Eucon Holding Limited
RCB REG NO: 200107762R

DIVERSIFICATION OF SUBSIDIARY'S BUSINESS

Eucon Holding Limited (the "Company" or together with its subsidiaries, the "Group") has been engaged in providing integrated PCB solutions for PCB manufacturers in China and laser drilling services for PCB manufacturers in Taiwan.

The Board of Directors of the Company wishes to update the shareholders of the Company on the Group's future plans and business.

The New Business Diversification

The Group is expanding through diversification of our Taiwan subsidiary, LGANG Optronics Technology Co., Ltd ("LGANG") to include manufacturing and sales of Light-Emitting Diode ("LED") Emitters and LED-related lighting products. Originally, LGANG offers laser drilling services to PCB manufacturers in Taiwan. The Group hopes this diversification will bring about a new source of revenue as part of our efforts to enhance the shareholders' value.

The Group has always emphasized on research and development. In April 2010, LGANG started its research and development work on manufacturing of LED emitters. A year later, LGANG successfully produced its first in-house Single-LED emitter and Quad-LED emitter. Patents had been filed and relevant certifications are expected to be completed in early 2012.

Capital expenditure is required to purchase the necessary machinery and equipment. This capital expenditure will be funded via bank borrowings, as well as from the Group's operational cashflow. Based on the Group's financials as at 31 December 2011, the budgeted additional bank borrowings for this diversification constitute less than 5% of the Group's bank borrowings inclusive of the budgeted additional bank borrowings for this diversification.

The production of LED emitters and LED-related lighting products is expected to commence in early 2012. Net profit contribution to the Group from this diversification is likely to be negative for first year of operation and, going forward, while the Group is cautiously optimistic, shareholders and investors should exercise caution in this regard.

BY ORDER OF THE BOARD

Wen Yao-Long
Executive Chairman and CEO
9 January 2012