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 queries from the Singapore Exchange Securities Trading Limited (the "SGX-ST") dated 15 April 2015 on FY2014 Annual Report:

Query 1

We note that the Company only disclosed the remuneration for top 4 executives. Paragraph 9.3 of the Code states that the Company should disclose the remuneration of at least the top five key management personnel (who are not directors or the CEO) in bands of S$250,000. There should be a breakdown of (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives. As required by Rule 1207(12) of the Listing Manual, please make disclosures as recommended in paragraph 9.3 of the Code or otherwise explain the reason(s) for the deviation from the following Code recommendations. In addition, the Company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO).

Company's reply:

The 4 deemed key managements are Ms Chan Hui-Chung, Mr Yang Te-Fa, Mr Hsing Chin-Seng and Mr Chien Wan Hsin. Under page 12 of the Annual Report, the management team comprises of Ms Chan Hui-Chung, Mr Yang Te-Fa, Mr Hsing Chin-Seng, Mr Chien Wan Hsin, Mr Wu Yun-Hai and Ms Tay Ai Li. However, the management does not consider Mr Wu Yun-Hai and Ms Tay Ai Li as key management while they hold the position of operation manager and finance manager respectively.

Query 2

Paragraph 9.4 of the Code of Corporate Governance 2012 (the "Code") states that for transparency, the annual remuneration report should disclose the details of the remuneration of employees who are immediate family members of a director or the CEO, and whose remuneration exceeds S$50,000 during the year. This will be done on a named basis with clear indication of the employee's relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of S$50,000. The company need only show the applicable bands. As required by Rule 1207(12) of the Listing Manual, please make disclosures as recommended in paragraph 9.4 of the Code (including Chan Hui-Chung) or otherwise explain the reason(s) for the deviation from the following Code recommendations.

Company's reply:

Ms Chan Hui-Chung's remuneration is in the S$200,000 to S$250,000 range. There are no other staff who are immediate family members of a director or the CEO, and whose remuneration exceeds S$50,000 during the year.

Query 3

It was disclosed on page 26 that "the total facilities granted as at 31 December 2014 was S$14.8 million." To disclose whether there is any consideration payable by the Group on these facilities.

Company's reply:

Mr Wen Yao-Long, Mr Wen Yao-Chou and Ms Chan Hui-Chung do not charge the Group for the loan guarantees provided by them to various financial institutions to secure credit facilities for the Group.

Query 4

It was disclosed on Note 1 of page 68 that "these subsidiaries are audited by an overseas member firm of Deloitte Touche Tohmatsu Limited ("Deloitte") for consolidation purposes." To clarify whether the overseas member firm of Deloitte is the statutory auditor of these subsidiaries.

Company's reply:

The statutory auditors of our overseas subsidiaries are as follows:

Name of Subsidiary	Country	Statutory auditor
LGANG Optronics Technology Co., Ltd	Taiwan	Deloitte & Touche
Shanghai Zeng Kang Electronic Co., Ltd	China	正道会计师事务所（上海）有限公司
Shanghai Zhuo Kai Electronic Technology Co., Ltd	China	正道会计师事务所（上海）有限公司
Shanghai Eu Ya Electronic Technology Co., Ltd	China	正道会计师事务所（上海）有限公司
Shanghai Yao Long Electronic Technology Co., Ltd	China	正道会计师事务所（上海）有限公司
Shanghai Lian Han Xin Electronic Technology Co., Ltd	China	正道会计师事务所（上海）有限公司

* Statutory auditor conducts the audit in compliance with local laws.

For the purpose of the issuance of Eucon Group's annual report, all overseas subsidiaries had been audited by overseas member firm of Deloitte Touche Tohmatsu Limited for consolidation purposes. This is in compliance with Listing Rule 715 and 716. The audit was conducted to ensure the financial statements are prepared in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards.

BY ORDER OF THE BOARD

Wen Yao-Long
Executive Chairman and CEO
16 April 2015