Eucon Holding Limited
RCB REG NO: 200107762R

REPLY TO SGX QUERIES REGARDING FY2014 ANNUAL REPORT

The Board of Directors of Eucon Holding Limited (the "Company" or together with its subsidiaries, the "Group") would like to respond to the query from the Singapore Exchange Securities Trading Limited (the "SGX-ST") dated 13 May 2015 on FY2014 Annual Report:

Query

For the Exchange's consideration under Rule 1303(3)(c) and noting the Independent Auditor's findings on "going concern", please provide the following information:-

(i) the Board's opinion if the Company will be able to operate as going concern and basis for the Board's view; and

(ii) the Board's confirmation that all material disclosures have been provided for trading of the Company's shares to continue.

Eucon's Board:

(i) The Board is in view that the Company is able to generate sufficient operating cash flows in order to operate as going concerns and pay its debts when they fall due within the next 12 months.

At 1Q15 results announcement, the Board noted that the actual revenue was higher than forecast revenue. This improvement in 1Q15 was due to new customers and increased in sale orders. In terms of cashflow liquidity, the Board had reviewed the Group Cashflow Forecast Report as at 31 March 2015 and is satisfied that Eucon Group will be able to pay its debt when they fall due. In 1Q15 results announcement, Eucon Group had set aside S$21 million of cash for debt repayment to a third party ("Hongta") when they fall due, at the earliest, via 2 instalments in August and November 2015.

(ii) The Board confirms that all material disclosures have been provided for trading of the Company's shares to continue. In our 4Q14 and 1Q15 announcements, management mentioned that Eucon Group is working towards fulfilling the exit requirements and any updates will be announced via SGX portal when available.

BY ORDER OF THE BOARD

Wen Yao-Long
Executive Chairman and CEO
14 May 2015