

Financial Statement Announcement for the Second Quarter Ended 30 June 2008

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) (i)

An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Income Statement for the second quarter ended 30 June 2008. These figures have not been audited or reviewed.

(In Singapore dollars)	Apr-Jun 2008 \$'000	Apr-Jun 2007 \$'000	+ / (-) %	Jan-Jun 2008 \$'000	Jan-Jun 2007 \$'000	+ / (-) %
Revenue	86,206	95,533	(9.8)	173,676	189,261	(8.2)
Cost of sales	(79,410)	(79,613)	(0.3)	(154,205)	(158,818)	(2.9)
Gross Profit	6,796	15,920	(57.3)	19,471	30,443	(36.0)
Selling expenses	(2,824)	(3,038)	(7.0)	(5,032)	(6,217)	(19.1)
General and administrative expenses	(7,500)	(7,309)	2.6	(15,169)	(14,396)	5.4
Other operating (expenses)/income, net	(953)	830	n.m.	(2,156)	1,326	n.m.
Finance costs	(636)	(976)	(34.8)	(1,344)	(2,058)	(34.7)
Share of results of associates	-	(129)	(100.0)	-	(172)	(100.0)
(Loss)/Profit from operations before taxation	(5,117)	5,298	n.m.	(4,230)	8,926	n.m.
Taxation	158	(350)	n.m.	(486)	(1,385)	(64.9)
(Loss)/Profit for the period	(4,959)	4,948	n.m.	(4,716)	7,541	n.m.
<u>Attributable to</u>						
Equity holders of the company	(4,959)	4,948	n.m.	(4,716)	7,524	n.m.
Minority interests	-	-	n.m.	-	17	(100.0)
	(4,959)	4,948	n.m.	(4,716)	7,541	n.m.

1(a)(ii)

The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

Profit from operations before taxation is stated after charging (crediting):

Depreciation of property, plant and equipment	6,494	6,603	(1.7)	13,062	13,233	(1.3)
(Write-back)/Allowance for doubtful debts	(164)	10	n.m.	(96)	67	n.m.
Allowance/(write-back) for inventories obsolescence/foreseeable losses	69	(270)	n.m.	(658)	60	n.m.
Inventories written off	-	-	n.m.	-	58	(100.0)
Foreign exchange loss/(gain)	2,241	(468)	n.m.	4,750	60	n.m.
Impairment loss on property, plant and equipment	-	-	n.m.	-	120	n.m.
Property, plant and equipment written off	71	57	24.6	88	57	54.4
(Gain)/Loss on disposal of property, plant and equipment	(3)	21	n.m.	2	(17)	n.m.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

(In Singapore dollars)

As at

	Group			Company		
	30.06.08 \$'000	31.12.07 \$'000	+ / (-) %	30.06.08 \$'000	31.12.07 \$'000	+ / (-) %
Non-current assets						
Property, plant and equipment	166,184	171,733	(3.2)	13,523	11,842	14.2
Investment properties	667	709	(5.9)	-	-	-
Intangible assets	124,967	124,967	-	-	-	-
Other investments	1	1	-	-	-	-
Investment in subsidiaries	-	-	-	292,361	292,361	-
Deferred tax assets	2,526	2,478	1.9	-	-	-
	294,345	299,888	(1.8)	305,884	304,203	0.6
Current assets						
Inventories	56,148	55,493	1.2	6,699	4,665	43.6
Trade and other receivables	80,103	87,711	(8.7)	21,664	22,396	(3.3)
Prepayments	2,965	2,651	11.8	315	82	n.m.
Cash and short term deposits	50,954	70,284	(27.5)	1,623	12,234	(86.7)
	190,170	216,139	(12.0)	30,301	39,377	(23.0)
Less: Current liabilities						
Bank overdrafts	490	-	n.m.	-	-	-
Trade and other payables	65,614	77,168	(15.0)	21,503	20,476	5.0
Interest-bearing borrowings	83,014	88,177	(5.9)	27,600	36,233	(23.8)
Tax payable	9,340	13,072	(28.5)	954	955	(0.1)
	158,458	178,417	(11.2)	50,057	57,664	(13.2)
Net current assets/(liabilities)	31,712	37,722	(15.9)	(19,756)	(18,287)	8.0
Less: Non-current liabilities						
Interest-bearing borrowings	5,363	5,533	(3.1)	-	-	-
Deferred tax liabilities	4,620	4,554	1.4	296	296	-
	9,983	10,087	(1.0)	296	296	-
Net assets	316,074	327,523	(3.5)	285,832	285,620	0.1
Equity attributable to equity holders of the Company						
Share capital	265,146	265,146	-	265,146	265,146	-
Reserves	50,619	62,056	(18.4)	20,686	20,474	1.0
	315,765	327,202	(3.5)	285,832	285,620	0.1
Minority interest	309	321	(3.7)	-	-	-
Total equity	316,074	327,523	(3.5)	285,832	285,620	0.1

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30.06.2008		As at 31.12.2007	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
4,209	78,805	4,966	83,211

Amount repayable after one year

As at 30.06.2008		As at 31.12.2007	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	5,363	87	5,446

Details of any collateral

Collateral for secured borrowings is as following:

- Sunningdale Precision Industries (Shanghai) Co Ltd's loan of S\$1.0mil (31.12.2007: S\$1.73mil) is secured by cash and bank balances of the same amount of another subsidiary company.
- Sunningdale Precision Mold Industries (Tianjin) Co Ltd's loan of S\$0.8mil (31.12.2007: S\$0.8mil) is secured by cash and bank balances of the same amount of another subsidiary company.
- Sunningdale Plastic Technology (Tianjin) Co Ltd's loan of S\$2.4mil (31 December 2007: S\$2.4mil) is secured by cash and bank balances of the same amount of another subsidiary company.

The finance leases for the Group are secured by certain fixed assets of the Group with a net book value of S\$nil (31.12.2007: S\$0.2mil) at balance sheet date.

Certain borrowings of the subsidiaries were secured by corporate guarantee of the Company and have been disclosed as unsecured.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated cash flow statement for 2nd Quarter ended 30 Jun 2008

(In Singapore dollars)

	Apr-Jun 2008	Apr-Jun 2007	Jan-Jun 2008	Jan-Jun 2007
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities:				
(Loss)/Profit from operations before taxation	(5,117)	5,298	(4,230)	8,926
Adjustments for:				
Depreciation of property, plant and equipment	6,494	6,603	13,062	13,233
(Gain)/Loss on disposal of property, plant and equipment	(3)	21	2	(17)
Property, plant and equipment written off	71	57	88	57
Inventories written off	-	-	-	58
Impairment loss on property, plant and equipment	-	-	-	120
(Write-back)/Impairment allowance for doubtful debts	(164)	10	(96)	67
Allowance/(Write-back) for inventories obsolescence/foreseeables losses	69	(270)	(658)	60
Share of results of associates	-	129	-	172
Employee share option/award expenses	432	166	850	556
Interest expense	636	976	1,344	2,058
Interest income	(72)	(252)	(194)	(477)
Currency realignment	542	710	(130)	(644)
Operating profit before reinvestment in working capital	2,888	13,448	10,038	24,169
(Increase)/decrease in inventories	(1,596)	(3,102)	2	1,046
Decrease/(increase) in trade and other receivables	364	197	7,704	(3,032)
Increase in prepayments	(236)	(491)	(314)	(242)
Increase/(decrease) in trade and other payables	5,269	11,219	(11,554)	2,898
Cash generated from operations	6,689	21,271	5,876	24,839
Interest paid	(636)	(976)	(1,344)	(2,058)
Interest received	72	252	194	477
Income tax paid	(1,591)	(549)	(3,431)	(990)
Net cash from operating activities	4,534	19,998	1,295	22,268
Cash flows from investing activities:				
Purchase of fixed assets	(5,155)	(3,260)	(9,672)	(5,795)
Net proceeds from disposal of property, plant and equipment	21	118	34	251
Net cash used in investing activities	(5,134)	(3,142)	(9,638)	(5,544)
Cash flows from financing activities:				
Proceeds from interest bearing borrowings	3,387	4,583	6,233	11,602
Repayment of interest bearing borrowings	(709)	(6,290)	(11,309)	(16,248)
Decrease in hire purchase and finance lease obligation	-	(47)	(137)	(267)
(Increase)/decrease in bank balances pledged	-	(46)	747	(27)
Dividends paid to shareholders	(4,414)	(3,683)	(4,414)	(3,683)
Net cash used in financing activities	(1,736)	(5,483)	(8,880)	(8,623)
Net (decrease)/increase in cash and cash equivalents	(2,336)	11,373	(17,223)	8,101
Cash and cash equivalents at beginning of period	49,161	44,623	65,353	48,403
Effects of exchange rate changes on opening cash and cash equivalent	(570)	364	(1,875)	(144)
Cash and cash equivalents at end of period	46,255	56,360	46,255	56,360

Note:

	30.06.08	31.12.2007	30.06.07	31.12.2006
Cash & cash at bank	50,954	70,284	59,868	57,975
Less: Bank overdraft	(490)	-	(945)	(7,036)
Less: Bank balances pledged	(4,209)	(4,931)	(2,563)	(2,536)
Cash & cash equivalents	46,255	65,353	56,360	48,403
	31.03.2008	31.03.2007		
Cash & cash at bank	53,599	49,631		
Less: Bank overdraft	(278)	(2,491)		
Less: Bank balances pledged	(4,160)	(2,517)		
Cash & cash equivalents	49,161	44,623		

1(d)(i)

A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Changes in Equity for the 2nd quarter ended 30 June 2008

(In Singapore dollars)

Group	Attributable to equity holders of the Company					Total \$'000
	Share Capital \$'000	Revenue Reserve/(Accumulated Loss) \$'000	Foreign Currency Translation Reserve \$'000	Other Reserve \$'000	Minority Interest \$'000	
Balance at 1.1.07	345,417	(21,929)	(8,048)	4,133	574	320,147
Foreign currency translation adjustment	-	-	(2,787)	(10)	(2)	(2,799)
Net profit for the period	-	2,576	-	-	17	2,593
Transfer to statutory reserve	-	(135)	-	135	-	-
Reduction of minority interest upon acquisition	-	-	-	-	(301)	(301)
Acquisition of additional shares in a subsidiary	-	-	-	42	-	42
Grant of equity-settled share awards to employees	-	-	-	390	-	390
Balance at 31.3.07	345,417	(19,488)	(10,835)	4,690	288	320,072
Foreign currency translation adjustment	-	-	3,125	75	3	3,203
Net profit for the period	-	4,948	-	-	-	4,948
Capital Reduction ^(see note 1)	(80,554)	80,554	-	-	-	0
Transfer to statutory reserve	-	(91)	-	91	-	0
Dividend paid	-	(3,683)	-	-	-	(3,683)
Grant of equity-settled share awards to employees	-	-	-	166	-	166
Balance at 30.06.07	264,863	62,240	(7,710)	5,022	291	324,706
Balance at 1.1.08	265,146	65,509	(10,317)	6,864	321	327,523
Foreign currency translation adjustment	-	-	(5,112)	(16)	(1)	(5,129)
Net profit for the period	-	243	-	-	-	243
Grant of equity-settled share awards to employees	-	-	-	418	-	418
Balance at 31.3.08	265,146	65,752	(15,429)	7,266	320	323,055
Foreign currency translation adjustment	-	-	1,939	32	(11)	1,960
Net loss for the period	-	(4,959)	-	-	-	(4,959)
Grant of equity-settled share awards to employees	-	-	-	432	-	432
Transfer to statutory reserve	-	(271)	-	271	-	-
Dividend paid	-	(4,414)	-	-	-	(4,414)
Balance at 30.06.08	265,146	56,108	(13,490)	8,001	309	316,074

Company	Share Capital	Revenue	Other	Total
	\$'000	Reserve/(Accumulated Loss) \$'000	Reserve \$'000	\$'000
Balance at 1.1.07	345,417	(80,555)	1,492	266,354
Net profit for the period	-	4,272	-	4,272
Grant of equity-settled share awards to employees	-	-	390	390
Balance at 31.3.07	345,417	(76,283)	1,882	271,016
Net profit for the period	-	10,259	-	10,259
Capital Reduction ^(see note 1)	(80,554)	80,554	-	-
Dividends paid	-	(3,683)	-	(3,683)
Grant of equity-settled share awards to employees	-	-	166	166
Balance at 30.06.07	264,863	10,847	2,048	277,758
Balance at 1.1.08	265,146	17,865	2,609	285,620
Net loss for the period	-	(1,664)	-	(1,664)
Grant of equity-settled share awards to employees	-	-	418	418
Balance at 31.3.08	265,146	16,201	3,027	284,374
Net profit for the period	-	5,440	-	5,440
Grant of equity-settled share awards to employees	-	-	432	432
Dividend paid	-	(4,414)	-	(4,414)
Balance at 30.06.08	265,146	17,227	3,459	285,832

Note 1: The Company wrote off \$80,554,415 representing accumulated loss of the Company as at 31 December 2006 against its issued and fully paid up share capital in Jun 2007. This capital reduction exercise was approved by the Company's shareholders in an extraordinary meeting on 17 April 2007. The number of shares in the Company held by the shareholders of the Company remains the same after the capital reduction exercise.

1(d)(ii)

Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Issued and fully paid	Ordinary Share
Balance as at 31.12.2006	735,212,643
Issue of shares to employees under STL RSP in September 2007	250,000
Issue of shares to employees under STL RSP in November 2007	180,000
Balance as at 31.12.2007, 31.03.2008 and 30.06.08	735,642,643

As at 30.6.2008, the share capital of the Company comprised 735,642,643 ordinary shares. The Company does not have treasury shares.

2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures are not audited or reviewed.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the period ended 31.12.2007 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 1.1.2008.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The adoption of the new/revised FRS did not result in any material impact on the Group's results.

6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group			
	2nd Qtr 08	2nd Qtr 07	1st Half 08	1st Half 07
Earnings per ordinary share (EPS) for the period based on net profit attributable to shareholders				
(a) on weighted average number of ordinary shares (cents)	(0.67)	0.67	(0.64)	1.02
(b) on a fully diluted basis (cents)	(0.66)	0.67	(0.63)	1.01

Earnings per ordinary share is calculated on the Group profit for the financial periods attributable to the shareholders of the Company divided by the weighted average number of ordinary share of 735,642,643 and 735,642,643 (2Q07: 735,212,643, 1H07: 735,212,643) for the 2nd quarter ended 30.06.08 and half year ended 30.06.08.

Earnings per ordinary share is computed based on the same basis as earnings per share by applying the weighted average number of ordinary shares in issuance during the period under review and adjusted to include all potential dilutive ordinary shares up to 30.06.2008. The adjusted weighted average number of ordinary shares applicable to diluted earnings per shares is 747,378,404 and 747,821,078 (2Q07: 743,039,819, 1H07: 742,880,312) for 2nd quarter ended 30.06.08 and half year ended 30.06.08.

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

Net asset value per ordinary share	Group		Company	
	At 30.6.08	At 31.12.07	At 30.6.08	At 31.12.07
Net asset value per ordinary share based on existing issued share capital as at the end of period (cents)	42.92	44.48	38.85	38.83

Net tangible asset value per ordinary share	Group		Company	
	At 30.6.08	At 31.12.07	At 30.6.08	At 31.12.07
Net tangible asset value per ordinary share based on existing issued share capital as at the end of period (cents)	25.94	27.49	38.85	38.83

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

CONSOLIDATED INCOME STATEMENT

April – Jun 2008 ("2Q08")

The Group's revenue in 2Q08 was \$86.2 million, down from \$95.5 million in the corresponding period a year ago. The decline came mainly from the Consumer/IT segment. The weakening of the US Dollar also contributed to the decline. The Group's revenue is primarily denominated in US Dollars and the change in FX rate from 2Q07 to 2Q08 reduced revenue in Singapore dollars by an estimated S\$6.4 million.

During the period, gross profit declined by 57.3% to \$6.8 million from \$16.0 million a year ago. Gross margin for 2Q08 was also lower at 7.9% compared to 16.7% in 2Q07, due to rising resin costs, increases in operating costs, an increase in minimum wages in the PRC and the weakening of the US Dollar. In addition, because of a slowing economy globally, several programs had accelerated 'end of life' status, while the launches of many new projects were deferred.

The Group recorded a net loss of \$5.0 million for 2Q08 compared to a net gain of \$5.0 million in 2Q07. This included a non-cash foreign exchange loss of \$2.2 million (2Q07: exchange gain of \$0.5million). Without the foreign exchange loss, the Group's net loss in 2Q08 would have been \$2.8 million (2Q07 : net gain of \$4.5 million)

CONSOLIDATED BALANCE SHEET AND CASH FLOW STATEMENT

The Group's fixed assets were lower at \$166.2 million as at 30 June 2008 compared to \$171.7 million as at 31 December 2007. This included \$13.1 million (1H07: \$13.2 million) in depreciation charges incurred during the period.

Trade and other receivables decreased to \$80.1 million as at 30 June 2008 from \$87.7 million as at 31 December 2007. Trade and other payables decreased to \$65.6 million as at 30 June 2008 from \$77.2 million as at 31 December 2007 due to payment for capital items purchased towards the end of last year.

Overall bank borrowings, including bank overdrafts, decreased to \$88.9 million as at 30 June 2008 from \$93.7 million as at 31 December 2007 as the Group repaid a loan of \$11.0 million.

The Group maintained a cash balance of \$51.0 million as at 30 June 2008 (as at 31 December 2007 : \$70.3 million).

Net cash generated from operating activities was \$1.3 million for 1H08 compared to \$22.3 million for 1H07 due to tax payments and capital expenditure. Net cash used in investing activities was \$9.6 million for 1H08 as compared to \$5.5 million in 1H07 due to payment for the capital expenditure committed towards the end of last year. Net cash from financing activities for 1H08 was \$8.9 million compared to \$8.6 million in 1H07.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not Applicable.

10 A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The global economy is not getting any better, and is in fact facing more headwinds. The record high oil prices in 2Q08 have put the US automotive industry into a major tailspin. Demand for automobiles is the weakest in more than a decade, and what demand available is for smaller vehicles rather than gas guzzling SUVs and pickups. Unfortunately for Sunningdale, many of our programs were for larger vehicles, thus causing an accelerated 'end of life' status for many of them. On a brighter note, we have won many new programs for smaller vehicles that will start in 2009, and we have also been quite successful in re-negotiating price increases on current projects. It is the latter that has mitigated some what the rising cost of materials and operations, but this is a long, slow and tedious process that will not yield immediate results.

With the price of oil rising, increasing resin costs is unavoidable. Labour cost in the PRC is also rising with the implementation of minimum wage rules and new labour related social costs. Utility prices are also rising across all the countries Sunningdale operates in. The price of oil has also increased transportation cost across the board, making it more difficult for companies like Sunningdale that depend on manufacturing in Asia while exporting to the US and Europe.

11 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

(d) Books closure date

12 If no dividend has been declared/recommended, a statement to that effect

Not Applicable

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Not Applicable

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Not Applicable

15 A breakdown of sales

Not Applicable

16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest Full Year (S\$'000)	Previous Full Year (S\$'000)
Ordinary	0	8,097
Preference	0	0
Total:	0	8,097

17 Aggregate value of the Interested Person Transactions conducted during the period ended 30 June 2008 pursuant to Rule 920(a)(ii) of the Listing Manual

	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)
	2Q 2008 \$'000	2Q 2008 \$'000
Metro Wealth Polymer Sdn Bhd		
Purchase of materials	15	-
Total	<u>15</u>	<u>-</u>

BY ORDER OF THE BOARD

KOH BOON HWEE
Executive Chairman &
Chief Executive Officer

11 Aug 2008

CONFIRMATION BY THE BOARD

We, KOH BOON HWEE and NG BOON HOO, being two directors of Sunningdale Tech Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the second quarter 2008 financial results to be false or misleading.

On behalf of the board of directors

KOH BOON HWEE
Executive Chairman &
Chief Executive Officer

NG BOON HOO
Executive Director &
Chief Operating Officer