Eucon Holding Limited
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PRESS RELEASE

First Quarter FY2016 Results (for the three months ended 31 March 2016)

EUCON REPORTS NET LOSS OF $3.8 MILLION FOR 1Q16

(S$' million)	1Q16	1Q15	Fav/ (Unfav) %
Revenue	**9.9**	17.0	*(42)*
Gross Profit	**0.1**	2.3	*(96)*
(Loss) Profit from Operations	**(3.5)**	0.5	*NM*
Finance Costs	**(0.3)**	(0.3)	-
Pre-tax (Loss)Profit	**(3.8)**	0.2	*NM*
Tax Expense	**-**	-	-
Net (Loss) Profit	**(3.8)**	0.2	*NM*

**NM – Not meaningful*

Singapore, 26 April 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 first quarter ended 31 March 2016 ("1Q16").

For the three months ended 31 March 2016 ("1Q16"), the Group reported revenue of $9.9 million, a decrease of 42% from $17 million from the corresponding period in 2015 ("1Q15"). It is a decrease across the board with PCB operation bearing the brunt. This is mainly due to low PCB market sentiments globally.

PCB operations continue to be the major contributor accounting for 94% of our Group's revenue in 1Q16. Revenue from PCB operations decreased by 41% from $15.8 million in 1Q15 to $9.3 million 1Q16. Similarly, this decrease is mainly due to low PCB market sentiments globally.

Revenue from Mechanical drilling and Routing segment decreased by 50% from $1.2 million in 1Q15 to $0.6 million in 1Q16. Mechanical drilling and routing segments are mainly made up of sub-contracted sales which are volatile to any fluctuations in market demands.

China operations remained as the key contributor to Group's revenue in 1Q16 at 67%. There is a decrease of 4% from 71% in 1Q15 to 67% in 1Q16 due to improvements in Taiwan operations. Since the cessation of laser drilling operation in Taiwan in 2014, Taiwan operation underwent a series of restructurings to convert into PCB operations.

Gross profit decreased from $2.3 million in 1Q15 to $0.1 million in 1Q16. PCB operations posted a gross profit of $0.7 million which was offsetted by Mechanical drilling and Routing segment's gross loss of $0.6 million. The gross loss from Mechanical drilling and Routing is mainly a result of revenue generated for month of January and February being lesser than the fixed manufacturing expenses such as labour cost, electricity and depreciation.

The Group reported a net loss of $3.8 million for 1Q16.

Outlook in FY16

In view of the low business market sentiments globally, management continues to remain cautious and conservative in its outlook.

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, Eucon Investment Holding Pte. Ltd. (formerly known as Emerging Technology Pte Ltd) which is both investment holding and trading in nature was incorporated.

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