Eucon Holding Limited
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PRESS RELEASE

Fourth Quarter FY2013 Results (for the three months ended 31 December 2013)

EUCON REPORTS NET LOSS OF $1.2 MILLION FOR 4Q13

(S$' million)	FY13	FY12	Fav/ (Unfav) %		4Q13	4Q12	Fav/ (Unfav) %
Continuing Operations							
Revenue	65.8	72.1	*(9)*		17.8	17.7	*1*
Gross Profit	3.8	2.4	*58*		3.2	1.2	*NM*
(Loss) Profit from Operations	(7.0)	(20.3)	*76*		1.3	(11.9)	*NM*
Finance Costs	(1.2)	(1.2)	-		(0.3)	(0.2)	*(50)*
Pre-tax (Loss) Profit	(8.2)	(21.5)	*62*		(1.2)	(12.1)	*NM*
Tax Expense	(0.8)	-	*NM*		(0.8)	-	*NM*
Net Loss	**(9.0)**	(21.5)	*58*		**(2.0)**	(12.1)	*NM*
Discontinued Operations	**0.4**	(3.5)	*NM*		**0.8**	1.4	*(43)*
Net Loss	**(8.6)**	(25.0)	*66*		**(1.2)**	(10.7)	*NM*

**NM – Not meaningful*

Singapore, 25 February 2014 – 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 2013 ("4Q13").

For the financial year ended 2013 ("FY13"), the Group reported revenue of $65.8 million, a drop of 9% from $72.1 million from the corresponding financial year ended 2012 ("FY12"). This was an across the board decrease in all segments. The most significant decrease was noted for PCB operations, followed by mechanical drilling segments. The decrease is due to weaker business sentiments.

However, for the three months ended 2013 ("4Q13"), the Group reported revenue of $17.8 million, a slight increase of 1% from $17.7 million from the corresponding period in 2012 ("4Q12").

PCB operations continue to be the major contributor accounting for 85% of our Group's revenue for FY13. Revenue from PCB operations decreased by 9% from $64.7 million in FY12 to $59.0 million in FY13. The reduction was mainly due to weaker business sentiments.

On a quarterly basis, revenue from PCB operations decreased by 3% from $15.8 million in 4Q12 to $15.3 million in 4Q13.

Revenue from mechanical drilling and routing segment decreased slightly by 1% from $6.8 million for FY12 to $6.7 million for FY13. Mechanical drilling and routing segments are mainly made up of sub-contracted sales which are volatile to any fluctuations in market demands.

However, on a quarterly basis, revenue from mechanical drilling and routing segment increased by 27% from $1.5 million in 4Q12 to $1.9 million in 4Q13.

China operations remained as the key contributor to Group's revenue for 2013. Proportion of revenue from China operations increased significantly by 6% from 93% in 3Q13 to 99% in 4Q13. This was due to the cessation of laser drilling segment.

Gross profit improved from $2.4 million in FY12 to $3.8 million in FY13. This improvement was brought about by PCB operations with more efficient cost management.

Similarly, on a quarterly basis, gross profit increased from $1.2 million in 4Q12 to $3.2 million in 4Q13.

The Group reported a net loss of $8.6 million for FY13 as compared to a net loss of $25 million for FY12.

Eucon’s Executive Chairman and CEO, Mr Wen Yao-Long comments on the financial results, “Management had carried out a series of internal restructuring for all subsidiaries, such as more effective management of existing infrastructure and manpower.

On the note of memory modules with embedded resistors technology ("embedded PCB technology"), especially for Double Data Rate Synchronous Dynamic Random Access Memory ("DDR SDRAM"), there are potential customers. However, the Group’s focus now is to optimize the manufacturing process before taking in large orders.”

Outlook in FY14

Management will continue to remain cautious and conservative in its outlook, bearing in mind the renewed uncertainties in the global financial markets and signs of instabilities in many parts of the world.

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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