

Financial Statement Announcement for the Third Quarter Ended 30 September 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 third quarter ended 30 September 2010. These figures have not been audited or reviewed.

(In Singapore dollars)	Jul-Sep 2010 \$'000	Jul-Sep 2009 \$'000	+ / (-) %	Jan-Sep 2010 \$'000	Jan-Sep 2009 \$'000	+ / (-) %
Revenue	106,808	106,629	0.2	311,555	273,324	14.0
Cost of sales	(90,121)	(90,303)	(0.2)	(263,173)	(235,766)	11.6
Gross Profit	16,687	16,326	2.2	48,382	37,558	28.8
Other items of income						
Interest income	37	30	23.3	105	78	34.6
Other income	631	497	27.0	1,960	3,148	(37.7)
Other items of expense						
Marketing and distribution	(2,793)	(2,647)	5.5	(7,945)	(7,042)	12.8
Administrative expenses	(6,172)	(7,530)	(18.0)	(19,227)	(20,277)	(5.2)
Other expenses	(2,551)	(1,040)	n.m.	(5,019)	(2,955)	69.8
Finance costs	(502)	(951)	(47.2)	(1,722)	(3,040)	(43.4)
Profit before tax from continuing operations	5,337	4,685	13.9	16,534	7,470	n.m.
Income tax expense	(2,314)	(1,919)	20.6	(5,105)	(2,829)	80.5
Profit from continuing operations, net of tax	3,023	2,766	9.3	11,429	4,641	n.m.
Profit attributable to:						
Owners of the parent	3,023	2,766	9.3	11,429	4,641	n.m.

Consolidated Statement of comprehensive income for the third quarter ended 30 September 2010. These figures have not been audited or reviewed.

Profit net of tax	3,023	2,766	9.3	11,429	4,641	n.m.
Other comprehensive income:						
Foreign currency translation	(5,565)	(4,171)	33.4	(6,883)	(3,540)	94.4
Other comprehensive income for the period, net of tax	(5,565)	(4,171)	33.4	(6,883)	(3,540)	94.4
Total comprehensive income for the period	(2,542)	(1,405)	80.9	4,546	1,101	n.m.
Total comprehensive income attributable to:						
Owners of the parent	(2,542)	(1,405)	80.9	4,546	1,101	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):

	Jul-Sep 2010 \$'000	Jul-Sep 2009 \$'000	+ / (-) %	Jan-Sep 2010 \$'000	Jan-Sep 2009 \$'000	+ / (-) %
Depreciation of property, plant and equipment	6,085	6,650	(8.5)	18,933	20,053	(5.6)
(Write-back)/Impairment allowance for doubtful debts	(21)	685	n.m.	89	1,650	(94.6)
Bad debts written off	-	52	(100.0)	-	52	(100.0)
Impairment/(Write-back) for inventories obsolescence/foreseeable losses	-	244	(100.0)	(170)	1,095	n.m.
Foreign exchange loss	2,254	826	n.m.	3,923	986	n.m.
Write-back impairment allowance for property, plant and equipment	-	-	n.m.	(22)	-	n.m.
Property, plant and equipment written off	8	87	(90.8)	528	92	n.m.
Gain on disposal of property, plant and equipment	(15)	(85)	(82.4)	(214)	(98)	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		
	30.09.2010 \$'000	31.12.2009 \$'000	+ / (-) %	30.09.2010 \$'000	31.12.2009 \$'000	+ / (-) %
Non-current assets						
Property, plant and equipment	148,848	163,708	(9.1)	8,711	9,565	(8.9)
Investment properties	700	744	(5.9)	-	-	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	689	775	(11.1)	-	-	n.m.
	<u>180,202</u>	<u>195,192</u>	<u>(7.7)</u>	<u>236,417</u>	<u>237,271</u>	<u>(0.4)</u>
Current assets						
Inventories	55,424	56,801	(2.4)	5,231	4,284	22.1
Trade and other receivables	82,635	87,012	(5.0)	32,578	28,667	13.6
Prepayments	2,025	2,074	(2.4)	198	143	38.5
Cash and short term deposits	71,199	68,284	4.3	15,613	8,208	90.2
	<u>211,283</u>	<u>214,171</u>	<u>(1.3)</u>	<u>53,620</u>	<u>41,302</u>	<u>29.8</u>
Less: Current liabilities						
Trade and other payables	75,225	78,411	(4.1)	44,189	29,671	48.9
Loans and borrowings	45,968	57,674	(20.3)	11,259	18,105	(37.8)
Tax payable	11,079	12,013	(7.8)	123	118	4.2
	<u>132,272</u>	<u>148,098</u>	<u>(10.7)</u>	<u>55,571</u>	<u>47,894</u>	<u>16.0</u>
Net current assets/(liabilities)	79,011	66,073	19.6	(1,951)	(6,592)	(70.4)
Less: Non-current liabilities						
Loans and borrowings	9,560	13,855	(31.0)	2,353	3,315	(29.0)
Deferred tax liabilities	3,304	3,285	0.6	626	627	(0.2)
	<u>12,864</u>	<u>17,140</u>	<u>(24.9)</u>	<u>2,979</u>	<u>3,942</u>	<u>(24.4)</u>
Net assets	<u>246,349</u>	<u>244,125</u>	<u>0.9</u>	<u>231,487</u>	<u>226,737</u>	<u>2.1</u>
Equity attributable to owners of the parent						
Share capital	270,068	268,243	0.7	270,068	268,243	0.7
Reserves	(23,719)	(24,118)	(1.7)	(38,581)	(41,506)	(7.0)
Total equity	<u>246,349</u>	<u>244,125</u>	<u>0.9</u>	<u>231,487</u>	<u>226,737</u>	<u>2.1</u>

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

Amount repayable in one year or less, or on demand

As at 30.09.2010		As at 31.12.2009	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,188	44,780	2,898	54,776

Amount repayable after one year

As at 30.09.2010		As at 31.12.2009	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	9,560	-	13,855

Details of any collateral

Collateral for secured borrowings is as following:

- Sunningdale Plastic Technology (Tianjin) Co Ltd's loan of S\$nil (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 cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated statement of cash flows for third quarter ended 30 September 2010

(In Singapore dollars)	Jul-Sep 2010 \$'000	Jul-Sep 2009 \$'000	Jan-Sep 2010 \$'000	Jan-Sep 2009 \$'000
Cash flows from operating activities:				
Profit from operations before taxation	5,337	4,685	16,534	7,470
Adjustments for:				
Depreciation of property, plant and equipment	6,085	6,650	18,933	20,053
Gain on disposal of property, plant and equipment	(15)	(85)	(214)	(98)
Property, plant and equipment written off	8	87	528	92
Bad debts written off	-	52	-	52
Write-back impairment allowance for property, plant and equipment	-	-	(22)	-
(Write-back)/Impairment allowance for doubtful debts	(21)	685	89	1,650
Impairment/(Write-back) for inventories obsolescence/foreseeable losses	-	244	(170)	1,095
Employee share award expenses	136	210	641	543
Interest expense	502	951	1,722	3,040
Interest income	(37)	(30)	(105)	(78)
Currency realignment	(1,341)	(1,286)	(2,107)	(1,119)
Operating profit before reinvestment in working capital	10,654	12,163	35,829	32,700
Decrease in inventories	3,901	7,667	1,547	15,155
Decrease/(Increase) in trade and other receivables	1,787	(10,447)	4,288	(4,114)
Decrease/(Increase) in prepayments	335	(432)	49	(39)
Decrease in trade and other payables	(4,473)	(1,125)	(3,186)	(533)
Cash generated from operations	12,204	7,826	38,527	43,169
Interest paid	(502)	(951)	(1,722)	(3,040)
Interest received	37	30	105	78
Income tax paid	(1,114)	17	(5,265)	(594)
Net cash from operating activities	10,625	6,922	31,645	39,613
Cash flows from investing activities:				
Purchase of property, plant and equipment	(3,124)	(2,251)	(7,954)	(12,332)
Net proceeds from disposal of property, plant and equipment	34	210	285	255
Net cash used in investing activities	(3,090)	(2,041)	(7,669)	(12,077)
Cash flows from financing activities:				
Proceeds from loans and borrowings	1,389	6,479	1,389	7,293
Repayment of loans and borrowings	(7,952)	(9,914)	(17,233)	(14,257)
Decrease in bank balances pledged	1,584	-	1,584	-
Dividends paid to shareholders	-	-	(2,964)	-
Net cash used in financing activities	(4,979)	(3,435)	(17,224)	(6,964)
Net increase in cash and cash equivalents	2,556	1,446	6,752	20,572
Cash and cash equivalents at beginning of period	69,154	57,857	65,386	38,662
Effects of exchange rate changes on opening cash and cash equivalent	(1,699)	(660)	(2,127)	(591)
Cash and cash equivalents at end of period	70,011	58,643	70,011	58,643
Note:				
	30.09.2010	31.12.2009	30.09.2009	31.12.2008
Cash & cash at bank	71,199	68,284	61,548	41,890
Less: Bank overdraft	-	-	-	(267)
Less: Bank balances pledged	(1,188)	(2,898)	(2,905)	(2,961)
Cash & cash equivalents	<u>70,011</u>	<u>65,386</u>	<u>58,643</u>	<u>38,662</u>
	30.06.2010	30.06.2009		
Cash & cash at bank	72,018	60,839		
Less: Bank balances pledged	(2,864)	(2,982)		
Cash & cash equivalents	<u>69,154</u>	<u>57,857</u>		

- 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 third quarter ended 30 September 2010

(In Singapore dollars)

Group	Attributable to owners of the parent				
	Share Capital	Retained Earnings	Foreign Currency Translation Reserve	Other Reserve	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 01.01.2009	265,146	(37,178)	232	9,532	237,732
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)	-
Balance at 31.03.2009	268,155	(35,501)	7,224	6,803	246,681
Foreign currency translation adjustment	-	-	-	-	-
Total comprehensive income for the period	-	198	(6,384)	(131)	(6,317)
Grant of equity-settled share awards to employees	-	-	-	207	207
Transfer from statutory reserve	-	(308)	-	308	-
Balance at 30.06.2009	268,155	(35,611)	840	7,187	240,571
Total comprehensive income for the period	-	2,766	(4,068)	(103)	(1,405)
Grant of equity-settled share awards to employees	-	-	-	210	210
Transfer from statutory reserve	-	(1)	-	1	-
Balance at 30.09.2009	268,155	(32,846)	(3,228)	7,295	239,376
Balance at 01.01.2010	268,243	(27,089)	(4,623)	7,594	244,125
Total comprehensive income for the period	-	4,018	905	-	4,923
Grant of equity-settled share awards to employees	-	-	-	269	269
Balance at 31.03.2010	268,243	(23,071)	(3,718)	7,863	249,317
Total comprehensive income for the period	-	4,388	(2,178)	(45)	2,165
Grant of equity-settled share awards to employees	-	-	-	236	236
Issue of share under share awards	1,544	-	-	(1,544)	-
Transfer from statutory reserve	-	(64)	-	64	-
Dividends Paid	-	(2,964)	-	-	(2,964)
Balance at 30.06.2010	269,787	(21,711)	(5,896)	6,574	248,754
Total comprehensive income for the period	-	3,023	(5,490)	(75)	(2,542)
Grant of equity-settled share awards to employees	-	-	-	137	137
Issue of share under share awards	281	-	-	(281)	-
Transfer from statutory reserve	-	2	-	(2)	-
Balance at 30.09.2010	270,068	(18,686)	(11,386)	6,353	246,349
Company	Share Capital	Retained Earnings	Other Reserve	Total	
	\$'000	\$'000	\$'000	\$'000	
Balance at 01.01.2009	265,146	(50,394)	4,341	219,093	
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)	-	
Balance at 31.03.2009	268,155	(50,715)	1,458	218,898	
Total comprehensive income for the period	-	991	-	991	
Grant of equity-settled share awards to employees	-	-	207	207	
Balance at 30.06.2009	268,155	(49,724)	1,665	220,096	
Total comprehensive income for the period	-	3,756	-	3,756	
Grant of equity-settled share awards to employees	-	-	210	210	
Balance at 30.09.2009	268,155	(45,968)	1,875	224,062	
Balance at 01.01.2010	268,243	(43,496)	1,990	226,737	
Total comprehensive income for the period	-	81	-	81	
Grant of equity-settled share awards to employees	-	-	269	269	
Balance at 31.03.2010	268,243	(43,415)	2,259	227,087	
Total comprehensive income for the period	-	7,734	-	7,734	
Grant of equity-settled share awards to employees	-	-	236	236	
Issue of share under share awards	1,544	-	(1,544)	-	
Dividends paid	-	(2,964)	-	(2,964)	
Balance at 30.06.2010	269,787	(38,645)	951	232,093	
Total comprehensive income for the period	-	(743)	-	(743)	
Grant of equity-settled share awards to employees	-	-	137	137	
Issue of share under share awards	281	-	(281)	-	
Balance at 30.09.2010	270,068	(39,388)	807	231,487	

- 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 31.12.2008	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
Issue of shares to employees under STL RSP in June 2010	4,083,500
Issue of shares to employees under STL RSP in August 2010	860,000
Balance as at 31.12.2009 and 30.09.2010	746,023,143

As at 30.09.2010, the share capital of the Company comprised 746,023,143 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			
	3rd Qtr 10	3rd Qtr 09	Jan-Sep 10	Jan-Sep 09
Earnings per ordinary share (EPS) for the period based on net profit attributable to shareholders				
(a) on weighted average number of ordinary shares (cents)	0.41	0.37	1.54	0.63
(b) on a fully diluted basis (cents)	0.40	0.37	1.51	0.62

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 745,509,013 and 742,721,903 (3Q09: 740,784,643, nine months ended 30.09.2009: 740,450,467) for the 3rd quarter ended 30.09.2010 and nine months ended 30.09.2010.

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 30.09.2010. The adjusted weighted average number of ordinary shares applicable to diluted earnings per shares is 759,048,806 and 759,159,151 (3Q09: 752,923,915, nine months ended 30.09.2009: 753,089,756) for 3rd quarter ended 30.09.2010 and nine months ended 30.09.2010.

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 30.09.10	At 31.12.09	At 30.09.10	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)	33.02	32.94	31.03	30.60

	Group		Company	
	At 30.09.10	At 31.12.09	At 30.09.10	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)	29.01	28.90	31.03	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

July-September 2010 ("3Q10")

The Group's revenue had increased marginally by 0.2% from \$106.6 million in 3Q09 to \$106.8 million in 3Q10. The increase mainly came from component parts revenue from all business segments except Consumer/IT.

During the period, gross profit increased by 2.2% from \$16.3 million in 3Q09 to \$16.7 million in 3Q10. Gross margin for 3Q10 was slightly higher at 15.6% compared to 15.3% in 3Q09. This was in line with the increase in revenue.

Administrative expenses were 18.0% lower in 3Q10 at \$6.2 million compared to \$7.5 million in 3Q09. This was due to an impairment allowance for doubtful debts of \$0.7 million in 3Q09.

Increase in other expenses in 3Q10 mainly due to higher foreign exchange loss incurred in 3Q10 as compared to 3Q09.

The Group recorded a net profit of \$3.0 million for 3Q10 compared to \$2.8 million in 3Q09. This included a foreign exchange loss of \$2.3 million (3Q09: \$0.8 million). Excluding the foreign exchange loss, the net profit would have been \$5.3 million in 3Q10 as compared to \$3.6 million in 3Q09.

	3Q10	3Q09	+ / (-)
	\$mil	\$mil	%
Net profit as reported	3,023	2,766	9.3
Add back: Foreign exchange loss	2,254	826	n.m.
Adjusted net profit	<u>5,277</u>	<u>3,592</u>	46.9

CONSOLIDATED BALANCE SHEET

The Group's property, plant and equipment were at \$148.8 million as at 30 September 2010 compared to \$163.7 million as at 31 December 2009. During the period, the Group had incurred \$8.0 million in capital expenditure while incurring a depreciation charge of \$18.9 million (9 months ended 30 September 09: \$20.1 million).

Overall bank borrowings decreased to \$55.5 million as at 30 September 2010 from \$71.5 million as at 31 December 2009 due to repayment of some loans.

The Group maintained a cash balance of \$71.2 million as at 30 September 2010 (31 December 2009: \$68.3 million) and at a net cash position of about \$15.7 million.

CONSOLIDATED CASHFLOW STATEMENT

July-September 2010 ("3Q10")

Net cash generated from operating activities was \$10.6 million for 3Q10 (3Q09: \$6.9 million). Net cash used in investing activities was \$3.1 million for 3Q10 compared to \$2.0 million in 3Q09 due to capital expenditure incurred. Net cash used in financing activities for 3Q10 was \$5.0 million compared to \$3.4 million in 3Q09 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

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

Growth in 1Q10 and 2Q10 continued into 3Q10, despite the uncertainties in the market concerning the possibility of a double dip recession in the United States. The traditional demand cycle for the various business segments, especially consumer/IT, for the last three quarters has obviously been disrupted. We remain cautiously optimistic for the rest of the year, but recognise that the rapidly escalating labour cost in China and weakening of the US Dollar and Euro will continue to add tremendous pressure on margins.

The Healthcare business activity in China is gaining momentum again, as both replacement and new programs are finally kicking off. We have also continued to add resources to support the planned growth of the Healthcare business. Our Tooling facilities worldwide continue to be busy, though we were anticipating a slight slowing down of orders in the second half of the year per our traditional Tooling business cycle.

The group has invested in a new plant in Johor. We plan to consolidate Bintan's auto operations into this new facility and expect to complete the consolidation by the 1st half 2011. Once done, the auto business production for South East Asia will be in one single location thereby improving efficiency and productivity.

The management continues to focus on developing new customers, driving operational excellence, building capabilities and managing cash.

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

BY ORDER OF THE BOARD

KHOO BOO HOR

**Executive Director &
Chief Executive Officer**

2 November 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 third 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