Eucon Holding Limited
RCB REG NO: 200107762R

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

Eucon Holding Limited (the "Company") was placed on the watch-list pursuant to Rule 1311 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") with effect from 5 March 2014.

Pursuant to Rule 1313(2) of the Listing Manual of the SGX-ST, the Board of Directors (the "Board") of the Company wishes to provide the following updates:

Update on Financial Position

(S$' million)	FY15	FY14	Fav/ (Unfav) %		4Q15	4Q14	Fav/ (Unfav) %
Revenue	**52.5**	57.8	*(9)*		**11.0**	16.4	*(33)*
Gross Profit	**2.8**	5.7	*(51)*		**0.2**	1.9	*(89)*
Loss from Operations	**(21.8)**	(8.9)	*(145)*		**(16.5)**	(4.4)	*(275)*
Finance Costs	**(1.3)**	(1.2)	*(8)*		**(0.3)**	(0.3)	-
Pre-tax Loss	**(23.1)**	(10.1)	*(129)*		**(16.8)**	(4.7)	*(257)*
Tax Expense	**(0.8)**	(0.6)	*(33)*		**(0.8)**	(0.6)	*(33)*
Net Loss	**(23.9)**	(10.7)	*(123)*		**(17.6)**	(5.3)	*(232)*

**NM – Not meaningful*

For the financial year ended 31 December 2015 ("FY15"), the Group reported revenue of $52.5 million, a decrease of 9% from $57.8 million in the corresponding period in 2014 ("FY14"). However, for the three months ended 31 December 2015 ("4Q15"), the Group reported revenue of $11.0 million, a decrease of 33% from $16.4 million from the corresponding period in 2014 ("4Q14"). This decrease across the Board is due to weaker business environment as compared to prior period.

Gross profit decreased from $5.7 million in FY14 to $2.8 million in FY15. PCB operations posted a gross profit of $3.3 million which was partially offsetted by Mechanical drilling and Routing segment's gross loss of $0.6 million. The gross loss from Mechanical drilling and Routing arises from fixed manufacturing expenses such as labour cost, electricity and depreciation.

On a quarterly basis, a gross profit of $0.2 million was reported for 4Q15. This slight gross profit was due to decrease in PCB operations revenue in 4Q15, coupled with high fixed manufacturing expenses.

The Group reported a net loss of $8.4 million for 4Q15 and net loss of $17.6 million for 4Q14.

Update on Future Direction

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.

BY ORDER OF THE BOARD

Wen Yao-Long
Executive Chairman and CEO
29 February 2016