



PRESS RELEASE

Fourth Quarter FY2015 Results (for the three months ended 31 December 2015)

EUCON REPORTS NET LOSS OF \$17.6 MILLION FOR 4Q15

(S\$' million)	FY15	FY14	Fav/ (Unfav) %		4Q15	4Q14	Fav/ (Unfav) %
Revenue	52.5	57.8	(9)		11.0	16.4	(33)
Gross Profit	2.8	5.7	(51)		0.2	1.9	(89)
Loss from Operations	(21.8)	(8.9)	(145)		(16.5)	(4.4)	(275)
Finance Costs	(1.3)	(1.2)	(8)		(0.3)	(0.3)	-
Pre-tax Loss	(23.1)	(10.1)	(129)		(16.8)	(4.7)	(257)
Tax Expense	(0.8)	(0.6)	(33)		(0.8)	(0.6)	(33)
Net Loss	(23.9)	(10.7)	(123)		(17.6)	(5.3)	(232)

**NM – Not meaningful*

Singapore, 29 February 2016 – Singapore Exchange (“SGX”) Mainboard-listed Eucon Holding Limited (“Eucon” or the “Group”), an integrated PCB solutions provider in China and Taiwan, today announced its results for the fourth quarter ended 31 December 2015 (“4Q15”).

For the financial year ended 31 December 2015 (“FY15”), the Group reported revenue of \$52.5 million, a decrease of 9% from \$57.8 million in the corresponding period in 2014 (“FY14”). However, for the three months ended 31 December 2015 (“4Q15”), the Group reported revenue of \$11.0 million, a decrease of 33% from \$16.4 million from the corresponding period in 2014 (“4Q14”). This decrease across the Board is due to weaker business environment as compared to prior period.

PCB operations continue to be the major contributor accounting for 89% of our Group's revenue in FY15. Revenue from PCB operations decrease by 10% from \$51.5 million in FY14 to \$46.5 million in FY15.

On a quarterly basis, revenue from PCB operations decreased by 34% from \$14.9 million in 4Q14 to \$9.9 million in 4Q15 due to weaker business sentiments.

Revenue from Mechanical drilling and Routing segment decrease by 11% from \$6.4 million in FY14 to \$5.7 million in FY15. 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 14% from \$1.4 million in 4Q14 to \$1.2 million in 4Q15.

China operations remained as the key contributor to Group's revenue in 4Q15 at 81%.

Gross profit decreased from \$5.7 million in FY14 to \$2.8 million in FY15. PCB operations posted a gross profit of \$3.3 million which was partially offsetted by Mechanical drilling and Routing segment's gross loss of \$0.6 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 profit of \$0.2 million was reported for 4Q15. This slight gross profit was due to decrease in PCB operations revenue in 4Q15, coupled with high fixed manufacturing expenses.

The Group reported a net loss of \$8.4 million for 4Q15 and net loss of \$17.6 million for 4Q14.

Outlook in FY16

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.

About Eucon Holding Limited

SGX Mainboard-listed Eucon Holding Limited (“Eucon” or “the Group”) is an integrated PCB service provider. Its suite of PCB solutions being mechanical drilling, routing and PCB manufacturing are provided through its six plants, 1 located in Taiwan and 5 in Shanghai, China.

In China, the Group has dedicated 2 of the plants in Shanghai to handle the entire process of PCB manufacturing. Shanghai Zhuo Kai Electronic Technology Co., Ltd (“Zhuo Kai”) handles outer-layer PCB manufacturing, while Shanghai Eu Ya Electronic Technology Co., Ltd (“Eu Ya”) focuses on mass lamination production. The rest of the Shanghai plants are equipped with mechanical drilling and routing machines to handle both in-house demand from PCB operations and external customers. They are Shanghai Zeng Kang Electronic Technology Co., Ltd, Shanghai Yaolong Electronic Technology Co., Ltd and Shanghai Lian Han Xin Electronic Technology Co., Ltd.

In August 2012, a wholly owned subsidiary, Emerging Technology Pte Ltd which is trading in nature was incorporated.

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