EUCON HOLDING LIMITED

Quarterly Financial Statement And Dividend Announcement

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		
	12 months ended		Fav/	3 months ended		Fav/
	31/12/2013	31/12/2012	(Unfav)	31/12/2013	31/12/2012	(Unfav)
	$'000	$'000	%	$'000	$'000	%
Continuing Operations						
Revenue	**65,789**	**72,084**	(9)	**17,791**	**17,651**	1
Cost of service and sales	(61,973)	(69,701)	11	(14,556)	(16,403)	11
Gross profit	**3,816**	**2,383**	60	**3,235**	**1,248**	159
Gross margin	*5.8%*	*3.3%*		*18.2%*	*7.1%*	
Other income (including interest income)	3,391	802	323	1,735	326	432
Administrative expenses	(7,875)	(9,559)	18	(1,143)	(2,583)	56
Distribution costs	(2,732)	(3,158)	13	(1,183)	(1,192)	1
Other expenses	(1,501)	(10,697)	86	(1,397)	(9,697)	86
Finance costs	(1,174)	(1,246)	6	(288)	(232)	(24)
Loss before income tax	**(6,075)**	**(21,475)**	72	**959**	**(12,130)**	NM
Income tax expense	(761)	-	-	(761)	-	-
Net loss for the year / period from continuing operations	**(6,836)**	**(21,475)**	68	**198**	**(12,130)**	NM
Discontinued Operation						
Profit (Loss) for the period from discontinued operation	(1,756)	(3,505)	50	(1,390)	1,435	NM
	(8,592)	**(24,980)**		**(1,192)**	**(10,695)**	
Attributable to:						
Owners of the company	(7,915)	(23,756)	67	(1,393)	(10,386)	87
Non-controlling interests	(677)	(1,224)	45	201	(309)	NM
	(8,592)	**(24,980)**		**(1,192)**	**(10,695)**	
Statement of comprehensive income						
Net loss for the year / period	(8,592)	(24,980)	66	(1,192)	(10,695)	89
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss						
Foreign currency translation	2,056	(2,880)	NM	601	295	104
Other comprehensive profit (loss) for the year / period	**2,056**	**(2,880)**		**601**	**295**	
Total comprehensive loss for the year / period	**(6,536)**	**(27,860)**	77	**(591)**	**(10,400)**	94
Total comprehensive loss attributable to:						
Owners of the company	(6,699)	(25,945)	74	(1,057)	(10,171)	90
Non-controlling interests	163	(1,915)	NM	466	(229)	NM
	(6,536)	**(27,860)**	77	**(591)**	**(10,400)**	94

NM: Not meaningful

Net loss for the year / period from continuing operations as a percentage of revenue	-10.4%	-29.8%	1.1%	-68.7%

Loss before income tax is arrived at after charging (crediting) the following:

Continuing Operations				
Depreciation of property, plant and equipment	10,455	10,712	2,963	3,121
Impairment of property, plant and equipment	(63)	1,130	(63)	1,130
Property, plant and equipment written off	75	663	-	(17)
Loss on disposal of property, plant and equipment	3,094	14	2,289	1,131
Allowance for doubtful receivables	(1,162)	251	(1,162)	251
Reversal of allowance for inventory obsolescences	(1,013)	(810)	(1,013)	(810)
Amortisation of land use rights	96	88	52	44
Provision for loss on share buy-back	773	9,705	773	9,705
Interest income	(149)	(116)	(38)	(19)
Interest expense	1,174	1,246	288	(72)
Foreign exchange (gain) loss	(4,768)	1,468	(4,171)	5,686
Discontinued Operation				
Depreciation of property, plant and equipment	1,303	2,960	161	574
Property, plant and equipment written off	-	125	-	-
(Gain) Loss on disposal of property, plant and equipment	(2,525)	964	(1,482)	(121)
Allowance for inventory obsolescences	-	427	-	427
Interest income	(4)	(5)	-	(1)
Interest expense	235	389	44	389
Foreign exchange (gain) loss	(27)	(19)	(29)	(22)
Impairment of goodwill	2,144	-	2,144	-

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.

Statements of Financial Position

	Group		Company	
	As at 31/12/2013	As at 31/12/2012	As at 31/12/2013	As at 31/12/2012
	$'000	$'000	$'000	$'000
Current assets				
Cash and bank balances	18,997	17,395	459	103
Pledged bank deposits	609	146	-	-
Trade receivables	22,560	28,411	-	-
Other receivables and prepayments	2,300	2,330	9,601	7,949
Plant and equipment classified as held for sale	3,332	-	-	-
Land use rights	96	90	-	-
Inventories	4,635	5,980	-	-
Total current assets	52,529	54,352	10,060	8,052
Non-current assets				
Investment in subsidiaries	-	-	71,949	67,446
Investment in associate	205	-	-	-
Land use rights	4,034	3,872	-	-
Property, plant and equipment	43,265	57,258	740	708
Other receivables	1,244	1,341	-	-
Goodwill	82	2,226	-	-
Deferred tax assets	619	1,355	-	-
Total non-current assets	49,449	66,052	72,689	68,154
Total assets	**101,978**	**120,404**	**82,749**	**76,206**
Current liabilities				
Trade payables	14,473	18,858	-	-
Other payables	17,453	16,711	23,144	17,836
Short-term bank loans	4,354	13,400	-	-
Current portion of long-term bank loans	6,761	1,017	41	59
Current portion of finance leases	29	1,110	-	-
Due to shareholders	3,232	3,750	3,232	3,860
Total current liabilities	46,302	54,846	26,417	21,755
Non-current liabilities				
Due to shareholders	10,995	10,732	10,995	10,732
Long-term bank loans	5,740	8,946	-	46
Finance leases	21	424	-	-
Total non-current liabilities	16,756	20,102	10,995	10,778
Capital, reserves and non-controlling interests				
Share capital	56,127	56,127	56,127	56,127
Reserves	(24,514)	(17,815)	(10,790)	(12,454)
Equity attributable to owners of the company	31,613	38,312	45,337	43,673
Non-controlling interests	7,307	7,144	-	-
Total equity	38,920	45,456	45,337	43,673
Total liabilities and equity	**101,978**	**120,404**	**82,749**	**76,206**

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 31/12/2013		As at 31/12/2012	
Secured	Unsecured	Secured	Unsecured
$'000	$'000	$'000	$'000
11,144	3,232	15,527	3,750

The amount repayable after one year

As at 31/12/2013		As at 31/12/2012	
Secured	Unsecured	Secured	Unsecured
$'000	$'000	$'000	$'000
5,761	10,995	9,370	10,732

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) Statements of Cash Flows for year / period ended 31 December

	Group		Group	
	12 months ended		3 months ended	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	$'000	$'000	$'000	$'000
Operating Activities:				
Loss (Profit) before income tax from continuing operations	(6,075)	(21,475)	959	(12,130)
Loss before income tax from discontinued operations	(1,733)	(3,505)	(1,367)	1,435
	(7,808)	(24,980)	(408)	(10,695)
Adjustments for:-				
Depreciation of property, plant and equipment	11,758	13,672	3,124	3,695
(Reversal) Impairment loss on property, plant and equipment	(63)	1,130	(63)	(33)
Impairment of goodwill	2,144	-	2,144	-
Property, plant and equipment written off	75	788	-	(17)
Loss on disposal of property, plant and equipment	569	978	807	1,010
(Reversal) Allowance for doubtful receivables	(1,162)	251	(1,162)	251
Reversal on Allowance for inventory obsolescences	(1,013)	(383)	(1,013)	(383)
Amortisation of land use rights	96	88	52	44
Provision for loss on share buy-back	773	9,705	773	9,705
Interest income	(153)	(121)	(38)	(20)
Interest expense	1,174	1,635	97	317
Net foreign exchange (gain) loss	(4,795)	1,449	(4,200)	5,664
Operating profit before working capital changes	1,595	4,212	113	9,538
Changes in working capital:-				
Trade receivables	7,013	(36)	(1,211)	(615)
Other receivables and prepayments	127	364	701	588
Inventories	2,358	2,232	717	220
Trade payables	(4,385)	(1,316)	883	(239)
Other payables	(31)	(1,135)	(443)	878
Cash generated from operations	6,677	4,321	760	10,370
Interest received	153	121	38	20
Interest paid	(1,174)	(1,635)	(97)	(317)
Income tax paid	674	(9)	674	(9)
Cash flows generated from operating activities	**6,330**	**2,798**	**1,375**	**10,064**
Investing Activities:				
Incorporation of associate	(205)	-	7	-
Proceeds on disposal of property, plant and equipment	5,457	1,062	2,619	376
Purchase of property, plant and equipment	(2,917)	(2,169)	(1,400)	(1,293)
Cash flows generated from (used in) investing activities	**2,335**	**(1,107)**	**1,226**	**(917)**
Financing Activities:				
Decrease in pledged bank deposits	(463)	413	(609)	322
Repayment of bank loans	(13,426)	(21,718)	(2,035)	(2,322)
New bank loans raised	6,768	19,756	540	1,522
Repayment to shareholders	(1,123)	(1,088)	(100)	(137)
New loans from shareholders	2,586	2,476	2,260	(545)
Repayment of finance lease obligations	(1,540)	(1,723)	(338)	(317)
New finance lease obligations	-	-	-	(96)
Cash flows used in financing activities	**(7,198)**	**(1,884)**	**(282)**	**(1,573)**
Net increase (decrease) in cash and cash equivalents	**1,467**	**(193)**	**2,319**	**7,574**
Cash and cash equivalents at beginning of period	17,395	17,872	16,640	9,971
Effect of exchange rate changes on the balances of cash held in foreign currencies	135	(284)	38	(150)
Cash and cash equivalents at end of year / period	**18,997**	**17,395**	**18,997**	**17,395**

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.

Statements of Changes in Equity for the financial year / period ended 31 December

	Share capital $'000	Currency translation reserves $'000	Hedging reserves $'000	Statutory reserves $'000	Equity reserves $'000	Accumulated profits (losses) $'000	Attributable to owners of the company $'000	Non-controlling interests $'000	Total $'000
Group									
At 1 January 2012	**56,127**	**(6,548)**	**-**	**7,750**	**(2,993)**	**9,921**	**64,257**	**9,059**	**73,316**
Loss for the year	-	-	-	-	-	(23,756)	**(23,756)**	(1,224)	**(24,980)**
Other comprehensive loss for the year	-	(2,190)	-	-	-	1	**(2,189)**	(691)	**(2,880)**
Total comprehensive loss for the year	**-**	(2,190)	-	-	**-**	(23,755)	**(25,945)**	(1,915)	**(27,860)**
At 31 December 2012	**56,127**	**(8,738)**	**-**	**7,750**	**(2,993)**	**(13,834)**	**38,312**	**7,144**	**45,456**
At 1 January 2012	**56,127**	**(8,738)**	**-**	**7,750**	**(2,993)**	**(13,834)**	**38,312**	**7,144**	**45,456**
Loss for the year	-	-	-	-	-	(7,915)	**(7,915)**	(677)	**(8,592)**
Other comprehensive income for the year	-	1,151	-	-	-	64	**1,216**	840	**2,056**
Total comprehensive loss for the year	**-**	1,151	-	-	**-**	(7,851)	**(6,699)**	163	**(6,536)**
Transfer to statutory reserves				31		(31)	**-**	-	**-**
At 31 December 2013	**56,127**	**(7,586)**	**-**	**7,781**	**(2,993)**	**(21,716)**	**31,613**	**7,307**	**38,920**
Company									
At 1 January 2012	**56,127**	**1,414**	**-**	**-**	**-**	**1,090**	**58,631**	**-**	**58,631**
Loss for the year	-	-	-	-	-	(12,261)	**(12,261)**	-	**(12,261)**
Other comprehensive loss for the year	-	(2,697)	-	-	-	-	**(2,697)**	-	**(2,697)**
Total comprehensive loss for the year	**-**	(2,697)	**-**	**-**	**-**	(12,261)	**(14,958)**	**-**	**(14,958)**
At 31 December 2012	**56,127**	**(1,283)**	**-**	**-**	**-**	**(11,171)**	**43,673**	**-**	**43,673**
At 1 January 2012	**56,127**	**(1,283)**	**-**	**-**	**-**	**(11,171)**	**43,673**	**-**	**43,673**
Loss for the year	-	-	-	-	-	(1,222)	**(1,222)**	-	**(1,222)**
Other comprehensive income for the year	-	2,886	-	-	-	-	**2,886**	-	**2,886**
Total comprehensive income for the year	**-**	2,886	**-**	**-**	**-**	(1,222)	**1,664**	**-**	**1,664**
At 31 December 2013	**56,127**	**1,603**	**-**	**-**	**-**	**(12,393)**	**45,337**	**-**	**45,337**

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 January 2013 to 31 December 2013, 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.

	As at 31/12/2013	As at 31/12/2012
The total number of issued shares excluding treasury shares	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 2012. 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 2013.

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.

	Group		Group	
	12 months ended		3 months ended	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
From continuing and discontinued operations:				
Earnings per share (cts):				
(i) Basic	(1.39)	(4.17)	(0.24)	(1.82)
(ii) Diluted	(1.39)	(4.17)	(0.24)	(1.82)
From continuing operations:				
Earnings per share (cts):				
(i) Basic	(1.08)	(3.55)	0.03	(2.13)
(ii) Diluted	(1.08)	(3.55)	0.03	(2.13)

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.

	Group		Company	
	As at 31/12/2013	As at 31/12/2012	As at 31/12/2013	As at 31/12/2012
Net asset value per ordinary share (cts)	5.53	6.33	7.95	7.66
Number of shares	570,000,000	570,000,000	570,000,000	570,000,000

8. Review of the Group's performance

In December 2013, the management resolved to cease its laser drilling operation and disposed of its laser drilling machineries. In compliance with Singapore Financial Reporting Standard (FRS 105 - Non-current Assets Held for Sale and Discontinued Operations), certain figures of the prior periods have been represented to show the discontinued operation separately from continuing operations. Continuing operations are made up of PCB operations, mechanical drilling and routing services. Discontinued operation refers to laser drilling services.

Going forward, LGANG Optronics Technology Co,. Ltd ("LGANG") will focus on embedded PCB manufacturing.

Continuing Operations

Revenue

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

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.

Mechanical Drilling and Routing

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.

Geographical Markets

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.

Profitability

Gross Profit

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.

Expenses

Other Income

Other income of $3.4 million in FY13 was mainly made up of net exchange gain of $2.2 million and scrap sales of $1 million. In FY12, a net exchange loss of $0.4 million was incurred and reclassified under other expense accordingly. Scrap sales in FY12 amounts to $0.7 million.

Administrative Expenses

Administrative expenses decreased by $1.7 million from $9.6 million in FY12 to $7.9 million in FY13. This is in line with the decrease in sales, coupled with better cost management.

Distribution Costs

Distribution costs comprise mainly sales commission payable to sales representatives in processing sales for PCB manufacturing and related delivery costs.

Distribution costs decreased by 13% from $3.2 million in FY12 to $2.7 million in FY13. This decrease was mainly due to drop in sales commission payable to sales representatives in processing sales for PCB manufacturing.

Other Expenses

Other expenses of $3.6 million comprises mainly of net loss on disposal of machinery of $0.6 million for FY13 and additional provision made for loss in share buy-back for Hongta Innovation Partners Co., Ltd ("Hongta") of $0.8 million.

For FY12, $10.7 million of other expenses consists of a one-time off $9.7 million of provision made for loss in share buy-back from Hongta. Provision for loss on share buy-back was made after assessing on the probability of meeting the share buy-back requirements as stated in the Sales and Purchase Agreements signed in 2007 and 2010.

Finance Costs

Finance costs remain constant at $1.2 million for FY12 and FY13.

Discontinued Operations

Discontinued operations pertain to the discontinued laser drilling segment. In FY13, laser drilling segment made a net loss after tax of $1.8 million, out of which consists of net gain on disposal of machinery amounted to $2.9 million and impairment on goodwill of $2.1 million on LGANG Optronics Technology Co., Ltd.

Balance Sheet

The Group's cash and bank balances increased from $17.4 million at FY12 to $19 million at FY13. Pledged bank deposits increased from $0.1 million in FY12 to $0.6 million in FY13.

Trade receivables decreased by $5.8 million from $28.4 million in FY12 to $22.6 million in FY13 due to lower revenue whilst trade receivables turnover days decreased from 132 days in FY12 to 119 days in FY13. Trade receivables are assessed for provision on a case-by-case basis annually.

Goodwill of $2.1 million pertaining to LGANG Optronics Technology Co., Ltd was impaired during the year.

Other receivables and prepayments remain constant as at FY12 and FY13. Other receivables and prepayments mainly comprise of prepaid operating expenses, such as utilities, insurance, maintenance expense, etc.

Plant and equipment classified as held for sale comprises of laser drilling machineries which are expected to be sold within the next twelve months upon cessation of laser drilling services.

The decrease in inventory level from $6.0 million at FY12 to $4.6 million at FY13 was mainly due to lower revenue expected in the month of January.

The decrease in property, plant and equipment arises mainly from depreciation of $11.8 million.

The decrease of $4.4 million in trade payables was in line with the decrease in inventory level and sales in FY13.

Other payables increased by $0.7 million from $16.7 million in FY12 to $17.4 million FY13 due to the additional provision made for loss in share buy-back for Hongta of $0.8 million.

Amount due to shareholders decreased by $0.3 million from $14.5 million at FY12 to $14.2 million at FY13 mainly due to more repayment to shareholders in FY13.

Total gross borrowings had also reduced by $8 million from $24.9 million at FY12 to $16.9 million at FY13. This was due to repayments of bank loans and finance leases. In addition, the Group had re-financed some of the bank borrowings and extending repayment terms for loans due to shareholders

The Group's net working capital improved from a net current liabilities position of $0.5 million in FY12 to net current asset position of $6.3 million in FY13.

As at FY12, the Group's current ratio (current assets/current liabilities) and debt/equity ratio are 1.1 and 1.6 respectively (FY12: 1.0 and 1.7 respectively). The Group's equity (net assets) stands at $41.1 million.

Cash Flow

Cash inflow from operating activities of $1.4 million in 4Q13 was mainly brought about by improvement in trade receivables collectability and decrease in inventories.

Cash flow generated from investing activities of $1.2 million in 4Q13 was mainly from proceeds from disposal of laser drilling machineries, partially offset with additions of new machineries for embedded PCB technology.

Cash flow used in financing activities of $0.3 million in 4Q13 was mainly due to repayment of bank loans and finance lease obligations.

Cash and bank balances increased by $1.6 million from $17.4 million in 4Q12 to $19 million in 4Q13.

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.

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.

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 fourth quarter ended 31 December 2013.

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.

(a) Analysis by Reportable Segment
Segment revenue and expense are revenue and expense reported in the group's profit or loss that are either directly attributable to a segment or can be allocated on a reasonable basis to a segment.

Segment assets are all operating assets that are employed by a segment in its operating activities and that either are directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment assets exclude interest-producing assets.

Segment liabilities are all operating liabilities of a segment and that either are directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment liabilities exclude interest-bearing liabilities and income tax liabilities.

Information regarding the group's reportable segments prepared based on measurement principles of FRS is presented below.

	Continuing Operations						Discontinued Operations		Total	
Revenue and Expenses (by business segments)	Mechanical Drilling and Routing Services		PCB operations		Total		Laser Drilling Services		Total	
($'000)	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Segment revenue to external parties	6,751	6,838	59,038	65,246	**65,789**	**72,084**	3,481	6,412	**69,270**	**78,496**
Segment results	(5,190)	(4,125)	(445)	(4,235)	**(5,635)**	**(8,360)**	(4,111)	(3,741)	**(9,746)**	**(12,101)**
Other income					**3,391**	**802**	2,613	56	**6,004**	**858**
Unallocated corporate expenses					**(2,657)**	**(12,102)**	-	-	**(2,657)**	**(12,102)**
Finance costs					**(1,174)**	**(1,246)**	(235)	(389)	**(1,409)**	**(1,635)**
Loss before income tax					**(6,075)**	**(21,475)**	(1,733)	(3,505)	**(7,808)**	**(24,980)**
Income tax expense					**(761)**	**-**	(23)	-	**(784)**	**-**
Net loss attributable to the Group					**(6,836)**	**(21,475)**	(1,756)	(3,505)	**(8,592)**	**(24,980)**

Assets and Liabilities										
Segment assets	22,004	24,899	69,880	73,217	**91,884**	**98,116**	7,747	18,121	**99,631**	**116,237**
Unallocated corporate assets					**2,348**	**4,167**	-	-	**2,348**	**4,167**
Consolidated total assets					**94,232**	**102,283**	**7,747**	**18,121**	**101,978**	**120,404**
Segment liabilities	3,186	2,788	29,237	33,741	**32,423**	**36,529**	3,146	11,377	**35,569**	**47,906**
Unallocated corporate liabilities					**27,489**	**27,042**	-	-	**27,489**	**27,042**
Consolidated total liabilities					**59,912**	**63,571**	**3,146**	**11,377**	**63,058**	**74,948**
Additions to non-current assets:										
- Property, plant and equipment	784	60	1,396	1,958	**2,180**	**2,018**	737	151	**2,917**	**2,169**
Property, plant and equipment written off	63	647	12	16	**75**	**663**	-	125	**75**	**788**
Depreciation	3,719	4,088	6,722	6,610	**10,441**	**10,698**	1,303	2,960	**11,744**	**13,658**
Amortisation of land use rights	9	9	87	79	**96**	**88**	-	-	**96**	**88**
(Reversal) Allowance for inventories	-	-	(1,013)	(810)	**(1,013)**	**(810)**	-	427	**(1,013)**	**(383)**
(Reversal) Allowance for doubtful debts	3		(1,165)	251	**(1,162)**	**251**	-	-	**(1,162)**	**251**
(Reversal) Impairment loss on property, plant and equipment	(63)	1,130	-	-	**(63)**	**1,130**	-	-	**(63)**	**1,130**
Impairment loss for goodwill	-	-	-	-	**-**	**-**	-	-	**-**	**-**
Unallocated corporate expenditure:										
Depreciation									**14**	**14**

(b) Analysis by Geographical Information

Segment revenue is analysed based on the location of customers.

Total revenue and non-current assets (excluding financial assets, deferred tax assets and goodwill) are analysed based on the location of those assets.

	Continuing Operations						**Discontinued Operation**		**Total**	
Revenue (by geographical segments)	**People's Republic of China**		**Singapore**		**Total**		**Taiwan**		**Total**	
($'000)	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Segment revenue	65,789	72,084	-	-	**65,789**	**72,084**	3,481	6,412	**69,270**	**78,496**
Segment non-current assets	41,781	51,057	740	708	**42,521**	**51,765**	4,983	9,365	**47,504**	**61,130**

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:

	Group		
	12 months ended		
	31/12/13	**31/12/12**	**Inc/(Dec)**
	$'000	**$'000**	**%**
Sales reported from continuing operations for the first half year	32,281	33,902	(5)
Net (loss) profit from continuing operations for first half year	(5,072)	(5,846)	13
Sales reported from continuing operations for second half year	33,508	38,182	(12)
Net loss from continuing operations for second half year	(1,764)	(15,629)	89

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 period, 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 31.12.2013: $23.0 million Amount outstanding as at 31.12.2013: $12.1 million	-
Loan from Sunny Worldwide Int'l Ltd (Amount outstanding as at 31.12.2013 is $7.9 million)	Interest for the 12 months ended 31.12.2013: $0.26 million	-
Loan from Mr Wen Yao-Long (Amount outstanding as at 31.12.2013 is $5.6 million)	Interest -free loan	-
Loan from Mr Wen Yao-Chou (Amount outstanding as at 31.12.2013 is $0.7 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 31 December 2013.

18. Disclosure of persons occupying managerial positions in the Group, are relatives of the following Director, Chief Executive Officer and Substantial Shareholder of the Company

Name	Age	Family relationship with the CEO, any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wen Yao-Chou	54	Brother of Wen Yao-Long, Executive Chairman and Chief Executive Officer	Executive Director since January 2003. He is the co-founder of the Group. His responsibilities in the Group include :- 1) business development and strategic planning; and 2) sales & marketing functions. He also heads the operations of the manufacturing plant in Taiwan, LGANG Optronics Technology Co., Ltd since March 2009, which include sales and marketing, and production functions.	N.A.
Chan Hui Chung	47	Wife of Wen Yao-Long, Executive Chairman and Chief Executive Officer	Vice General Manager of Shanghai Zhuo Kai Electronic Technology Co., Ltd ("Shanghai Zhuo Kai") since January 2004. She assists the General Manager in the operations and is responsible for the financial function at Shanghai Zhuo Kai since January 2004. She also manages the financial functions for all China subsidiaries since November 2008.	N.A.

BY ORDER OF THE BOARD

Wen Yao-Long
Executive Chairman & CEO
25 February 2014