Eucon Holding Limited
RCB REG NO: 200107762R

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

Eucon Holding Limited (the "Company") was placed on the watch-list pursuant to Rule 1311 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") with effect from 5 March 2014.

Pursuant to Rule 1313(2) of the Listing Manual of the SGX-ST, the Board of Directors (the "Board") of the Company wishes to provide the following updates:

Update on Financial Position

(S$' million)	FY14	FY13	Fav/ (Unfav) %		4Q14	4Q13	Fav/ (Unfav) %
Continuing Operations							
Revenue	**57.8**	65.8	*(12)*		**16.4**	17.8	*(8)*
Gross Profit	**5.7**	3.8	*50*		**1.9**	3.2	*(41)*
(Loss) Profit from Operations	**(8.9)**	(7.0)	*(27)*		**(4.4)**	1.3	*NM*
Finance Costs	**(1.2)**	(1.2)	-		**(0.3)**	(0.3)	-
Pre-tax (Loss) Profit	**(10.1)**	(8.2)	*(23)*		**(4.7)**	(1.2)	*NM*
Tax Expense	**(0.6)**	(0.8)	*25*		**(0.6)**	(0.8)	*25*
Net Loss	**(10.7)**	**(9.0)**	*(19)*		**(5.3)**	**(2.0)**	*NM*
Discontinued Operations	**-**	**0.4**	*NM*		**-**	**0.8**	*NM*
Net Loss	**(10.7)**	**(8.6)**	*(24)*		**(5.3)**	**(1.2)**	*NM*

**NM – Not meaningful*

For the twelve months ended 31 December 2014 ("FY14"), the Group reported revenue of $57.8 million, a decrease of 12% from $65.8 million from the corresponding year of 2013 ("FY13"). There is an overall decrease in all business segments with PCB operations taking the lead. PCB operations are undergoing a restructuring exercise to maintain its customer base above a specific profit margin.

Similarly, for the three months ended 31 December 2014 ("4Q14"), the Group reported revenue of $16.4 million, a decrease of 8% from $17.8 million from the corresponding period in 2013 ("4Q13"). There is an overall decrease in all business segments with PCB operations taking the lead.

Gross profit improved from $3.8 million in FY13 to a $5.7 million in FY14 despite a drop in revenue. This improvement was brought about by the restructuring exercise to maintain customer base above specific profit margin, coupled with decrease in depreciation expense of machineries.

On a quarterly basis, gross profit decreased by 41% from $3.2 million in 4Q13 to $1.9 million in 4Q14. Despite the decrease in revenue is small, cost of sales includes depreciation of machineries which is not correlated to sales volume..

The Group reported a net loss of $5.3 million for 4Q14 and net loss of $1.2 million for 4Q13.

Update on Future Direction

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. FY2015 will be the last financial year for Eucon Group to exit from watchlist status and Eucon Group is working towards fulfilling the exit requirements. Any updates will be announced via SGX portal.

BY ORDER OF THE BOARD

Wen Yao-Long
Executive Chairman and CEO
27 February 2015