

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Fav/ (Unfav) %
	9 months ended		
	30/9/2015	30/9/2014	
	\$'000	\$'000	
Revenue	41,453	41,415	0
Cost of services	(38,829)	(37,611)	(3)
Gross profit (loss)	2,624	3,804	(31)
Gross margin	6.3%	9.2%	
Other income (including interest income)	3,211	1,019	215
Administrative expenses	(9,038)	(8,113)	(11)
Distribution costs	(1,307)	(1,193)	(10)
Other expenses	(785)	(59)	(1,231)
Finance costs	(1,007)	(848)	(19)
Loss before income tax	(6,302)	(5,390)	(17)
Income tax expense	-	-	-
Net loss for the period	(6,302)	(5,390)	(17)
Attributable to:			
Equity holders of the parent	(5,699)	(5,174)	(10)
Non-controlling interest	(603)	(216)	(179)
	(6,302)	(5,390)	
Statement of comprehensive income			
Net loss for the period	(6,302)	(5,390)	(17)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation	1,216	(441)	NM
Gain (Loss) on cash flow hedge	-	-	NM
Other comprehensive loss for the period	1,216	(441)	
Total comprehensive loss for the period	(5,086)	(5,831)	13
Total comprehensive loss attributable to:			
Equity holders of the parent	(5,143)	(5,445)	6
Non-controlling interest	57	(386)	NM
	(5,086)	(5,831)	13
NM: Not meaningful			
Net loss for the period as a percentage of revenue	-15.2%	-13.0%	

	Group		Fav/ (Unfav) %
	3 months ended		
	30/9/2015	30/9/2014	
	\$'000	\$'000	
	11,538	14,853	(22)
	(11,997)	(13,765)	13
	(459)	1,088	NM
	-4.0%	7.3%	
	1,967	560	251
	(4,073)	(2,511)	(62)
	(434)	(389)	(12)
	(740)	670	NM
	(324)	(303)	(7)
	(4,063)	(885)	(359)
	(4,063)	(885)	(359)
	(3,631)	(832)	(336)
	(432)	(53)	(715)
	(4,063)	(885)	
	(4,063)	(885)	(359)
	465	743	(37)
	-	-	NM
	465	743	
	(3,598)	(142)	(2,433)
	(3,559)	(432)	(724)
	(39)	290	NM
	(3,598)	(142)	(2,434)
	-35.2%	-6.0%	

1(b)(i) A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year.

Balance sheet

	Group		Company	
	As at 30/9/2015	As at 31/12/2014	As at 30/9/2015	As at 31/12/2014
	\$'000	\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents	6,106	6,916	1,122	404
Pledged bank deposits	337	363	-	-
Structured deposits	19,432	20,220	-	-
Trade receivables	14,460	20,925	-	-
Other receivables and prepayments	1,240	2,652	55	4,816
Land use rights	103	98	-	-
Inventories	3,981	4,668	-	-
Total current assets	45,659	55,842	1,177	5,220
Non-current assets				
Investment in subsidiaries	-	-	47,763	45,339
Land use rights	4,149	4,012	-	-
Property, plant and equipment	31,152	33,719	777	751
Other receivables	393	794	-	-
Goodwill	82	82	-	-
Deferred tax asset	34	33	-	-
Total non-current assets	35,810	38,640	48,540	46,090
Total assets	81,469	94,482	49,717	51,310
Current liabilities				
Trade payables	10,339	14,108	-	-
Other payables	3,348	5,135	8,018	8,178
Provisions	12,847	11,193	12,847	11,193
Derivative financial instruments	93	88	-	-
Short-term bank loans	7,024	7,632	-	-
Current portion of long-term bank loans	4,246	3,667	-	-
Current portion of finance leases	-	21	-	-
Due to shareholders	2,464	5,311	2,464	5,311
Total current liabilities	40,361	47,155	23,329	24,682
Non-current liabilities				
Retirement benefit obligations	620	589	-	-
Due to shareholders	10,966	10,684	10,966	10,684
Long-term bank loans	7,001	8,447	-	-
Total non-current liabilities	18,587	19,720	10,966	10,684
Capital, reserves and non-controlling interests				
Share capital	56,127	56,127	56,127	56,127
Reserves	(40,647)	(35,504)	(40,705)	(40,183)
Equity attributable to equity holders of the company	15,480	20,623	15,422	15,944
Non-controlling interest	7,041	6,984	-	-
Total equity	22,521	27,607	15,422	15,944
Total liabilities and equity	81,469	94,482	49,717	51,310

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

Amount repayable in one year or less, or on demand

As at 30/9/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
11,270	2,464	11,320	5,311

The amount repayable after one year

As at 30/9/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
7,001	10,966	8,447	10,684

Details of any collaterals

The group's borrowings are primarily secured by personal guarantees from directors, pledged bank deposits, property, plant and equipment, land use rights and trade receivables.

1 (c) **Cash Flow Statement for period ended 30 September**

Operating Activities:

Loss before Income Tax:	(6,302)	(5,390)
Adjustments for:-		
Depreciation of property, plant and equipment	4,761	5,819
Amortisation of land use rights	66	44
Provision for loss on share buy-back	1,654	-
Reversal of impairment of property, plant and equipment	-	(832)
Property, plant and equipment written off	-	4
Interest income	(54)	(54)
Interest expense	1,007	848
Net foreign exchange (gain) loss	(2,743)	102
Loss (Gain) on disposal of property, plant and equipment	704	(166)
Operating (loss) profit before working capital changes	(907)	375

Changes in working capital:-

Trade receivables	6,465	4,429
Other receivables and prepayments	1,813	893
Inventories	687	48
Trade payables	(3,769)	(1,885)
Other payables	(1,787)	(3,516)

Cash generated from operations

Net interest paid	(953)	(794)
Income tax paid	-	-

Cash flows generated from (used in) operating activities

Investing Activities:

(Increase) Decrease in investment in structured deposits	1,869	-
Proceeds on disposal of property, plant and equipment	208	4,383
Purchase of property, plant and equipment	(1,399)	(1,977)

Cash flows generated from (used in) investing activities

Financing Activities:

Decrease in pledged bank deposits	26	609
Repayment of bank loans	(12,931)	(15,484)
New bank loans raised	12,441	12,280
Repayment to shareholders	(3,330)	(694)
New loans from shareholders	724	3,009
Repayment of finance lease obligations	(21)	(24)

Cash flows used in financing activities

Net (decrease) increase in cash and cash equivalents

Cash and cash equivalents at beginning of period	6,916	18,997
Effect of exchange rate changes on the balances of cash held in foreign currencies	54	(3)

Cash and cash equivalents at end of period

Group	
9 months ended	
30/9/2015	30/9/2014
\$'000	\$'000
(6,302)	(5,390)
4,761	5,819
66	44
1,654	-
-	(832)
-	4
(54)	(54)
1,007	848
(2,743)	102
704	(166)
(907)	375
6,465	4,429
1,813	893
687	48
(3,769)	(1,885)
(1,787)	(3,516)
2,502	344
(953)	(794)
-	-
1,549	(450)
1,869	-
208	4,383
(1,399)	(1,977)
678	2,406
26	609
(12,931)	(15,484)
12,441	12,280
(3,330)	(694)
724	3,009
(21)	(24)
(3,091)	(304)
(864)	1,652
6,916	18,997
54	(3)
6,106	20,646

Group	
3 months ended	
30/9/2015	30/9/2014
\$'000	\$'000
(4,063)	(885)
1,551	1,704
22	-
1,654	-
-	-
-	-
(6)	(6)
324	303
(1,299)	(138)
871	1
(946)	979
445	(2,004)
695	429
267	695
(1,504)	595
(1,906)	268
(2,949)	962
(318)	(297)
-	-
(3,267)	665
2,195	-
(412)	(6)
(816)	(837)
967	(843)
(10)	-
(6,237)	(8,217)
6,467	6,888
(1,000)	299
(149)	194
(6)	(7)
(935)	(843)
(3,235)	(1,021)
9,301	21,648
40	19
6,106	20,646

1(d)(i) A statement for the issuer and the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity for the financial year ended 30 September

	Share capital \$'000	Currency translation reserves \$'000	Statutory reserves \$'000	Other reserves \$'000	Accumulated profits (losses) \$'000	Total attributable to equity holders of the company \$'000	Minority interests \$'000	Total \$'000
Group								
At 1 July 2014	56,127	(8,250)	7,781	(2,993)	(26,065)	26,600	6,631	33,231
Loss for the period	-	-	-	-	(832)	(832)	(53)	(885)
Currency translation difference representing net income recognised directly in equity	-	399	-	-	1	400	343	743
Loss on cash flow hedge	-	-	-	-	-	-	-	-
Other comprehensive loss for the period	-	399	-	-	1	400	343	743
Total	-	399	-	-	(831)	(432)	290	(142)
At 30 September 2014	56,127	(7,851)	7,781	(2,993)	(26,896)	26,168	6,921	33,089
At 1 July 2015	56,127	(8,192)	7,912	(2,993)	(33,815)	19,039	7,080	26,119
Loss for the period	-	-	-	-	(3,631)	(3,631)	(432)	(4,063)
Currency translation difference representing net income recognised directly in equity	-	72	-	-	-	72	393	465
Loss on cash flow hedge	-	-	-	-	-	-	-	-
Other comprehensive loss for the period	-	72	-	-	-	72	393	465
Total	-	72	-	-	(3,631)	(3,559)	(39)	(3,598)
At 30 September 2015	56,127	(8,120)	7,912	(2,993)	(37,446)	15,480	7,041	22,521
Company								
At 1 July 2014	56,127	(162)	-	-	(14,639)	41,326	-	41,326
Loss for the period	-	-	-	-	253	253	-	253
Currency translation difference representing net income recognised directly in equity	-	1,153	-	-	-	1,153	-	1,153
Other comprehensive loss for the period	-	1,153	-	-	-	1,153	-	1,153
Total	-	1,153	-	-	253	1,406	-	1,406
At 30 September 2014	56,127	991	-	-	(14,386)	42,732	-	42,732
At 1 July 2015	56,127	1,719	-	-	(42,144)	15,702	-	15,702
Loss for the period	-	-	-	-	(761)	(761)	-	(761)
Currency translation difference representing net income recognised directly in equity	-	481	-	-	-	481	-	481
Other comprehensive loss for the period	-	481	-	-	-	481	-	481
Total	-	481	-	-	(761)	(280)	-	(280)
At 30 September 2015	56,127	2,200	-	-	(42,905)	15,422	-	15,422

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other 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.

During 1 June 2015 to 30 September 2015, the Company did not issue any shares.

- 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.

The total number of issued shares excluding treasury shares

As at 30/9/2015	As at 31/12/2014
570,000,000	570,000,000

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

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted the same accounting policies and methods of computation for the current year consistent with those of the audited financial statements for the year ended 31 December 2014. In the current financial year, the Group has adopted all the new and revised Financial Reporting Standards ("FRSs") that are relevant to its operations and effective for annual periods beginning on 1 January 2015.

The adoption of these new and revised FRSs does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and effect, of the change.

Not applicable.

6. Earnings 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.

Earnings per ordinary share for the year based on net profit/(loss) for the period:

(i) Based on the weighted average number of ordinary shares in issue (cts); and

Weighted average number of shares

(ii) On a fully diluted basis (cts)

Weighted average number of shares

Group		Group	
9 months ended		3 months ended	
30/9/2015	30/9/2014	30/9/2015	30/9/2014
(1.00)	(0.91)	(0.64)	(0.15)
570,000,000	570,000,000	570,000,000	570,000,000
(1.00)	(0.91)	(0.64)	(0.15)
570,000,000	570,000,000	570,000,000	570,000,000

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year.

Net asset value per ordinary share (cts)
Number of shares

Group		Company	
As at 30/9/2015	As at 31/12/2014	As at 30/9/2015	As at 31/12/2014
2.70	3.60	2.71	2.80
570,000,000	570,000,000	570,000,000	570,000,000

8. Review of the Group's performance

Revenue

For the nine months ended 30 September 2015 ("YTD3Q15"), the Group reported revenue of \$41 million, similar to corresponding period in 2014 ("YTD3Q14"). However, for the three months ended 30 September 2015 ("3Q15"), the Group reported revenue of \$11.5 million, a decrease of 22% from \$14.9 million from the corresponding period in 2014 ("3Q14"). This decrease across the Board is due to weaker business environment as compared to prior period.

PCB Operations

PCB operations continue to be the major contributor accounting for 88% of our Group's revenue in YTD3Q15. Revenue from PCB operations remained constant at \$36.6 million for YTD3Q14 and YTD3Q15.

On a quarterly basis, revenue from PCB operations decreased by 26% from \$13.1 million in 3Q14 to \$9.6 million in 3Q15 due to weaker business sentiments.

Mechanical Drilling and Routing

Revenue from Mechanical drilling and Routing segment decrease by 8% from \$4.9 million in YTD3Q14 to \$4.5 million in YTD3Q15. Mechanical drilling and routing segments are mainly made up of sub-contracted sales which are volatile to any fluctuations in market demands.

On a quarterly basis, revenue from mechanical drilling and routing segment decreased by 11% from \$1.8 million in 3Q14 to \$1.6 million in 3Q15.

Geographical Markets

China operations remained as the key contributor to Group's revenue in 3Q15 at 86%.

Profitability

Gross Profit

Gross profit decreased from \$3.8 million in YTD3Q14 to \$2.6 million in YTD3Q15. PCB operations posted a gross profit of \$2.9 million which was partially offsetted by Mechanical drilling and Routing segment's gross loss of \$0.3 million. The gross loss from Mechanical drilling and Routing arises from fixed manufacturing expenses such as labour cost, electricity and depreciation.

On a quarterly basis, a gross loss of \$0.5 million was incurred for 3Q15. This gross loss was due to decrease in PCB operations revenue in 3Q15, coupled with high fixed manufacturing expenses.

Expenses

Other Income

The increase in other income is mainly due to interest income received from structured deposits and net exchange gain of \$1.9 million. Structured deposits earn a higher interest and Eucon starts investing in it since 2Q14. Net exchange gains arise from the strengthening of Renminbi against Singapore dollars.

Administrative Expenses

The increase in administrative expenses was mainly due to the additional provision of \$1.6 million to Hongta, and partially offsetted by decrease in labour costs, depreciation and research and development costs.

Distribution Costs

Distribution costs remained constant at \$1.2 million and \$1.3 million in YTD3Q14 and YTD3Q15. Distribution costs pertain to sales commission payable to sales representatives in processing sales for PCB manufacturing.

Other Expenses

Disposal gain or loss from sale of plant and machinery and exchange difference are classified accordingly between other income and other expenses based on the net effect in that financial period.

For YTD3Q15, there is a net loss in disposal of plant and machinery of \$0.7 million.

Finance Costs

The increase in finance cost is due to higher interest expense incurred for YTD3Q15. For YTD3Q14, there is a time gap of 2 months after bank loan repayment before it was re-taken up.

Balance Sheet

There is a slight decrease in the Group's cash and bank balances from \$6.9 million at 4Q14 to \$6.1 million at 3Q15. Pledged bank deposits remained constant at \$0.3 million while restructured deposits decreased slightly from \$20.2 million to \$19.4 million. Structured deposits attract higher interest returns.

Trade receivables decreased significantly by \$6.5 million from \$21 million as at 4Q14 to \$14.5 million as at 3Q15. Similarly, trade receivables turnover days improved from 132 days to 114 days from 4Q14 to 3Q15. Trade receivable's credit period ranges from 45 days to 150 days. The decrease is mainly due to repayment.

Other receivables and prepayments decreased by \$1.8 million from \$3.4 million at 4Q14 to \$1.6 million at 3Q15. It is the norm for our China subsidiaries for expenses to be prepaid at the beginning of each financial year, prior to expensing it on a monthly basis. Other receivables and prepayments mainly comprise of prepaid operating expenses, such as utilities, insurance, maintenance expense, etc.

The slight decrease in inventory level from \$4.7 million at 4Q14 to \$4.0 million at 3Q15 was mainly due to better cost control.

The decrease in property, plant and equipment arises mainly from depreciation.

Trade and other payables decreased by \$5.3 million from \$19 million at 4Q14 to \$13.7 million at 3Q15. The decrease in trade payable is due to a reduction in purchase of inventory as a result of lower sales forecasted. Inventory purchases are generally made 1 month in advance.

The decrease of \$1.8 million in other payables was mainly due to payout of accrued audit fees, bonuses as well as decrease in net VAT payables.

Additional provision was made upon signing of the 2nd supplemental agreement with Hongta in July 2015. In the 2nd supplemental, Hongta will postpone its exercising of buy-back option for 12 months from 3 August 2015 to 2 August 2016. Necessary announcement had been made on 22 July 2015.

Derivative financial statements pertain to estimated liability on the fair value of the forward foreign exchange contracts.

Amount due to shareholders decreased by \$2.6 million from \$16.0 million as at 4Q14 to \$13.4 million as at 3Q15.

Total gross borrowings decreased slightly from \$19.8 million at 4Q14 to \$18.3 million at 3Q15.

The Group's net working capital position decreased by \$3.4 million from a \$8.7 million net asset position for 4Q14 to a \$5.3 million net asset position for 3Q15.

As at 3Q15, the Group's current ratio (current assets/current liabilities) and debt/equity ratio are 1.13 and 3.8 respectively. The Group's equity (net assets) stands at \$22.5 million.

Cash Flow

Cash flow used in operating activities of \$3.3 million in 3Q15 was mainly due to increase in payments to suppliers, coupled with lower receipts from customers.

Cash flow generated from investing activities of \$1.0 million in 3Q15 was mainly due to increase in structured deposits and partially offsetted by replacement of machineries due to wear and tear.

Cash flow used in financing activities of \$0.9 million in 3Q15 was mainly due to repayment of loan borrowings and repayments to shareholders.

Cash and bank balances decreased by \$14.5 million from \$20.6 million in 3Q14 to \$6.1 million in 3Q15 due to reclassification of \$19.4 million of restructured deposits and \$0.4 million of pledged bank deposits.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was disclosed to shareholders previously.

10. A commentary at the date of 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.

Eucon Group had seen improvements in cost control after focusing on cost restructuring. Going forward, Eucon Group will focus on strengthening its sales and marketing aspects.

11. Dividend

11(a) Any dividend declared for the current financial period reported on?

None

11(b) Any dividend declared for the corresponding period of the immediately preceding financial year?

None

11(c) Date payable

Not applicable

11(d) Books closure date

Not applicable

12. If no dividend has been declared/ recommended, a statement to that effect.

No dividend has been declared for the third quarter ended 30 September 2015.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by business or geographical segments.

Not applicable

15. A breakdown of sales as follows:

Not applicable

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Not applicable

17. Interested party transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

During the financial year, there were related parties transactions based on terms agreed between the parties as follows:-

Name of interested person	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)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Loan guarantees provided by Mr Wen Yao-Long, Mr Wen Yao-Chou, Ms Chan Hui-Chung to various financial institutions to secure credit facilities for the Group	Total facilities granted as at 30.9.2015: \$14.8 million Amount outstanding as at 30.9.2015: \$14.2 million	-
Loan from Sunny Worldwide Int'l Ltd (Amount outstanding as at 30.9.2015 is \$11.0 million)	Interest for the 9 months ended 30.9.2015: \$0.28 million	-
Loan from Mr Wen Yao-Long (Amount outstanding as at 30.9.2015 is \$2.4 million)	Interest-free loan	-

Except for the above, there was no other interested person transaction, as defined in Chapter 9 of the Listing Manual of the SGX-ST, entered into the Group or by the Company during the financial period ended 30 September 2015.

BY ORDER OF THE BOARD

Wen Yao-Long
Executive Chairman & CEO
3 November 2015