

Financial Statement Announcement for the First Quarter Ended 31 March 2010

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 first quarter ended 31 March 2010. These figures have not been audited or reviewed.

(In Singapore dollars)	Jan-Mar 2010 \$'000	Jan-Mar 2009 \$'000	+ / (-) %
<b>Revenue</b>	<b>100,283</b>	<b>74,401</b>	<b>34.8</b>
Cost of sales	(85,047)	(66,176)	28.5
<b>Gross Profit</b>	<b>15,236</b>	<b>8,225</b>	<b>85.2</b>
<b>Other items of income</b>			
Interest income	31	28	10.7
Other income	752	2,115	(64.4)
<b>Other items of expense</b>			
Marketing and distribution	(2,518)	(2,004)	25.6
Administrative expenses	(6,429)	(5,359)	20.0
Other expenses	(1,212)	(105)	n.m.
Finance costs	(633)	(1,056)	(40.1)
<b>Profit before tax from continuing operations</b>	<b>5,227</b>	<b>1,844</b>	<b>n.m.</b>
Income tax expense	(1,209)	(167)	n.m.
<b>Profit from continuing operations, net of tax</b>	<b>4,018</b>	<b>1,677</b>	<b>n.m.</b>
<b>Profit attributable to:</b>			
Owners of the parent	4,018	1,677	n.m.
Minority interests	-	-	n.m.
	<b>4,018</b>	<b>1,677</b>	<b>n.m.</b>

Consolidated Statement of comprehensive income for the first quarter ended 31 March 2010. These figures have not been audited or reviewed.

<b>Profit net of tax</b>	4,018	1,677	n.m.
Other comprehensive income:			
Foreign currency translation	905	7,146	(87.3)
<b>Other comprehensive income for the period, net of tax</b>	<b>905</b>	<b>7,146</b>	<b>(87.3)</b>
<b>Total comprehensive income for the period</b>	<b>4,923</b>	<b>8,823</b>	<b>(44.2)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	4,923	8,823	(44.2)
Minority interests	-	-	n.m.
	<b>4,923</b>	<b>8,823</b>	<b>(44.2)</b>

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

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

	Jan-Mar 2010 \$'000	Jan-Mar 2009 \$'000	+ / ( - ) %
Depreciation of property, plant and equipment	6,549	6,728	(2.7)
Impairment allowance/(Write-back) for doubtful debts	20	(203)	n.m.
(Write-back)/Impairment for inventories obsolescence/foreseeable losses	(17)	230	n.m.
Foreign exchange loss/(gain)	594	(1,596)	n.m.
Property, plant and equipment written off	497	3	n.m.
Gain on disposal of property, plant and equipment	(154)	(12)	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		
	31.03.2010 \$'000	31.12.2009 \$'000	+ / (-) %	31.03.2010 \$'000	31.12.2009 \$'000	+ / (-) %
<b>Non-current assets</b>						
Property, plant and equipment	158,894	163,708	(2.9)	9,031	9,565	(5.6)
Investment properties	744	744	-	-	-	n.m.
Intangible assets	29,964	29,964	-	-	-	n.m.
Other investments	1	1	-	-	-	n.m.
Investment in subsidiaries	-	-	n.m.	227,706	227,706	-
Deferred tax assets	682	775	(12.0)	-	-	n.m.
	<b>190,285</b>	<b>195,192</b>	<b>(2.5)</b>	<b>236,737</b>	<b>237,271</b>	<b>(0.2)</b>
<b>Current assets</b>						
Inventories	55,137	56,801	(2.9)	4,263	4,284	(0.5)
Trade and other receivables	83,009	87,012	(4.6)	26,728	28,667	(6.8)
Prepayments	2,071	2,074	(0.1)	294	143	n.m.
Cash and short term deposits	67,553	68,284	(1.1)	12,459	8,208	51.8
	<b>207,770</b>	<b>214,171</b>	<b>(3.0)</b>	<b>43,744</b>	<b>41,302</b>	<b>5.9</b>
<b>Less: Current liabilities</b>						
Trade and other payables	65,494	78,411	(16.5)	33,078	29,671	11.5
Loans and borrowings	55,764	57,674	(3.3)	16,550	18,105	(8.6)
Tax payable	11,816	12,013	(1.6)	112	118	(5.1)
	<b>133,074</b>	<b>148,098</b>	<b>(10.1)</b>	<b>49,740</b>	<b>47,894</b>	<b>3.9</b>
Net current assets/(liabilities)	74,696	66,073	13.1	(5,996)	(6,592)	(9.0)
<b>Less: Non-current liabilities</b>						
Loans and borrowings	12,293	13,855	(11.3)	3,027	3,315	(9)
Deferred tax liabilities	3,371	3,285	2.6	627	627	-
	<b>15,664</b>	<b>17,140</b>	<b>(8.6)</b>	<b>3,654</b>	<b>3,942</b>	<b>(7)</b>
<b>Net assets</b>	<b>249,317</b>	<b>244,125</b>	<b>2.1</b>	<b>227,087</b>	<b>226,737</b>	<b>0.2</b>
<b>Equity attributable to equity holders of the Company</b>						
Share capital	268,243	268,243	-	268,243	268,243	-
Reserves	(18,926)	(24,118)	(21.5)	(41,156)	(41,506)	(0.8)
<b>Total equity</b>	<b>249,317</b>	<b>244,125</b>	<b>2.1</b>	<b>227,087</b>	<b>226,737</b>	<b>0.2</b>

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

**Amount repayable in one year or less, or on demand**

As at 31.03.2010		As at 31.12.2009	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
2,898	52,866	2,898	54,776

**Amount repayable after one year**

As at 31.03.2010		As at 31.12.2009	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	12,293	-	13,855

**Details of any collateral**

Collateral for secured borrowings is as following:

- Sunningdale Plastic Technology (Tianjin) Co Ltd's loan of S\$1.7 mil (31.12.2009: S\$1.7mil) is secured by cash and bank balances of the same amount of another subsidiary company.
- Sunningdale Innovative Technology (Tianjin) Co Ltd's loan of S\$1.2 mil (31.12.2009: S\$1.2mil) is secured by cash and bank balances of the same amount of another subsidiary company.

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

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

**Consolidated statement of cash flows for the first quarter ended 31 March 2010**

(In Singapore dollars)

	Jan-Mar 2010 \$'000	Jan-Mar 2009 \$'000
<b>Cash flows from operating activities:</b>		
Profit from operations before taxation	5,227	1,844
Adjustments for:		
Depreciation of property, plant and equipment	6,549	6,728
Gain on disposal of property, plant and equipment	(154)	(12)
Property, plant and equipment written off	497	3
Impairment allowance/(Write-back) for doubtful debts	20	(203)
(Write-back)/Impairment for inventories obsolescence/foreseeable losses	(17)	230
Employee share award expenses	269	126
Interest expense	633	1,056
Interest income	(31)	(28)
Currency realignment	(184)	1,871
<b>Operating profit before reinvestment in working capital</b>	<b>12,809</b>	<b>11,615</b>
Decrease in inventories	1,681	2,981
Decrease in trade and other receivables	3,983	13,514
Decrease in prepayments	3	12
Decrease in trade and other payables	(12,918)	(11,411)
<b>Cash generated from operations</b>	<b>5,558</b>	<b>16,711</b>
Interest paid	(633)	(1,056)
Interest received	31	28
Income tax paid	(1,286)	(418)
<b>Net cash from operating activities</b>	<b>3,670</b>	<b>15,265</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(1,104)	(5,035)
Net proceeds from disposal of property, plant and equipment	160	13
<b>Net cash used in investing activities</b>	<b>(944)</b>	<b>(5,022)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from loans and borrowings	-	705
Repayment of loans and borrowings	(3,618)	(2,299)
<b>Net cash used in financing activities</b>	<b>(3,618)</b>	<b>(1,594)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(892)</b>	<b>8,649</b>
Cash and cash equivalents at beginning of period	65,386	38,662
Effects of exchange rate changes on opening cash and cash equivalent	161	1,000
<b>Cash and cash equivalents at end of period</b>	<b>64,655</b>	<b>48,311</b>

**Note:**

	31.3.2010	31.12.2009	31.3.2009	31.12.2008
Cash & cash at bank	67,553	68,284	51,398	41,890
Less: Bank overdraft	-	-	-	(267)
Less: Restricted cash	(2,898)	(2,898)	(3,087)	(2,961)
<b>Cash &amp; cash equivalents</b>	<b>64,655</b>	<b>65,386</b>	<b>48,311</b>	<b>38,662</b>

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 first quarter ended 31 March 2010**

(In Singapore dollars)

Group	Attributable to owners of the parent					Total \$'000
	Share Capital \$'000	Retained Earnings \$'000	Foreign Currency Translation Reserve \$'000	Other Reserve \$'000	Minority Interest \$'000	
<b>Balance at 01.01.2009</b>	<b>265,146</b>	<b>(37,178)</b>	<b>232</b>	<b>9,532</b>	<b>-</b>	<b>237,732</b>
Total comprehensive income for the period	-	1,677	6,992	154	-	8,823
Grant of equity-settled share awards to employees	-	-	-	126	-	126
Issue of share under share awards	3,009	-	-	(3,009)	-	-
<b>Balance at 31.03.2009</b>	<b>268,155</b>	<b>(35,501)</b>	<b>7,224</b>	<b>6,803</b>	<b>-</b>	<b>246,681</b>
<b>Balance at 01.01.2010</b>	<b>268,243</b>	<b>(27,089)</b>	<b>(4,623)</b>	<b>7,594</b>	<b>-</b>	<b>244,125</b>
Total comprehensive income for the period	-	4,018	905	-	-	4,923
Grant of equity-settled share awards to employees	-	-	-	269	-	269
<b>Balance at 31.03.2010</b>	<b>268,243</b>	<b>(23,071)</b>	<b>(3,718)</b>	<b>7,863</b>	<b>-</b>	<b>249,317</b>

  

Company	Share Capital \$'000	Retained Earnings \$'000	Other Reserve \$'000	Total \$'000
<b>Balance at 01.01.2009</b>	<b>265,146</b>	<b>(50,394)</b>	<b>4,341</b>	<b>219,093</b>
Total comprehensive income for the period	-	(321)	-	(321)
Grant of equity-settled share awards to employees	-	-	126	126
Issue of share under share awards	3,009	-	(3,009)	-
<b>Balance at 31.03.2009</b>	<b>268,155</b>	<b>(50,715)</b>	<b>1,458</b>	<b>218,898</b>
<b>Balance at 01.01.2010</b>	<b>268,243</b>	<b>(43,496)</b>	<b>1,990</b>	<b>226,737</b>
Total comprehensive income for the period	-	81	-	81
Grant of equity-settled share awards to employees	-	-	269	269
<b>Balance at 31.03.2010</b>	<b>268,243</b>	<b>(43,415)</b>	<b>2,259</b>	<b>227,087</b>

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
<b>Balance as at 31.12.2008</b>	735,642,643
Issue of shares to employees under STL RSP in January 2009	4,624,000
Issue of shares to employees under STL RSP in March 2009	518,000
Issue of shares to employees under STL RSP in October 2009	295,000
<b>Balance as at 31.12.2009 and 31.03.2010</b>	<b>741,079,643</b>

As at 31.03.2010, the share capital of the Company comprised 741,079,643 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 31.12.2009 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 01.01.2010.

**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	
	1st Qtr 2010	1st Qtr 2009
Earnings per ordinary share (EPS) for the period based on net profit attributable to shareholders		
(a) on weighted average number of ordinary shares (cents)	0.54	0.23
(b) on a fully diluted basis (cents)	0.53	0.22

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 741,079,643 (1Q09: 739,770,976) for the 1st quarter ended 31.03.2010.

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 31.03.2010. The adjusted weighted average number of ordinary shares applicable to diluted earnings per shares is 759,216,143 (1Q09: 753,502,254) for 1st quarter ended 31.03.2010.

**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**

	Group		Company	
	At 31.03.10	At 31.12.09	At 31.03.10	At 31.12.09
Net asset value per ordinary share				
Net asset value per ordinary share based on existing issued share capital as at the end of period (cents)	33.64	32.94	30.64	30.60

  

	Group		Company	
	At 31.03.10	At 31.12.09	At 31.03.10	At 31.12.09
Net tangible asset value per ordinary share				
Net tangible asset value per ordinary share based on existing issued share capital as at the end of period (cents)	29.60	28.90	30.64	30.60

**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

##### January-March 2010 ("1Q10")

The Group's revenue increased 34.8% from \$74.4 million in 1Q09 to \$100.3 million in 1Q10. The increase came from all business segments.

During the period, gross profit increased by 85.2% from \$8.2 million in 1Q09 to \$15.2 million in 1Q10. Gross margin for 1Q10 was higher at 15.2% compared to 11.1% in 1Q09. This was in line with the increase in revenue.

The decrease in other income in 1Q10 as compared to a year ago was due to foreign exchange gain of \$1.6 mil in 1Q09.

Marketing and distribution costs increased by 25.6% from \$2.0 million in 1Q09 to \$2.5 million in 1Q10. This was due to an increase in marketing activities which was in line with the increase in orders. Also in 1Q09 there were savings from the implementation of a short work week. Administrative expenses were 20.0% higher in 1Q10 at \$6.4 million compared to \$5.4 million in 1Q09. This was due to a write back of doubtful debts and implementation of a short work week in 1Q09 and the classification of building expenses for the Ubi plant from Cost of Sales to Administrative expenses due to the fact that production had been relocated since 2H09 and part of the building is now sublet out.

Other expenses were higher in 1Q10 at \$1.2 million as compared to \$0.1 million in 1Q09 due to property, plant and equipment written off of \$0.5 million and foreign exchange loss of \$0.6 million.

Interest expense decreased in 1Q10 as compared to a year ago as some loans were repaid and interest rates were lower compared to 1Q09.

The Group recorded a net profit of \$4.0 million for 1Q10 compared to \$1.7 million in 1Q09. This included a non-cash foreign exchange loss of \$0.6 million (1Q09: foreign exchange gain of \$1.6 million) and property, plant and equipment written off of \$0.5 million (1Q09: \$3,000). Excluding the foreign exchange loss/gain and property, plant and equipment written off, the net profit would have been \$5.1 million in 1Q10 as compared to \$0.1 million in 1Q09.

#### CONSOLIDATED BALANCE SHEET

The Group's property, plant and equipment were at \$158.9 million as at 31 March 2010 compared to \$163.7 million as at 31 December 2009. During the period, the Group had incurred \$1.1 million in capital expenditure while incurring a depreciation charge of \$6.5 million (1Q09: \$6.7 million).

Inventories and trade and other receivables decreased marginally as management continues to focus on inventory management and collections.

Trade and other payables decreased to \$65.5 million as at 31 March 2010 from \$78.4 million as at 31 December 2009 mainly due to payments to suppliers made when they became due.

Overall bank borrowings decreased to \$68.1 million as at 31 March 2010 from \$71.5 million as at 31 December 2009 due to repayment of some loans.

The Group maintained a cash balance of \$67.6 million as at 31 March 2010 (31 December 2009: \$68.3 million) resulting in net debt of about \$0.5 million.

#### CONSOLIDATED CASHFLOW STATEMENT

##### January-March 2010 ("1Q10")

Net cash generated from operating activities was \$3.7 million for 1Q10, compared to \$15.3 million for 1Q09. Net cash used in investing activities was \$0.9 million for 1Q10 compared to \$5.0 million in 1Q09 due to capital expenditure incurred. Net cash used in financing activities for 1Q10 was \$3.6 million compared to \$1.6 million in 1Q09 due to repayment of some loans.

**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**

We are more optimistic with the outlook for 2010 as the global economy recovers. However, factors like the weakening of the US\$ and Euro, increasing labour costs in China, rising cost trend of raw materials due to increased commodity prices (especially oil) will contribute to added pressure on margins.

Orders across all business segments in Q1 increased significantly year on year due to higher demand and also upward inventories adjustment in the supply chain undertaken by customers. We continue to be successful in securing new projects. We are of the view that the worst for the North American Automotive segment is over. The Chinese Automotive segment is growing the fastest and equally challenging moving forward. The consumer/IT segment remains steady and tracking nicely. We expect the Healthcare segment to show the strongest growth area in 2010. We have started gradual production ramp in the Johor clean room facility which was setup in 4Q 2009. Our tooling facilities are still very busy and we continue to add new accounts as well.

To capitalize on the global economic recovery, the group continues to focus on global business development to expand its customer base, operational excellence initiatives, prudent cash flow management and building capabilities for competitive advantage.

**11 Dividend**

**(a) Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on? No

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

**12 If no dividend has been declared/recommendeded, 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**

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
Ordinary	0	0
Preference	0	0
Total:	0	0

Not applicable

**BY ORDER OF THE BOARD**

**KHOO BOO HOR**  
Executive Director &  
Chief Executive Officer

**30 April 2010**

**CONFIRMATION BY THE BOARD**

We, KOH BOON HWEE and KHOO BOO HOR, 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 financial results of the first quarter 2010 financial results to be false or misleading.

On behalf of the board of directors

**KOH BOON HWEE**  
Non Executive Chairman

**KHOO BOO HOR**  
Executive Director &  
Chief Executive Officer