Eucon Holding Limited
RCB REG NO: 200107762R

2ND SUPPLEMENTAL AGREEMENT TO THE AGREEMENT RELATING TO CORPORATE RESTRUCTURING EXERCISE OF PRC SUBSIDIARIES

BACKGROUND

The Board of Directors (the "Board") of Eucon Holding Limited (the "Company") wishes to refer to the Company's announcement made on 14 June 2007 whereby it was announced that the Company had entered into an agreement dated 12 June 2007 (the "Agreement") with HongTa Innovation Partners Co., Ltd ("HongTa") to effect a corporate restructuring exercise (the "Restructuring Exercise") involving a number of the Company's PRC Subsidiaries. The Restructuring Exercise was implemented to facilitate an investment by HongTa and to streamline the structure of the PRC Subsidiaries, with a view to future fund raising exercises and a potential listing ("IPO") of Shanghai Zhuo Kai Electronic Technology Co., Ltd ("Zhuo Kai").

In accordance with the Agreement, the Company and HongTa had injected USD714,225 and RMB50 million (approximately USD6.7 million) respectively into Zhuo Kai. The Company owns 87.5% shareholding in Zhuo Kai and HongTa owns 12.5% shareholding in Zhuo Kai. As a result of the Restructuring Exercise, the Company's effective interest in the registered capital of the Other Subsidiaries in PRC is 93.125% (45% direct interest and 48.125% indirect interest through Zhuo Kai).

On 28 September 2010, HongTa and the Company had agreed to re-negotiate the investment arrangement and had entered into a Supplemental Agreement (the "1st Supplemental Agreement") where the Company transferred 7% of its existing shareholding in Zhuo Kai to HongTa and Zhuo Kai is to fulfill the IPO commitment within 60 months with effect from the date of the completion of the above-mentioned share transfer. Failing which, HongTa is able to exercise its buy-back option to request the Company to buy-back its 19.5% shareholding in Zhuo Kai;

2ND SUPPLEMENTAL AGREEMENT

In accordance with the 1st Supplemental Agreement, Zhuo Kai is unable to fulfil the IPO commitments by 13 June 2015. However, in view of the challenging business environment, both HongTa and the Company had agreed to enter into a 2nd Supplemental Agreement which will supplement the Agreement and the 1st Supplemental Agreement.

In the 2nd Supplemental Agreement, Hongta will postpone its exercising of buy-back option for 12 months from 3 August 2015 to 2 August 2016. In determining the buy-back price, HongTa's 19.5% shareholding in Zhuo Kai is valued via the computation as below, whichever is higher:

(a) 12% return per annum on the capital injection of RMB50 million for the additional 12 months period from 3 August 2015 to 2 August 2016 in addition to its existing computed return. Its existing computed return comprises of 15% per annum on the capital injection of RMB50 million for the initial period of 36 months (3 August 2007 to 2 August 2010) and 12% return per annum on the capital injection of RMB50 million on the following 60 months period (3 August 2010 to 2 August 2015), or

(b) A value equivalent to its relative shareholding on the net assets value of Zhuo Kai at the time of exercise.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the subject matter of this announcement, other than through their respective shareholdings in the Company.

BY ORDER OF THE BOARD

Wen Yao-Long
Executive Chairman & CEO

22 July 2015

* The Other Subsidiaries in PRC are: -

- Shanghai Zeng Kang Electronic Co., Ltd;
- Shanghai Yaolong Electronic Technology Co., Ltd;
- Shanghai Eu Ya Electronic Technology Co., Ltd; and
- Shanghai Lian Han Xin Electronic Technology Co., Ltd.