

**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           |                 |                 | Group           |                 |                 |
|------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                          | 6 months ended  |                 | Fav/<br>(Unfav) | 3 months ended  |                 | Fav/<br>(Unfav) |
|                                          | 30/6/2007       | 30/6/2006       |                 | 30/6/2007       | 30/6/2006       |                 |
|                                          | \$'000          | \$'000          | %               | \$'000          | \$'000          | %               |
| <b>Revenue</b>                           | <b>48,232</b>   | <b>52,202</b>   | (8)             | <b>24,554</b>   | <b>26,307</b>   | (7)             |
| <b>Cost of sales</b>                     | <b>(43,441)</b> | <b>(31,627)</b> | (37)            | <b>(22,255)</b> | <b>(17,321)</b> | (28)            |
| <b>Gross profit</b>                      | <b>4,791</b>    | <b>20,575</b>   | (77)            | <b>2,299</b>    | <b>8,986</b>    | (74)            |
| <i>Gross margin</i>                      | <i>9.9%</i>     | <i>39.4%</i>    | (30)            | <i>9.4%</i>     | <i>34.2%</i>    | (25)            |
| Other income (including Interest Income) | 136             | 82              | 66              | 358             | 75              | 377             |
| Administrative expenses                  | (5,122)         | (5,494)         | 7               | (2,721)         | (2,879)         | 5               |
| Distribution costs                       | (2,151)         | (2,350)         | 8               | (1,006)         | (1,127)         | 11              |
| Other expenses                           | (34)            | (335)           | 90              | (27)            | (2)             | NM              |
| <b>(Loss)Profit from operations</b>      | <b>(2,380)</b>  | <b>12,478</b>   | NM              | <b>(1,097)</b>  | <b>5,053</b>    | NM              |
| Finance costs                            | (1,651)         | (1,111)         | (49)            | (916)           | (552)           | (66)            |
| <b>(Loss)Profit before income tax</b>    | <b>(4,031)</b>  | <b>11,367</b>   | NM              | <b>(2,013)</b>  | <b>4,501</b>    | NM              |
| Income tax expense                       | (262)           | (1,322)         | 80              | (116)           | (463)           | 75              |
| <b>Net (loss)profit for the period</b>   | <b>(4,293)</b>  | <b>10,045</b>   | NM              | <b>(2,129)</b>  | <b>4,038</b>    | NM              |
| Attributable to:                         |                 |                 |                 |                 |                 |                 |
| Equity holders of the parent             | (4,234)         | 10,045          | NM              | (2,070)         | 4,038           | NM              |
| Minority interest                        | (59)            | -               | -               | (59)            | -               | -               |
|                                          | <b>(4,293)</b>  | <b>10,045</b>   | NM              | <b>(2,129)</b>  | <b>4,038</b>    | NM              |

NM: Not meaningful

Net (loss)profit for the period as a percentage of revenue -8.9% 19.2% -8.7% 15.3%

**Profit before taxation is arrived at after charging(crediting) the following:**

|                                               |       |       |       |       |
|-----------------------------------------------|-------|-------|-------|-------|
| Depreciation of property, plant and equipment | 7,775 | 6,257 | 3,971 | 3,233 |
| Foreign exchange loss (gain) - (net)          | (14)  | 332   | (265) | (10)  |
| Gain on sale of plant and equipment           | -     | (16)  | -     | (16)  |
| Interest income                               | (66)  | (40)  | (36)  | (23)  |
| Interest expense                              | 1,651 | 1,111 | 916   | 552   |

- 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<br>30/6/2007 | As at<br>31/12/2006 | As at<br>30/6/2007 | As at<br>31/12/2006 |
|                                                            | \$'000             | \$'000              | \$'000             | \$'000              |
| <b>Current assets</b>                                      |                    |                     |                    |                     |
| Cash and bank balances                                     | 16,545             | 18,780              | 1,110              | 2,114               |
| Pledged bank deposits                                      | 2,006              | 1,179               | -                  | -                   |
| Trade receivables                                          | 34,185             | 37,527              | -                  | -                   |
| Other receivables and prepayments                          | 17,865             | 2,712               | 28,354             | 18,596              |
| Inventories                                                | 8,795              | 10,200              | -                  | -                   |
|                                                            | 79,396             | 70,398              | 29,464             | 20,710              |
| <b>Non-current assets</b>                                  |                    |                     |                    |                     |
| Investment in subsidiaries                                 | -                  | -                   | 74,870             | 73,126              |
| Property, plant and equipment                              | 119,278            | 117,302             | 993                | 1,039               |
| Goodwill                                                   | 3,956              | 3,956               | -                  | -                   |
| Deferred tax asset                                         | 1,129              | 1,136               | -                  | -                   |
|                                                            | 124,363            | 122,394             | 75,863             | 74,165              |
| <b>Total assets</b>                                        | <b>203,759</b>     | <b>192,792</b>      | <b>105,327</b>     | <b>94,875</b>       |
| <b>Current liabilities</b>                                 |                    |                     |                    |                     |
| Trade payables                                             | 22,413             | 23,861              | -                  | -                   |
| Other payables                                             | 21,712             | 16,096              | 14,341             | 10,791              |
| Income tax payable                                         | 80                 | 689                 | -                  | -                   |
| Short-term bank loans                                      | 29,449             | 32,525              | 9,220              | 9,221               |
| Current portion of long-term bank loans                    | 3,566              | 4,292               | 59                 | 59                  |
| Current portion of finance leases                          | 3,551              | 3,468               | 793                | 1,115               |
| Current portion of notes payable                           | 1,501              | 2,769               | -                  | -                   |
| Due to former holding company                              | 5,910              | 5,785               | 5,910              | 5,785               |
|                                                            | 88,182             | 89,485              | 30,323             | 26,971              |
| <b>Non-current liabilities</b>                             |                    |                     |                    |                     |
| Long-term bank loans                                       | 12,723             | 5,782               | 365                | 394                 |
| Finance leases                                             | 3,920              | 4,985               | 1,036              | 1,368               |
| Notes payable                                              | 750                | 1,510               | -                  | -                   |
|                                                            | 17,393             | 12,277              | 1,401              | 1,762               |
| <b>Equity attributable to equity holders of the parent</b> |                    |                     |                    |                     |
| Share capital                                              | 56,127             | 56,127              | 56,127             | 56,127              |
| Reserves                                                   | 32,667             | 34,903              | 17,476             | 10,015              |
|                                                            | 88,794             | 91,030              | 73,603             | 66,142              |
| Minority Interest                                          | 9,390              | -                   | -                  | -                   |
| Total Equity                                               | 98,184             | 91,030              | 73,603             | 66,142              |
| <b>Total liabilities and equity</b>                        | <b>203,759</b>     | <b>192,792</b>      | <b>105,327</b>     | <b>94,875</b>       |

- 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 30/6/2007 |           | As at 31/12/2006 |           |
|-----------------|-----------|------------------|-----------|
| Secured         | Unsecured | Secured          | Unsecured |
| \$'000          | \$'000    | \$'000           | \$'000    |
| 36,566          | 1,501     | 40,285           | 2,769     |

The amount repayable after one year

| As at 30/6/2007 |           | As at 31/12/2006 |           |
|-----------------|-----------|------------------|-----------|
| Secured         | Unsecured | Secured          | Unsecured |
| \$'000          | \$'000    | \$'000           | \$'000    |
| 16,643          | 750       | 10,767           | 1,510     |

Details of any collaterals

NA

**Operating Activities:**

(Loss)Profit before taxation:  
Adjustments for:-  
Depreciation of property, plant and equipment  
Gain on disposal of plant and equipment  
Interest income  
Interest expense  
Operating profit before working capital changes

## Changes in working capital:-

Trade receivables  
Other receivables and prepayments  
Inventories  
Trade payables  
Other payables  
Net cash flows (used in) from operating activities  
Net interest paid  
Income tax paid

**Cash flows from operating activities****Investing Activities:**

Proceeds on disposal of plant and equipment  
Purchase of plant and equipment

**Cash flows (used in) investing activities****Financing Activities:**

Decrease in cash subjected to restriction  
Decrease in notes payable  
Due to former holding company (non-trade)  
Increase (Decrease) in bank loans  
Increase (Decrease) of finance lease obligations

**Cash flows from (used in) financing activities****Net (decrease) increase in cash**

Cash at beginning of period  
Effect of exchange rate changes on balances held in foreign currencies  
**Cash at end of period**

| Group          |                 |                |                |
|----------------|-----------------|----------------|----------------|
| 6 months ended |                 | 3 months ended |                |
| 30/6/2007      | 30/6/2006       | 30/6/2007      | 30/6/2006      |
| \$'000         | \$'000          | \$'000         | \$'000         |
| (4,031)        | 11,367          | (2,013)        | 4,501          |
| 7,775          | 6,257           | 3,971          | 3,233          |
| -              | (16)            | -              | (16)           |
| (66)           | (40)            | (36)           | (23)           |
| 1,651          | 1,111           | 916            | 552            |
| 5,329          | 18,679          | 2,838          | 8,247          |
| 3,342          | 2,747           | (527)          | 320            |
| (15,153)       | (1,344)         | (9,070)        | 176            |
| 1,405          | (2,960)         | 412            | (3,037)        |
| (1,448)        | 2,660           | 1,638          | 3,461          |
| 11,789         | (1,134)         | 12,467         | (3,481)        |
| 5,264          | 18,648          | 7,758          | 5,686          |
| (1,585)        | (1,071)         | (880)          | (529)          |
| (864)          | (1,533)         | (671)          | (1,036)        |
| <b>2,815</b>   | <b>16,044</b>   | <b>6,207</b>   | <b>4,121</b>   |
| -              | 50              | -              | 50             |
| (4,656)        | (12,103)        | (2,659)        | (6,520)        |
| <b>(4,656)</b> | <b>(12,053)</b> | <b>(2,659)</b> | <b>(6,470)</b> |
| (827)          | 102             | (859)          | 35             |
| (2,028)        | (2,043)         | (325)          | 53             |
| 125            | 125             | 62             | 62             |
| 3,139          | (5,366)         | (2,049)        | (5,869)        |
| (982)          | 326             | 221            | 1,283          |
| <b>(573)</b>   | <b>(6,856)</b>  | <b>(2,950)</b> | <b>(4,436)</b> |
| <b>(2,414)</b> | <b>(2,865)</b>  | <b>598</b>     | <b>(6,785)</b> |
| 18,780         | 15,193          | 16,200         | 19,280         |
| 179            | 483             | (253)          | 316            |
| <b>16,545</b>  | <b>12,811</b>   | <b>16,545</b>  | <b>12,811</b>  |

Bank deposits pledged as security amounting to S\$2,006,000 (30 June 2006: S\$40,000)  
has been netted off against cash.

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 second quarter ended 30 June

| <u>Group</u>                                  | Share<br>Capital<br>\$'000 | Currency<br>Translation<br>Reserves<br>\$'000 | Accumulated<br>Profits<br>\$'000 | Statutory<br>reserve<br>\$'000 | Total<br>\$'000 | Minority<br>Interest<br>\$'000 | Total Equity<br>\$'000 |
|-----------------------------------------------|----------------------------|-----------------------------------------------|----------------------------------|--------------------------------|-----------------|--------------------------------|------------------------|
| <b>At 1 April 2006</b>                        | 56,127                     | (2,853)                                       | 32,476                           | 1,537                          | 87,287          | -                              | 87,287                 |
| Transfer                                      | -                          | -                                             | (584)                            | 584                            | -               | -                              | -                      |
| Exchange differences arising on consolidation | -                          | (908)                                         | -                                | -                              | (908)           | -                              | (908)                  |
| Net profit for the period                     | -                          | -                                             | 4,038                            | -                              | 4,038           | -                              | 4,038                  |
| <b>At 30 June 2006</b>                        | <b>56,127</b>              | <b>(3,761)</b>                                | <b>35,930</b>                    | <b>2,121</b>                   | <b>90,417</b>   | <b>-</b>                       | <b>90,417</b>          |
| <b>At 1 April 2007</b>                        | 56,127                     | (6,275)                                       | 35,257                           | 3,068                          | 88,177          | -                              | 88,177                 |
| Transfer                                      | -                          | -                                             | (1,309)                          | 1,309                          | -               | -                              | -                      |
| Exchange differences arising on consolidation | -                          | 2,871                                         | 18                               | (202)                          | 2,687           | -                              | 2,687                  |
| Minority Interest on consolidation            | -                          | -                                             | -                                | -                              | -               | 9,331                          | 9,331                  |
| Net loss for the period                       | -                          | -                                             | (2,070)                          | -                              | (2,070)         | 59                             | (2,011)                |
| <b>At 30 June 2007</b>                        | <b>56,127</b>              | <b>(3,404)</b>                                | <b>31,896</b>                    | <b>4,175</b>                   | <b>88,794</b>   | <b>9,390</b>                   | <b>98,184</b>          |
| <u>Company</u>                                |                            |                                               |                                  |                                |                 |                                |                        |
| <b>At 1 April 2006</b>                        | 56,127                     | -                                             | 2,665                            | -                              | 58,792          | -                              | 58,792                 |
| Net profit for the period                     | -                          | -                                             | 5,110                            | -                              | 5,110           | -                              | 5,110                  |
| <b>At 30 June 2006</b>                        | <b>56,127</b>              | <b>-</b>                                      | <b>7,775</b>                     | <b>-</b>                       | <b>63,902</b>   | <b>-</b>                       | <b>63,902</b>          |
| <b>At 1 April 2007</b>                        | 56,127                     | -                                             | 9,017                            | -                              | 65,144          | -                              | 65,144                 |
| Net loss for the period                       | -                          | -                                             | 8,459                            | -                              | 8,459           | -                              | 8,459                  |
| <b>At 30 June 2007</b>                        | <b>56,127</b>              | <b>-</b>                                      | <b>17,476</b>                    | <b>-</b>                       | <b>73,603</b>   | <b>-</b>                       | <b>73,603</b>          |

- 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 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 April 2007 to 30 June 2007, the Company did not issue any shares.

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 Company has adopted the same accounting policies and methods of computation as compared to the most recent audited financial statements as at 31 December 2006.

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          |             |
|----------------|-------------|----------------|-------------|
| 6 months ended |             | 3 months ended |             |
| 30/6/2007      | 30/6/2006   | 30/6/2007      | 30/6/2006   |
| (0.75)         | 1.76        | (0.37)         | 0.71        |
| 570,000,000    | 570,000,000 | 570,000,000    | 570,000,000 |
| (0.75)         | 1.76        | (0.37)         | 0.71        |
| 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 30/6/2007 | As at 31/12/2006 | As at 30/6/2007 | As at 31/12/2006 |
| 14.88           | 15.28            | 12.91           | 11.60            |
| 570,000,000     | 570,000,000      | 570,000,000     | 570,000,000      |

**8. Review of the Group's performance**

**Revenue**

For 2Q07, the Group achieved revenue of \$24.6 million, representing a 7% decrease from \$26.3 million in 2Q06. The lower revenue was due mainly to the continued sluggish demand for Laser Drilling in Taiwan and price reduction pressures from customers.

**China**

In China, revenue for PCB Manufacturing remained somewhat flat with a slight dip of 0.3% from \$17.5 million in 2Q06 to \$17.4 million in 2Q07. PCB Manufacturing is the key revenue contributor, accounting for 71% of Group revenue.

The revenue for Mechanical Drilling in China increased 22% from \$3.7 million in 2Q06 to \$4.5 million in 2Q07 as the Group's mechanical drilling capacity increased from 90 machines in 2Q06 to 126 machines in 2Q07.

The revenue from Routing services in China dropped slightly from \$1.4 million to \$0.7 million. Revenue from Routing services accounted for 3% of Group revenue.

**Taiwan**

Demand for Laser Drilling continued to be slow in 2Q07 as we have expected and elaborated in our 1Q07 announcement. Although the machine utilization rates in 2Q07 were lower compared to 2Q06, they have improved compared to 1Q07.

**Profitability**

**Gross Profit**

Gross Profit for 2Q07 decreased from \$9.0 million in 2Q06 to \$2.3 million in 2Q07. Group Gross Profit Margin fell from 34.2% to 9.4% as a result of various factors including:

- (i) Continued sluggish demand for the higher-margin Laser Drilling services in 2Q07
- (ii) Lower machine utilization rates for PCB manufacturing in China as the 2nd quarter is also a seasonally slow period
- (iii) Higher depreciation cost due to the increase in the number of machines in 2Q07 compared to 2Q06
- (iv) The increase in cost of goods due to:
  - a. Rise in raw material prices since 2Q06 which are still on the high side;
  - b. The Group's difficulty to pass on the higher raw material costs
- (v) Increased orders of higher layer count projects in 2Q07 which had lower margins
- (vi) Increase in direct labour related costs due to increased headcount as a result of expansion in the PCB manufacturing plants and the new plant, Lian Han Xin in Shanghai

Administrative expenses comprise operating expenses which include labour cost, office rental and related office expenses. Administrative expenses have decreased as the Group was more careful on cost control and improved efficiency.

Distribution costs include sales commission payable to sales representatives in processing sales for PCB operations. Distribution costs have decreased relatively due to lower sales.

Finance costs increased from \$0.55 million in 2Q06 to \$0.92 million in 2Q07 mainly due to higher borrowings required to fund the purchase of new machines in 2Q07.

Income tax in 2Q07 was \$116,000 which is based on chargeable income from profitable companies within the Group which cannot be used to offset against the loss from the Group's other subsidiaries.

#### **Balance Sheet**

The Group is in the net current liabilities position as most of its loans are short term and renewed annually. The Group has not encountered any difficulties in servicing these loans. The Group has also been making efforts to secure longer term loans to ease the situation.

The Group's cash position stood at \$16.5 million, which is adequate to meet its day-to-day operational needs.

Total debt borrowings of the Group decreased by \$2.2 million from 1Q07 to \$55.46 million. The net debt gearing has reduced to 42%.

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.**

As anticipated in our 1Q07 announcement, the slow demand for Laser Drilling services continued into 2Q07. This was compounded by the low machine utilization rates for PCB manufacturing which experienced its seasonally lower demand normally experienced in the second quarter.

Although the demand for Laser Drilling in 2Q07 continued to be sluggish, there was an recovery over 1Q07, and as at end July 2007, the utilization rates for the various business segments - with the exception of PCB manufacturing - have increased across-the-board. Going forward, we are also pleased to note that order book visibility for the rest of the year is expected to improve substantially.

For 2H2007, the Group expects machine utilization rates for Drilling services and PCB manufacturing to improve, primarily because of the greater demand for electronic products in the second half of the year. In addition, we expect the demand for Laser Drilling to increase as new mobile phone models are expected to be launched in the market, following the successful launch of iPhone recently. The pickup in demand for notebooks is also expected to drive demand for PCB manufacturing.

The Group will continue to be judicious in making capital expenditure investments by ensuring that they are aligned to the market demand conditions. Stringent measures will also be put in place to tighten the cost structure especially for raw materials.

Overall, the Group remains optimistic of delivering a profitable set of results for the entire year.

**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 second quarter ended 30 June 2007.

**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

| 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) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 | <p>Total facilities granted as at 30.6.2007:<br/>S\$54.5 million</p> <p>Amount outstanding as at 30.6.2007:<br/>S\$22.6 million</p>                                                                                     |
| Loan from Sunny Worldwide Int'l (Amount outstanding as at 30.6.2007 is S\$5.9 million)                                                                      | Interest for the 6 months ended 30.6.2007:<br>S\$0.1 million                                                                                                                                                            |

BY ORDER OF THE BOARD

Wen Yao-Long  
Executive Chairman & CEO  
7 August 2007

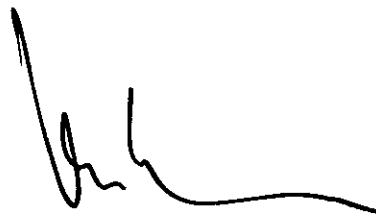
RULE 705(4) – NEGATIVE ASSURANCE

Confirmation by the Board of Directors

Pursuant to Rule 705(4) of the SGX-ST Listing Manual, we, Wen Yao-Long and Ong Sim Ho, being two Directors of Eucon Holding Limited (the “Company”), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the Group’s unaudited interim financial results for the 2nd Quarter ended 30 June 2007 to be false or misleading.

On behalf of the Board of Directors:

  
WEN YAO-LONG  
Director

  
ONG SIM HO  
Director

Singapore, 7 August 2007