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/
	31/12/2014	31/12/2013	(Unfav)	31/12/2014	31/12/2013	(Unfav)
	$'000	$'000	%	$'000	$'000	%
Continuing Operations						
Revenue	**57,771**	**65,789**	(12)	**16,356**	**17,791**	(8)
Cost of sales	(52,108)	(61,973)	16	(14,497)	(14,556)	0
Gross profit	**5,663**	**3,816**	48	**1,859**	**3,235**	(43)
Gross margin	*9.8%*	*5.8%*		*11.4%*	*18.2%*	
Other income	2,356	3,391	(31)	1,337	1,735	(23)
Administrative expenses	(12,292)	(7,875)	(56)	(4,179)	(1,143)	(266)
Distribution costs	(1,616)	(2,732)	41	(423)	(1,183)	64
Other expenses	(3,004)	(1,501)	(100)	(2,945)	(1,397)	(111)
Finance costs	(1,158)	(1,174)	1	(310)	(288)	(8)
(Loss) Profit before income tax	**(10,051)**	**(6,075)**	(65)	**(4,661)**	**959**	NM
Income tax expense	(595)	(761)	22	(595)	(761)	22
Net (loss) profit for the period from continuing operations	**(10,646)**	**(6,836)**	(56)	**(5,256)**	**198**	NM
Discontinued Operations						
Loss for the period from discontinued operation	-	(1,756)		-	(1,390)	
Loss for the period	**(10,646)**	**(8,592)**		**(5,256)**	**(1,192)**	
Attributable to:						
Owners of the company	(10,101)	(7,915)	(28)	(4,927)	(1,393)	(254)
Non-controlling interest	(545)	(677)	19	(329)	201	NM
	(10,646)	**(8,592)**		**(5,256)**	**(1,192)**	
Statement of comprehensive income						
Net loss for the period	(10,646)	(8,592)	(24)	(5,256)	(1,192)	(341)
Other comprehensive income:						
Items that will not be reclassified subsequently to profit or loss:						
Remeasurement of defined benefit obligation	77	-		77	-	
Items that will be reclassified subsequently to profit or loss:						
Foreign currency translation	(744)	2,056	NM	(303)	601	NM
Other comprehensive (loss) profit for the period	**(667)**	**2,056**		**(226)**	**601**	
Total comprehensive loss for the period	**(11,313)**	**(6,536)**	(73)	**(5,482)**	**(591)**	(828)
Total comprehensive loss attributable to:						
Equity holders of the parent	(10,990)	(6,699)	(64)	(5,545)	(1,057)	(425)
Non-controlling interest	(323)	163	NM	63	466	(86)
	(11,313)	**(6,536)**	(73)	**(5,482)**	**(591)**	(828)
NM: Not meaningful						
Net loss for the period as a percentage of revenue	-18.4%	-10.4%		-32.1%	1.1%	
Loss before income tax is arrived at after charging (crediting) the following:						
Depreciation of property, plant and equipment	9,024	11,758		3,205	3,124	
Impairment of goodwill	-	2,144		-	2,144	
Reversal of allowance for doubtful debts	(42)	(1,162)		(42)	(1,162)	
Reversal of allowance for inventories	-	(895)		-	(895)	
Amortisation of land use rights	96	96		52	52	
Provision on loss of share buy-back	714	774		714	774	
Fixed assets written off	4	75		-	-	
Interest income	(58)	(159)		(4)	(44)	
Interest expense	1,158	1,409		310	332	
Foreign exchange loss (gain)	(1,938)	(1,165)		(2,040)	(571)	
Loss (Gain) on disposal of property, plant and equipment	1,329	(1,956)		1,495	(1,718)	
Loss on fair value of defined benefits obligations	214	-		214	-	
Loss on fair value of financial derivatives	88	-		88	-	
Impairment of property, plant and equipment	1,925	-		2,757	-	

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 31/12/2014	As at 31/12/2013	As at 31/12/2014	As at 31/12/2013
	$'000	$'000	$'000	$'000
Current assets				
Cash and bank balances	6,916	18,997	404	459
Pledged bank deposits	363	609	-	-
Structured deposits	20,220	-	-	-
Trade receivables	20,925	22,560	-	-
Other receivables and prepayments	2,652	2,300	4,816	9,601
Assets classified as held for sale	-	3,332	-	-
Land use rights	98	96	-	-
Inventories	4,668	4,635	-	-
Total current assets	55,842	52,529	5,220	10,060
Non-current assets				
Investment in subsidiaries	-	-	45,339	71,949
Investment in associate	-	205	-	-
Land use rights	4,012	4,034	-	-
Property, plant and equipment	33,719	43,265	751	740
Other receivables	794	1,244	-	-
Goodwill	82	82	-	-
Deferred tax asset	33	619	-	-
Total non-current assets	38,640	49,449	46,090	72,689
Total assets	**94,482**	**101,978**	**51,310**	**82,749**
Current liabilities				
Trade payables	14,108	14,466	-	-
Other payables	5,510	6,983	8,178	12,667
Provisions	11,193	10,479	11,193	10,479
Derivative financial instruments	88	-	-	-
Short-term bank loans	7,632	4,354	-	-
Current portion of long-term bank loans	5,100	6,761	-	41
Current portion of finance leases	21	29	-	-
Due to shareholders	5,311	3,230	5,311	3,230
Total current liabilities	48,963	46,302	24,682	26,417
Non-current liabilities				
Retirement benefit obligations	214	-	-	-
Due to shareholders	10,684	10,995	10,684	10,995
Long-term bank loans	7,014	5,740	-	-
Finance leases	-	21	-	-
Total non-current liabilities	17,912	16,756	10,684	10,995
Capital, reserves and non-controlling interests				
Share capital	56,127	56,127	56,127	56,127
Reserves	(35,504)	(24,514)	(40,183)	(10,790)
Equity attributable to equity holders of the company	20,623	31,613	15,944	45,337
Non-controlling interest	6,984	7,307	-	-
Total equity	27,607	38,920	15,944	45,337
Total liabilities and equity	**94,482**	**101,978**	**51,310**	**82,749**

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 31/12/2014		As at 31/12/2013	
Secured	Unsecured	Unsecured	Secured
$'000	$'000	$'000	$'000
12,753	5,311	11,144	3,230

The amount repayable after one year

As at 31/12/2014		As at 31/12/2013	
Secured	Unsecured	Unsecured	Secured
$'000	$'000	$'000	$'000
7,014	10,684	5,761	10,995

Details of any collaterals

The group's borrowings are primarily secured by personal guarantees from directors, plant and equipment, land use rights and trade receivables.

1 (c) Statements of Cash Flows for period ended 31 December

	Group		Group	
	12 months ended		3 months ended	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	$'000	$'000	$'000	$'000
Operating Activities:				
Loss before Income Tax:	(10,646)	(7,808)	(5,256)	(408)
Adjustments for:-				
Depreciation of property, plant and equipment	9,024	11,758	3,205	3,124
Impairment of investment in associate	205	-	205	-
Impairment of goodwill	-	2,144	-	2,144
Reversal of allowance for doubtful debts	(42)	(1,162)	(42)	(1,162)
Reversal of allowance for inventories	-	(895)	-	(895)
Amortisation of land use rights	96	96	52	52
Provision on loss of share buy-back	714	774	714	774
Impairment of property, plant and equipment	1,925	-	2,757	-
Loss on fair value of defined benefits obligations	214	-	214	-
Loss on fair value of financial derivatives	88	-	88	-
Property, plant and equipment written off	4	75	-	-
Interest income	(58)	(159)	(4)	(44)
Interest expense	1,158	1,409	310	332
Foreign exchange gain	(1,938)	(1,165)	(2,040)	(571)
Loss (Gain) on disposal of property, plant and equipment	1,329	(1,956)	1,495	(1,718)
Operating gain before working capital changes	2,073	3,111	1,698	1,628
Changes in working capital:-				
Trade receivables	1,677	7,013	(2,752)	(1,211)
Other receivables and prepayments	98	127	(795)	701
Inventories	(33)	2,240	(81)	599
Trade payables	(358)	(4,392)	1,527	876
Other payables	(1,473)	(23)	2,043	(435)
Cash generated from operations	1,984	8,076	1,640	2,158
Interest income	58	159	4	44
Interest expense	(1,158)	(1,409)	(310)	(332)
Income tax paid	-	-	-	-
Cash flows generated from operating activities	**884**	**6,826**	**1,334**	**1,870**
Investing Activities:				
Investment in associates	-	(205)	-	7
Proceeds on disposal of property, plant and equipment	4,799	6,789	416	3,951
Purchase of property, plant and equipment	(3,170)	(2,917)	(1,193)	(1,400)
Investment in structured deposits	(20,220)	-	(20,220)	-
Cash flows generated from (used in) investing activities	**(18,591)**	**3,667**	**(20,997)**	**2,558**
Financing Activities:				
Decrease (Increase) in cash subjected to restriction	246	(463)	(363)	(609)
Repayment of bank loans	(17,575)	(13,426)	(2,091)	(2,035)
New bank loans raised	20,247	6,768	7,967	540
Amount paid to shareholders	(1,010)	(1,123)	(316)	(100)
Amount raised from shareholders	3,677	758	668	432
Repayment of finance lease obligations	(21)	(1,540)	3	(338)
Cash flows generated from (used in) financing activities	**5,564**	**(9,026)**	**5,868**	**(2,110)**
Net increase in cash and bank balances	**(12,143)**	**1,467**	**(13,795)**	**2,319**
Cash and bank balances at beginning of period	18,997	17,395	20,646	16,640
Effect of exchange rate changes on the balances of cash held in foreign currencies	62	135	65	38
Cash and bank balances at end of period	**6,916**	**18,997**	**6,916**	**18,997**

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 period ended 31 December

	Share capital $'000	Currency translation reserves $'000	Statutory reserves $'000	Actuarial gain from defined benefit plans $'000	Other reserves $'000	Accumulated profits (losses) $'000	Total attributable to equity holders of the company $'000	Minority interests $'000	Total $'000
Group									
Balance at 1 January 2013	**56,127**	**(8,737)**	**7,750**	**-**	**(2,993)**	**(13,835)**	**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	**-**	1,152	-	-	**-**	(7,851)	**(6,699)**	163	**(6,536)**
Transfer to statutory reserves	**-**	-	31	-	**-**	(31)	**-**	-	**-**
At 31 December 2013	**56,127**	**(7,585)**	**7,781**	**-**	**(2,993)**	**(21,717)**	**31,613**	**7,307**	**38,920**
At 1 January 2014	**56,127**	**(7,585)**	**7,781**	**-**	**(2,993)**	**(21,717)**	**31,613**	**7,307**	**38,920**
Net loss for the period	-	-	-		-	(10,101)	**(10,101)**	(545)	**(10,646)**
Other comprehensive loss for the period	-	(1,091)	131	77	-	(6)	**(889)**	222	**(667)**
Total comprehensive loss for the period	**-**	(1,091)	131	77	**-**	(10,107)	**(10,990)**	(323)	**(11,313)**
At 31 December 2014	**56,127**	**(8,676)**	**7,912**	**77**	**(2,993)**	**(31,824)**	**20,623**	**6,984**	**27,607**
Company									
Balance at 1 January 2013	**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**
At 1 January 2014	**56,127**	**1,603**	**-**		**-**	**(12,393)**	**45,337**	**-**	**45,337**
Net loss for the period	-	-	-		-	(29,174)	**(29,174)**	-	**(29,174)**
Other comprehensive loss for the period	-	(219)	-		-	-	**(219)**	-	**(219)**
Total comprehensive loss for the period	**-**	(219)	**-**		**-**	(29,174)	**(29,393)**	**-**	**(29,393)**
At 31 December 2014	**56,127**	**1,384**	**-**		**-**	**(41,567)**	**15,944**	**-**	**15,944**

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 2014 to 31 December 2014, 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 31/12/2014	As at 31/12/2013
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 2013. 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 2014.

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.

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 January 1, 2014. The adoption of these new and revised FRSs has no material effect on the amounts reported for the current or prior years.

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	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
From continuing and discontinued operations:				
Earnings per share (cts):				
(i) Basic	(1.77)	(1.39)	(0.86)	(0.24)
(ii) Diluted	(1.77)	(1.39)	(0.86)	(0.24)
From continuing operations:				
Earnings per share (cts):				
(i) Basic	(1.77)	(1.08)	(0.86)	0.03
(ii) Diluted	(1.77)	(1.08)	(0.86)	0.03

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 31/12/2014	As at 31/12/2013	As at 31/12/2014	As at 31/12/2013
Net asset value per ordinary share (cts) *	3.60	5.53	2.80	7.95
Number of shares	570,000,000	570,000,000	570,000,000	570,000,000

8. Review of the Group's performance

Revenue

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.

PCB Operations

PCB operations continue to be the major contributor accounting for 89% of our Group's revenue in FY14. Revenue from PCB operations decreased by 13% from $59.0 million in FY13 to $51.4 million in FY14. The reduction was mainly due to restructuring to maintain customer base above specific profit margin. This restructuring exercise resulted in the increase in gross profit despite a decrease in revenue.

On a quarterly basis, revenue from PCB operations decreased by 3% from $15.3 million in 4Q13 to $14.9 million in 4Q14.

Mechanical Drilling and Routing

Revenue from mechanical drilling and routing segment had a slight decrease of 6% from $6.8 million in FY13 to $6.4 million in FY14. Mechanical drilling and routing segments are mainly made up of sub-contracted sales which are volatile to any fluctuations in market demands.

On a quarterly basis, revenue from mechanical drilling and routing segment decreased by 26% from $1.9 million in 4Q13 to $1.4 million in 4Q14.

Geographical Markets

China operations remained as the key contributor to Group's revenue for 2014. Proportion of revenue from China operations slightly decreased by 1% from 95% in FY13 to 94% in FY14.

Profitability

Gross Profit

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.

Other Income

The decrease in other income was mainly due to gain on disposal of plant and machineries of $2 million in FY13. The remaining difference was offsetted by increase in miscellaneous income which comprises of scrap sales in FY14.

Administrative Expenses

The increase in administrative expenses was due to additional provision on share buy-back of $0.7 million to Hongta. In FY2013, there was a reversal of provision for doubtful debts amounting to $1.2 million for one of subsidiaries. For FY2013, administrative expenses from our Taiwan subsidiary was grouped under discontinued operations. In FY2014, our Taiwan subsidiary commenced on PCB operation and its incurred administrative expense of $2.1 million.

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 41% from $2.7 million in FY13 to $1.6 million in FY14. This is in line with the decrease in revenue, resulting in a decrease in sales commission payable to sales representatives in processing sales for PCB manufacturing.

Finance Costs

Finance cost remains constant at $1.2 million for FY13 and FY14.

Balance Sheet

The Group's cash and bank balances decreased from $19 million at 4Q13 to $6.9 million at 4Q14. The decrease was due to placing additional cash into structured deposits amounting to $20 million. The structured deposits attract higher interest returns.

Pledged bank deposit of $0.4 million as at 4Q14 pertains to security for banking facilities. Upon maturity, pledged bank deposits were released.

The decrease in trade receivables of $1.6 million is in line with the decrease in sales. Generally, trade receivables are correlated with the revenue level of that quarter. There is a slight increase in trade receivables turnover days from 119 days in 4Q13 to 132 days in 4Q14.

Other receivables and prepayments remain constant at $3.5 million as at 4Q13 and $3.4 million at 4Q14. Other receivables and prepayments mainly comprise of prepaid operating expenses, such as utilities, insurance, maintenance expense, etc.

Laser drilling machines held for sales as at 4Q13 were sold in 2Q14.

Inventory level remained constant around $4.6 million for both 4Q13 and 4Q14 as sales orders are expected to remain unchanged.

During the year, impairment was made in full for the investment in associate. At company level, an impairment provision of $27.9 million was made on Eucon's investment in subsidiaries. These subsidiaries had mainly been loss-making in prior years and its recoverable amount computed is lower than the carrying amount of investment in subsidiaries as recorded in company level. The recoverable amount was derived via value-in-use calculations based on estimating future cash flow expected to arise from the cash-generating units and a suitable discount rate in order to calculate present value.

The decrease in property, plant and equipment arises mainly from depreciation of $9.0 million.

The decrease of $0.4 million in trade payables and $1.5 million on other payables was in line with the decrease in sales.

Provisions consists of provision on loss on share buy-back of $11.2 million to Hongta.

Amount due to shareholders increased by $1.8 million from $14.2 million as at 4Q13 to $16 million as at 4Q14.

Total bank borrowings increased by $3 million from $16.9 million at 4Q13 to $19.8 million at 4Q14.

The Group's net current assets position improved from $6.2 million in 4Q13 to $6.8 million in 4Q14.

The Group's current ratio remains constant at 1.1 for 4Q13 and 4Q14, while debt/equity ratio increases from 2.0 as at 4Q13 to 3.2 as at 4Q14. The Group's equity stands at 27.6 million as at 4Q14.

Cash Flow

Cash generated from operating activities of $1.3 million in 4Q14 was mainly due to a decrease in repayment to payables and suppliers in 4Q14 as compared to 3Q14.

Cash flow used in investing activities of $21 million was mainly for purchase of structured deposits and purchase of plant and machineries. Amount invested into structured deposits amount to $20 million.

Cash flow generated financing activities of $5.8 million in 4Q14 was mainly due to new bank loan of $8 million raised, offsetted by loan repayment of $2 million.

Cash and bank balances decreased by $13.7 million from $20.6 million in 3Q14 to $6.9 million in 4Q14.

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.

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.

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 year ended 31 December 2014.

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)	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Segment revenue to external parties	6,404	6,751	51,367	59,038	**57,771**	**65,789**	-	3,481	**57,771**	**69,270**
Segment results	(3,708)	(5,190)	(5,503)	(445)	**(9,211)**	**(5,635)**	-	(4,111)	**(9,211)**	**(9,746)**
Other income					**2,356**	**3,391**	-	2613	**2,356**	**6,004**
Unallocated corporate expenses					**(2,038)**	**(2,657)**	-	-	**(2,038)**	**(2,657)**
Finance costs					**(1,158)**	**(1,174)**	-	(235)	**(1,158)**	**(1,409)**
Loss before income tax					**(10,051)**	**(6,075)**	-	(1,733)	**(10,051)**	**(7,808)**
Income tax expense					**(595)**	**(761)**	-	(23)	**(595)**	**(784)**
Net loss attributable to the Group					**(10,646)**	**(6,836)**	-	(1,756)	**(10,646)**	**(8,592)**

Assets and Liabilities										
Segment assets	34,355	23,733	57,101	69,276	**91,456**	**93,009**	-	7,747	**91,456**	**100,756**
Unallocated corporate assets					**3,025**	**1,222**	-	-	**3,025**	**1,222**
Consolidated total assets					**94,481**	**94,231**	-	**7,747**	**94,481**	**101,978**
Segment liabilities	7,293	3,186	24,184	41,307	**31,477**	**44,493**	-	3,146	**31,477**	**47,639**
Unallocated corporate liabilities					**35,397**	**15,419**	-	-	**35,397**	**15,419**
Consolidated total liabilities					**66,874**	**59,912**	-	**3,146**	**66,874**	**63,058**
Additions to non-current assets:										
- Property, plant and equipment	2,485	784	671	1,396	**3,156**	**2,180**	-	737	**3,156**	**2,917**
Depreciation	5,768	3,719	3,240	6,722	**9,008**	**10,441**	-	1,303	**9,008**	**11,744**
Amortisation of land use rights (Reversal)	44	9	52	87	**96**	**96**	-	-	**96**	**96**
Allowance for inventories (Reversal)	-	-	-	(895)	**-**	**(895)**	-	-	**-**	**(895)**
Allowance for doubtful debts (Reversal)	(63)	3	21	(1,165)	**(42)**	**(1,162)**	-	-	**(42)**	**(1,162)**
Impairment loss on property, plant and equipment	(102)	-	1,299	-	**1,197**	**-**	-	-	**1,197**	**-**
Unallocated corporate expenditure:										
Capital expenditure					**14**	**-**			**14**	**-**
Depreciation					**16**	**14**			**16**	**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 Operations**		**Total**	
Revenue (by geographical segments)	**People's Republic of China**		**Taiwan**		**Singapore**		**Total**		**Taiwan**		**Total**	
($'000)	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Segment revenue	54,170	65,789	3,513	-	88	-	**57,771**	**65,789**	-	3,481	**57,771**	**69,270**
Segment non-current assets	33,569	41,781	3,409	-	751	740	**37,729**	**42,521**	-	4,778	**37,729**	**47,299**

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		
	31/12/14	**31/12/13**	**Inc/(Dec)**
	$'000	**$'000**	**%**
Sales reported from continuing operations for the first half year	26,562	32,281	(18)
Net (loss) profit from continuing operations for first half year	(4,505)	(5,072)	11
Sales reported from continuing operations for second half year	31,209	33,508	(7)
Net loss from continuing operations for second half year	(6,141)	(1,764)	(248)

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 year, 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 31.12.2014: $27.0 million Amount outstanding as at 31.12.2014: $13.3 million	-
Loan from Sunny Worldwide Int'l Ltd (Amount outstanding as at 31.12.2014 is $10.7 million)	Interest for the 12 months ended 31.12.2014: $0.33 million	-
Loan from Mr Wen Yao-Long (Amount outstanding as at 31.12.2014 is $5.3 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 2014.

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
Chan Hui Chung	48	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
27 February 2015