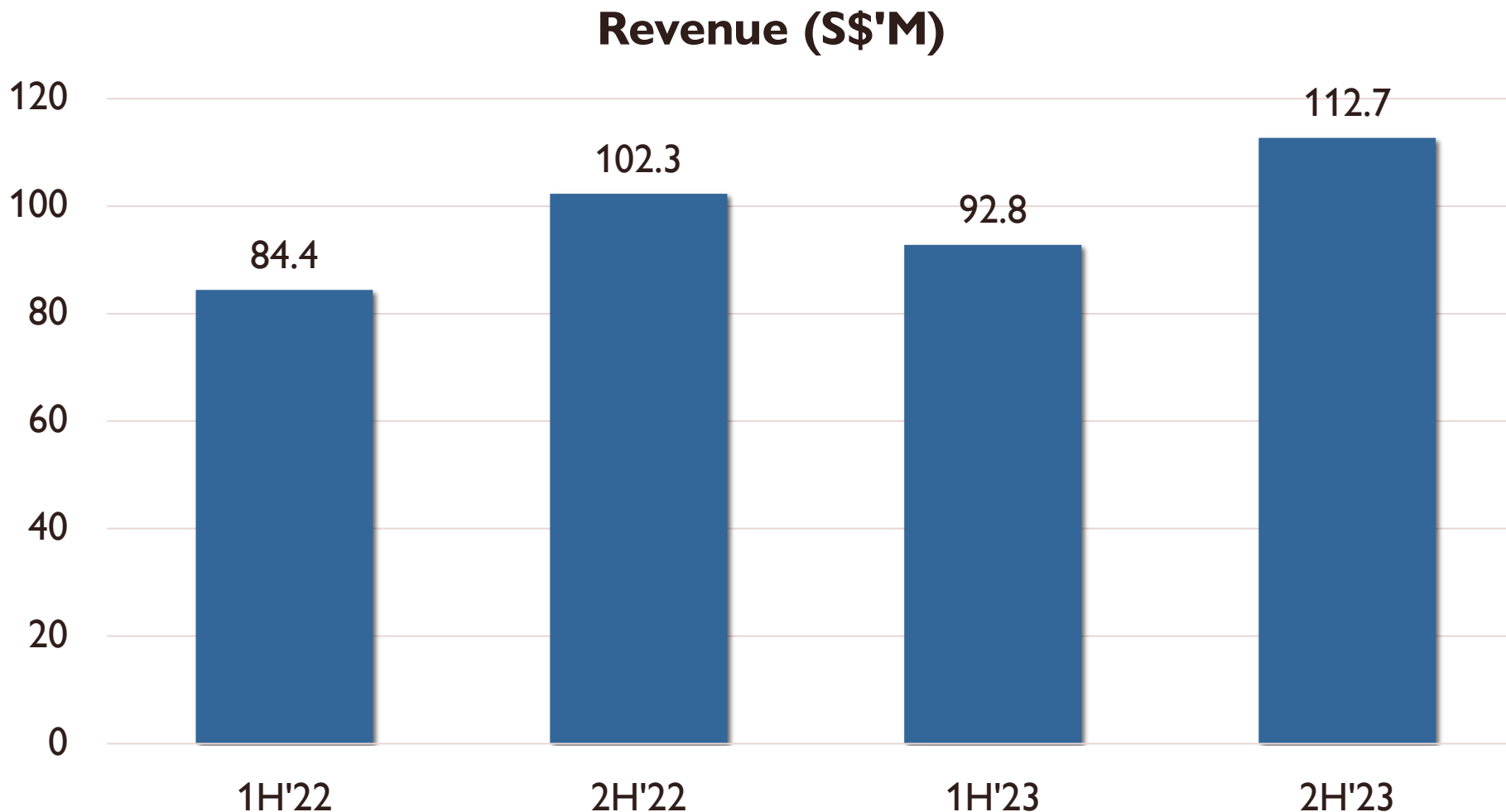
* ppt denotes percentage points

Financial Highlights

- **FY'23 revenue increased 10.1% to S\$205.6 million from S\$186.8 million in FY'22**
- **Lifted by higher Auto sales, increased revenue contribution from New Field projects such as servers, gaming machines, financial equipment and medical equipment**
- **Partially offset by softer sales in OA and TV/Display products**
- **FY'23 gross profit increased S\$33.0 million, outpacing revenue growth; Group achieved lower scrap and rework rates, while costs of raw materials declined from pandemic highs**
- **Accordingly, gross profit for FY'23 improved to 16.0% from 14.6% in FY'22**
- **InnoTek recorded net profit of S\$4.4 million in FY'23; excluding one-off impairment of S\$1.4 million, net profit would have been S\$5.8 million**

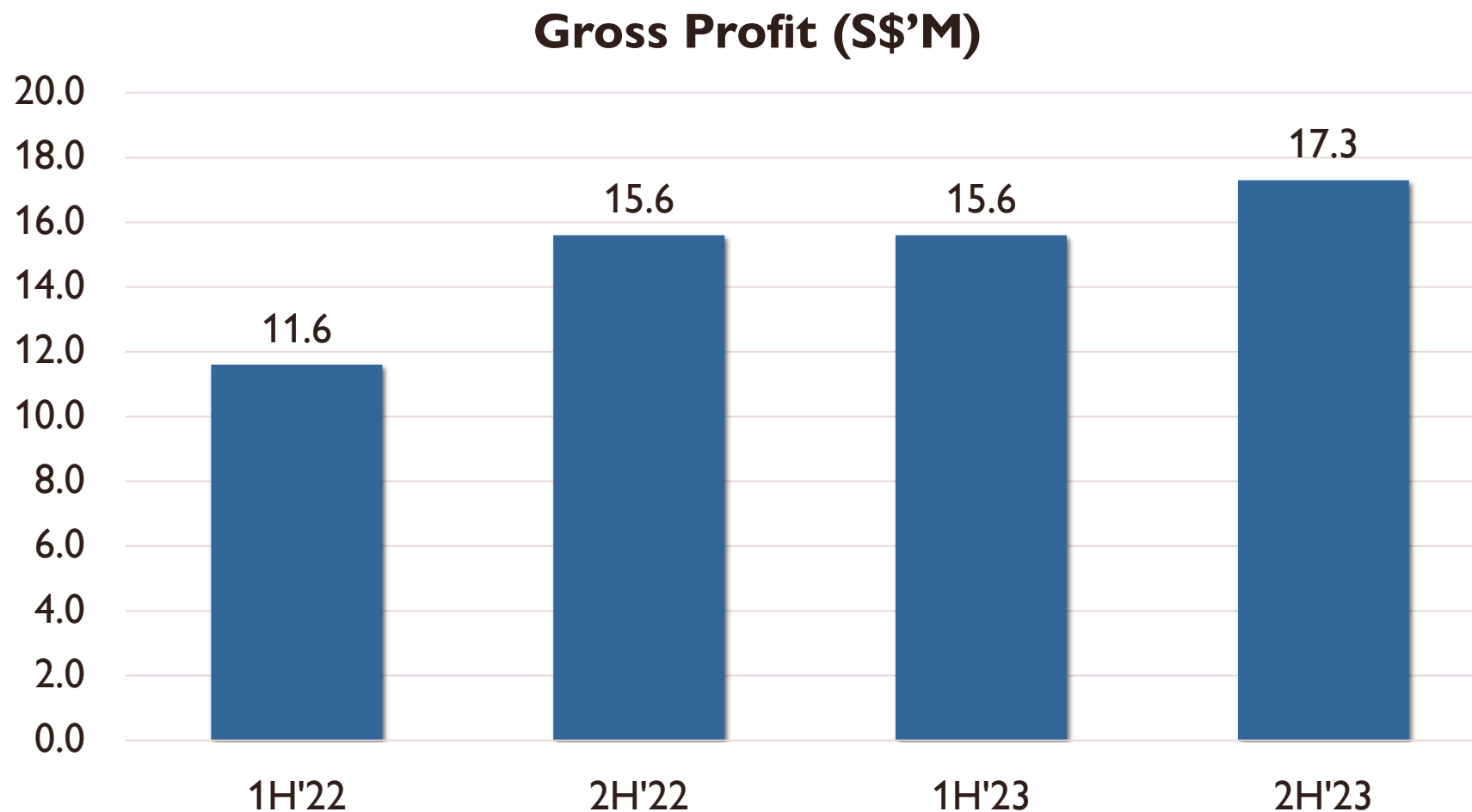
Financial Highlights

Revenue Half-Yearly Trends



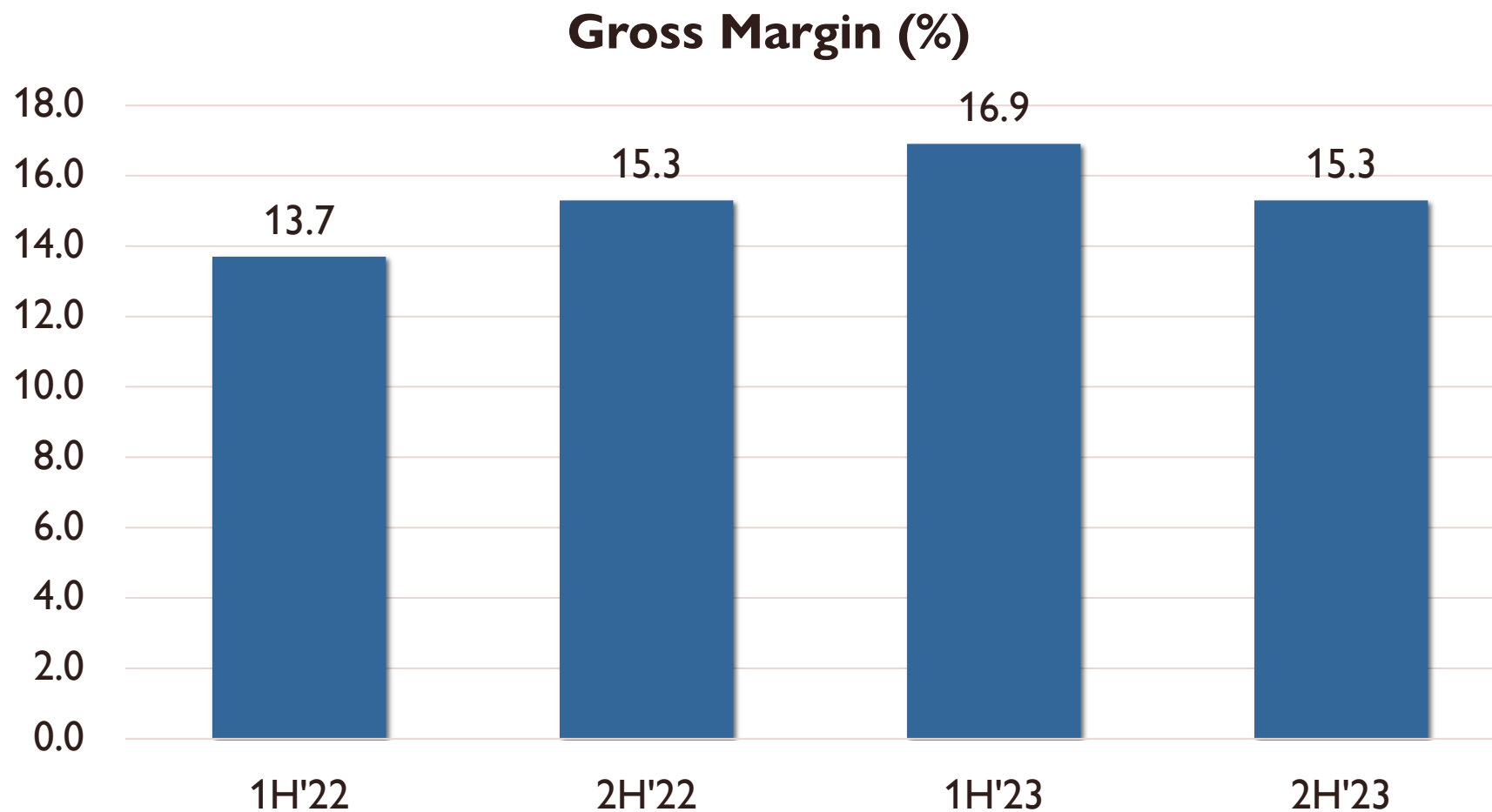
Financial Highlights

Gross Profit Half-Yearly Trends



Financial Highlights

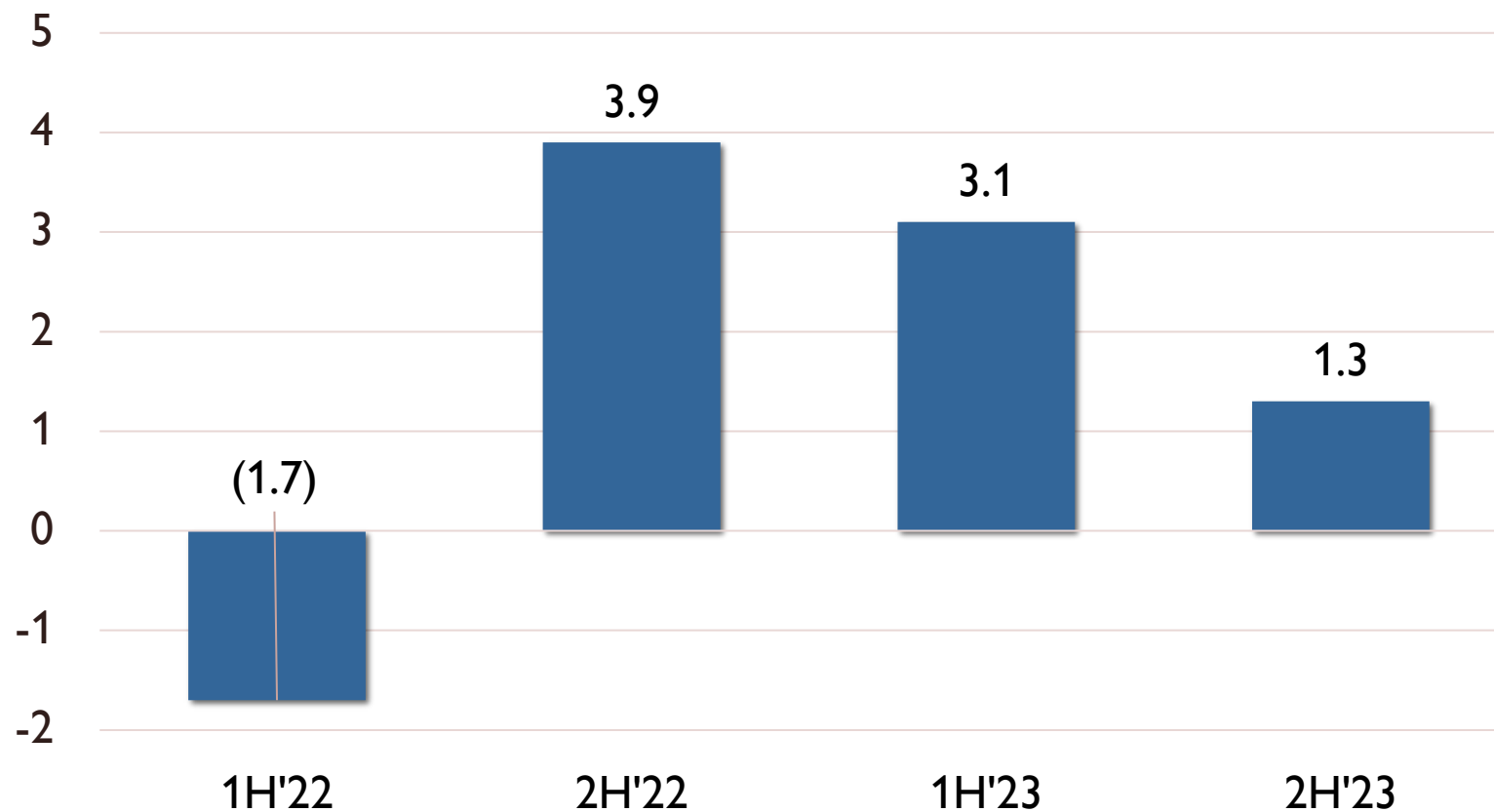
Gross Margin Half-Yearly Trends



Financial Highlights

Net Profit Half-Yearly Trends

Net Profit After Tax (S\$'M)



Balance Sheet Highlights

FY'23

S\$'M	31/12/2023	31/12/2022	Change %
Cash and Bank Deposit and Investments	70.3	77.5	(9.3)
Total Assets	264.1	258.4	2.2
Total Borrowings (including lease rental liabilities)	23.0	19.0	21.0
Shareholders' Funds	173.3	176.7	(2.0)
Net Asset Value/share (cents)	74.9	76.4	(2.0)

Revenue by Products

FY'23 vs FY'22

Office Automation (OA)

Lower sales in the OA sector, as corporations continue to accelerate "China + 1" manufacturing strategy

Automotive

Higher contribution as EVs gain adoption in China, combined with recovery in overseas demand

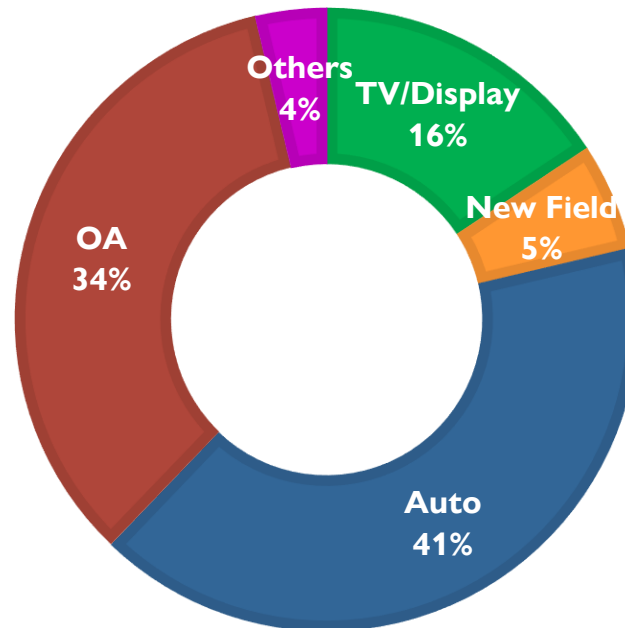
TV & Display

Softer demand as customers delay orders; offset by new products; Bac Ninh facility has commenced production of TV bezels in 2H'23

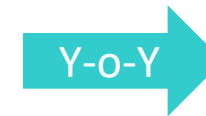
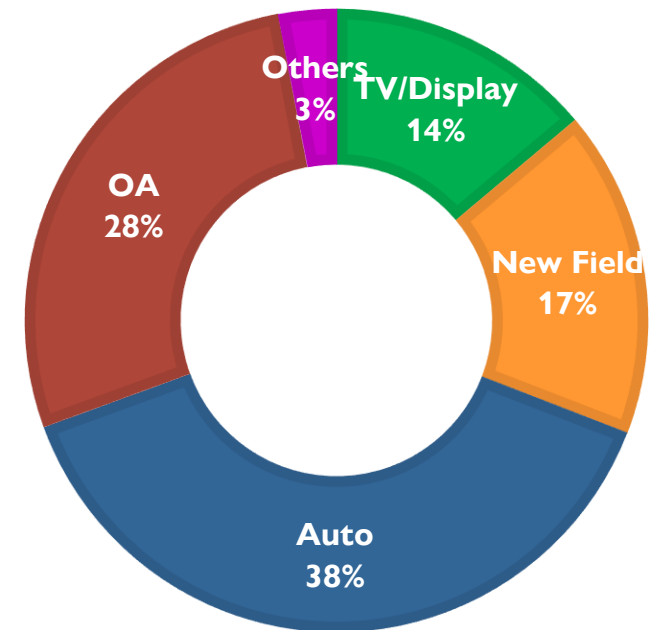
New Field/Others

Improved performance as production ramps up; Group recorded highest sales growth for high-end GPU servers and gaming machines

FY'22: S\$186.8M



FY'23: S\$205.6M



■ TV/Display ■ New Field ■ Auto ■ OA ■ Others

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 茂森集團
Mansfield Group

Outlook

Corporate Outlook by Sector

Automotive

- Short-term volatility expected in China market as consumer preference shift towards EVs
- Group is adjusting product range to cater to international customers
- Leverage precision stamping capabilities to secure EV and EV battery projects

TV and Display

- InnoTek is enhancing its technical capabilities, while maintaining low cost structure
- Key customers expected to maintain market leadership in high-end TV industry

OA

- New projects and higher order volumes secured in FY2023 will contribute positively to financial performance
- Group will engage customers diversifying their footprint out of China

Group Outlook

- Accelerate diversification strategy into medical equipment, Servers, and Gaming Machines sectors, which will contribute to FY2024 financial performance
- Facility in Bac Ninh, Vietnam has commenced mass production of TV bezels since 2H'23; Group is upgrading facility's capabilities to secure new projects
- Thailand facility has been actively increasing capacity to secure new OA orders and begin new phase of mass production
- Promising FY'23 performance of Vietnamese joint venture, which InnoTek acquired 70%-stake in Feb 2024 expected to continue into FY'24
- Group will enhance QCDS (quality, cost, delivery and service) to maintain competitive advantage to secure new projects

Thank You

Q&A

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