

Financial Statement Announcement for the Second Quarter Ended 30 June 2012

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

1(a) (i) An income statement and statement of comprehensive income, 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 2012. These figures have not been audited or reviewed.

| (In Singapore dollars) | Apr-Jun 2012 \$'000 | Apr-Jun 2011 \$'000 | + / (-) % | Jan-Jun 2012 \$'000 | Jan-Jun 2011 \$'000 | + / (-) % |
|--|---------------------------|---------------------------|---------------|---------------------------|---------------------------|--------------|
| Revenue | 106,410 | 101,654 | 4.7 | 217,039 | 196,520 | 10.4 |
| Cost of sales | (94,341) | (88,225) | 6.9 | (191,618) | (170,288) | 12.5 |
| Gross Profit | 12,069 | 13,429 | (10.1) | 25,421 | 26,232 | (3.1) |
| Other items of income | | | | | | |
| Interest income | 51 | 57 | (10.5) | 93 | 96 | (3.1) |
| Other income | 1,091 | 510 | n.m. | 1,989 | 1,395 | 42.6 |
| Other items of expense | | | | | | |
| Marketing and distribution | (2,033) | (2,161) | (5.9) | (4,283) | (4,359) | (1.7) |
| Administrative expenses | (6,548) | (6,523) | 0.4 | (13,145) | (13,054) | 0.7 |
| Other expenses | (1,028) | (1,753) | (41.4) | (1,733) | (3,414) | (49.2) |
| Finance costs | (421) | (406) | 3.7 | (898) | (833) | 7.8 |
| Profit before tax from continuing operations | 3,181 | 3,153 | 0.9 | 7,444 | 6,063 | 22.8 |
| Income tax expense | (979) | (1,144) | (14.4) | (1,937) | (2,035) | (4.8) |
| Profit from continuing operations, net of tax | 2,202 | 2,009 | 9.6 | 5,507 | 4,028 | 36.7 |
| Profit attributable to: | | | | | | |
| Owners of the parent | 2,202 | 2,009 | 9.6 | 5,507 | 4,028 | 36.7 |

Consolidated Statement of comprehensive income for the second quarter ended 30 June 2012. These figures have not been audited or reviewed.

| | | | | | | |
|--|--------------|----------------|---------------|----------------|----------------|---------------|
| Profit net of tax | 2,202 | 2,009 | 9.6 | 5,507 | 4,028 | 36.7 |
| Other comprehensive income: | | | | | | |
| Foreign currency translation | (708) | (1,978) | (64.2) | (3,323) | (5,336) | (37.7) |
| Other comprehensive loss for the period, net of tax | (708) | (1,978) | (64.2) | (3,323) | (5,336) | (37.7) |
| Total comprehensive income/(loss) for the period | 1,494 | 31 | n.m. | 2,184 | (1,308) | n.m. |
| Total comprehensive income/(loss) attributable to: | | | | | | |
| Owners of the Company | 1,494 | 31 | n.m. | 2,184 | (1,308) | 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 statement of income for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

Profit before tax from continuing operations is stated after charging/(crediting):-

| | Apr-Jun 2012 \$'000 | Apr-Jun 2011 \$'000 | + / (-) % | Jan-Jun 2012 \$'000 | Jan-Jun 2011 \$'000 | + / (-) % |
|--|---------------------------|---------------------------|----------------|---------------------------|---------------------------|----------------|
| Depreciation of property, plant and equipment | 6,776 | 5,747 | 17.9 | 13,416 | 11,672 | 14.9 |
| Write-back for doubtful debts | (72) | (54) | 33.3 | (66) | (175) | (62.3) |
| Bad debts written off | 3 | 92 | (96.7) | 3 | 92 | (96.7) |
| Impairment allowance/(write-back) for inventories obsolescence/foreseeable losses | 32 | (463) | n.m. | 235 | (65) | n.m. |
| Foreign exchange (gain)/loss | (33) | 1,366 | n.m. | 389 | 2,713 | (85.7) |
| Amortisation of Intangible assets | 550 | - | n.m. | 550 | - | n.m. |
| Property, plant and equipment written off | 9 | 3 | n.m. | 20 | 5 | n.m. |
| (Gain)/Loss on disposal of property, plant and equipment | (474) | 12 | n.m. | (471) | (12) | n.m. |

1(b)(i)

A statement of financial position (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 | | |
|---|----------------|---------------------------------------|--------------|----------------|----------------|--------------|
| | 30.06.2012 | ⁽¹⁾ Restated 31.12.2011 | + / (-) % | 30.06.2012 | 31.12.2011 | + / (-) % |
| | \$'000 | \$'000 | | \$'000 | \$'000 | |
| Non-current assets | | | | | | |
| Property, plant and equipment | 158,396 | 165,002 | (4.0) | 6,156 | 7,476 | (17.7) |
| Investment properties | 1,036 | 1,048 | (1.1) | - | - | n.m. |
| Intangible assets | 14,727 | 15,277 | (3.6) | - | - | n.m. |
| Other investments | 1 | 1 | - | - | - | n.m. |
| Investment in subsidiaries | - | - | n.m. | 242,788 | 242,788 | - |
| Deferred tax assets | 655 | 663 | (1.2) | - | - | n.m. |
| | 174,815 | 181,991 | (3.9) | 248,944 | 250,264 | (0.5) |
| Current assets | | | | | | |
| Inventories | 79,903 | 80,051 | (0.2) | 4,709 | 5,937 | (20.7) |
| Trade and other receivables | 92,304 | 93,948 | (1.7) | 51,854 | 46,500 | 11.5 |
| Prepayments | 3,669 | 3,887 | (5.6) | 182 | 88 | n.m. |
| Cash and short term deposits | 48,252 | 49,160 | (1.8) | 6,744 | 1,920 | n.m. |
| | 224,128 | 227,046 | (1.3) | 63,489 | 54,445 | 16.6 |
| Less: Current liabilities | | | | | | |
| Bank overdrafts | - | 1,874 | n.m. | - | - | n.m. |
| Trade and other payables | 95,996 | 101,312 | (5.2) | 50,404 | 45,688 | 10.3 |
| Loans and borrowings | 50,399 | 45,734 | 10.2 | 11,193 | 10,283 | 8.8 |
| Tax payable | 4,752 | 7,435 | (36.1) | 1,091 | 691 | 57.9 |
| | 151,147 | 156,355 | (3.3) | 62,688 | 56,662 | 10.6 |
| Net current assets/(liabilities) | 72,981 | 70,691 | 3.2 | 801 | (2,217) | n.m. |
| Less: Non-current liabilities | | | | | | |
| Loans and borrowings | 8,305 | 11,140 | (25.4) | 107 | 749 | (85.7) |
| Deferred tax liabilities | 3,787 | 3,930 | (3.6) | 627 | 627 | - |
| | 12,092 | 15,070 | (19.8) | 734 | 1,376 | (47) |
| Net assets | 235,704 | 237,612 | (0.8) | 249,011 | 246,671 | 0.9 |
| Equity attributable to equity holders of the Company | | | | | | |
| Share capital | 270,840 | 270,831 | - | 270,840 | 270,831 | 0.0 |
| Reserves | (35,136) | (33,219) | 5.8 | (21,829) | (24,160) | (9.6) |
| Total equity | 235,704 | 237,612 | (0.8) | 249,011 | 246,671 | 0.9 |

(1) The figures were restated due to Purchase Price Allocation in accordance with FRS 103 (R) Business Combinations following the acquisition of Akciju Sabiedriba ATEC and ATEC of Sweden AB on Aug 2011.

1(b)(ii) **Aggregate amount of group's borrowings and debt securities****Amount repayable in one year or less, or on demand**

| As at 30.06.2012 | | As at 31.12.2011 | |
|------------------|-----------|------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 4,313 | 46,086 | 6,638 | 40,970 |

Amount repayable after one year

| As at 30.06.2012 | | As at 31.12.2011 | |
|------------------|-----------|------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 2,181 | 6,124 | 3,600 | 7,540 |

Details of any collateral

Collateral for secured borrowings is as follows:

- Sunningdale Innovative Technology (Tianjin) Co Ltd's loan of S\$1.6 mil (31.12.2011: S\$1.6mil) is secured by cash and bank balances of the same amount of another subsidiary company.
- Short term loan S\$0 mil (31.12.2011 : bank overdraft S\$1.9mil) booked by UFE Pte Ltd is secured by a legal mortgage over the leasehold property. The mortgage had been discharged as at 30.06.12.
- The term loan and finance lease of S\$0.9 mil (31.12.2011: S\$1.5mil) booked by Akciju Sabiedriba ATEC is secured by certain fixed assets of said subsidiary.
- The finance lease of S\$4.0 mil (31.12.2011: S\$5.3mil) booked by ATEC of Sweden AB is secured by certain fixed assets of said subsidiary.

Certain borrowings of the subsidiaries are secured by corporate guarantees of the Company but 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 second quarter ended 30 June 2012

| (In Singapore dollars) | Apr-Jun 2012 \$'000 | Apr-Jun 2011 \$'000 | Jan-Jun 2012 \$'000 | Jan-Jun 2011 \$'000 |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| Cash flows from operating activities: | | | | |
| Profit before tax from continuing operations | 3,181 | 3,153 | 7,444 | 6,063 |
| Adjustments for: | | | | |
| Depreciation of property, plant and equipment | 6,776 | 5,747 | 13,416 | 11,672 |
| (Gain)/Loss on disposal of property, plant and equipment | (474) | 12 | (471) | (12) |
| Property, plant and equipment written off | 9 | 3 | 20 | 5 |
| Amortisation of Intangible assets | 550 | - | 550 | - |
| Write-back for doubtful debts | (72) | (54) | (66) | (175) |
| Bad debts written off | 3 | 92 | 3 | 92 |
| Impairment allowance/(write-back) for inventories obsolescence/foreseeable losses | 32 | (463) | 235 | (65) |
| Employee share award expenses | 209 | 224 | 420 | 447 |
| Interest expense | 421 | 406 | 898 | 833 |
| Interest income | (51) | (57) | (93) | (96) |
| Currency realignment | (84) | 156 | (902) | (76) |
| Operating cashflows before changes in working capital | 10,500 | 9,219 | 21,454 | 18,688 |
| Increase in inventories | (5,671) | (1,273) | (88) | (1,162) |
| (Increase)/decrease in trade and other receivables | (3,436) | 1,254 | 1,707 | (442) |
| Decrease/(increase) in prepayments | 424 | (495) | 218 | (187) |
| Increase/(decrease) in trade and other payables | 9,478 | (2,412) | (4,764) | 1,193 |
| Cash flows generated from operations | 11,295 | 6,293 | 18,527 | 18,090 |
| Interest paid | (421) | (406) | (898) | (833) |
| Interest received | 51 | 57 | 93 | 96 |
| Income tax paid | (3,738) | (806) | (4,653) | (4,826) |
| Net cash from operating activities | 7,187 | 5,138 | 13,069 | 12,527 |
| Cash flows from investing activities: | | | | |
| Purchase of property, plant and equipment | (6,739) | (4,910) | (9,923) | (10,512) |
| Net proceeds from disposal of property, plant and equipment | 537 | - | 573 | 36 |
| Acquisition of subsidiary, net of cash acquired | - | - | - | (2,549) |
| Net cash used in investing activities | (6,202) | (4,910) | (9,350) | (13,025) |
| Cash flows from financing activities: | | | | |
| Proceeds from loans and borrowings | 2,959 | 2,637 | 6,959 | 8,786 |
| Repayment of loans and borrowings | (1,942) | (3,491) | (4,767) | (14,249) |
| Dividends paid to shareholders | (4,512) | (4,478) | (4,512) | (4,478) |
| Net cash used in financing activities | (3,495) | (5,332) | (2,320) | (9,941) |
| Net (decrease)/increase in cash and cash equivalents | (2,510) | (5,104) | 1,399 | (10,439) |
| Cash and cash equivalents at beginning of period | 48,910 | 68,277 | 45,651 | 75,169 |
| Effects of exchange rate changes on opening cash and cash equivalent | 228 | (894) | (422) | (2,451) |
| Cash and cash equivalents at end of period | 46,628 | 62,279 | 46,628 | 62,279 |
| Note: | | | | |
| | 30.06.2012 | 31.12.2011 | 30.06.2011 | 31.12.2010 |
| Cash & cash at bank | 48,252 | 49,160 | 65,598 | 76,743 |
| Less: Bank overdraft | - | (1,874) | (1,789) | - |
| Less: Bank balances pledged | (1,624) | (1,635) | (1,530) | (1,574) |
| Cash & cash equivalents | 46,628 | 45,651 | 62,279 | 75,169 |
| | 31.03.2012 | 31.03.2011 | | |
| Cash & cash at bank | 50,514 | 71,690 | | |
| Less: Bank overdraft | - | (1,871) | | |
| Less: Bank balances pledged | (1,604) | (1,542) | | |
| Cash & cash equivalents | 48,910 | 68,277 | | |

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 second quarter ended 30 June 2012

(In Singapore dollars)

| Group | Attributable to owners of the company | | | | Total \$'000 |
|--|---------------------------------------|--------------------------------|---|----------------------------|-----------------|
| | Share Capital \$'000 | Retained Earnings \$'000 | Foreign Currency Translation Reserve \$'000 | Other Reserve \$'000 | |
| Balance at 01.01.2011 | 270,068 | (17,393) | (12,795) | 7,418 | 247,298 |
| Profit from continuing operations, net of tax | - | 2,019 | - | - | 2,019 |
| <u>Other comprehensive income</u> | | | | | |
| Foreign currency translation | - | - | (3,271) | (87) | (3,358) |
| <u>Contributions by and distributions to owners</u> | | | | | |
| Grant of equity-settled share awards to employees | - | - | - | 223 | 223 |
| Issue of share under share awards | 151 | - | - | (151) | - |
| Total transactions with owners in their capacity as owners | 270,219 | (15,374) | (16,066) | 7,403 | 246,182 |
| Balance at 31.03.2011 | 270,219 | (15,374) | (16,066) | 7,403 | 246,182 |
| Profit from continuing operations, net of tax | - | 2,009 | - | - | 2,009 |
| <u>Other comprehensive income</u> | | | | | |
| Foreign currency translation | - | - | (1,945) | (33) | (1,978) |
| <u>Contributions by and distributions to owners</u> | | | | | |
| Grant of equity-settled share awards to employees | - | - | - | 224 | 224 |
| Transfer from statutory reserve | - | 1 | - | (1) | - |
| Dividends Paid | - | (4,478) | - | - | (4,478) |
| Total transactions with owners in their capacity as owners | 270,219 | (17,842) | (18,011) | 7,593 | 241,959 |
| Balance at 30.06.2011 | 270,219 | (17,842) | (18,011) | 7,593 | 241,959 |
| Balance at 01.01.2012, ⁽¹⁾Restated | 270,831 | (34,183) | (7,105) | 8,069 | 237,612 |
| Profit from continuing operations, net of tax | - | 3,305 | - | - | 3,305 |
| <u>Other comprehensive income</u> | | | | | |
| Foreign currency translation | - | - | (2,546) | (69) | (2,615) |
| <u>Contributions by and distributions to owners</u> | | | | | |
| Grant of equity-settled share awards to employees | - | - | - | 211 | 211 |
| Total transactions with owners in their capacity as owners | 270,831 | (30,878) | (9,651) | 8,211 | 238,513 |
| Balance at 31.03.2012 | 270,831 | (30,878) | (9,651) | 8,211 | 238,513 |
| Profit from continuing operations, net of tax | - | 2,202 | - | - | 2,202 |
| <u>Other comprehensive income</u> | | | | | |
| Foreign currency translation | - | - | (760) | 52 | (708) |
| <u>Contributions by and distributions to owners</u> | | | | | |
| Grant of equity-settled share awards to employees | - | - | - | 209 | 209 |
| Issue of share under share awards | 9 | - | - | (9) | (0) |
| Dividends paid | - | (4,512) | - | - | (4,512) |
| Total transactions with owners in their capacity as owners | 270,840 | (33,188) | (10,411) | 8,463 | 235,704 |
| Balance at 30.06.2012 | 270,840 | (33,188) | (10,411) | 8,463 | 235,704 |

(1) The figures were restated due to Purchase Price Allocation in accordance with FRS 103 (R) Business Combinations following the acquisition of Akciju Sabiedriba ATEC and ATEC of Sweden AB on Aug 2011.

| Company | Share Capital \$'000 | Retained Earnings \$'000 | Other Reserve \$'000 | Total \$'000 |
|--|----------------------------|--------------------------------|----------------------------|-----------------|
| Balance at 01.01.2012 | 270,831 | (25,213) | 1,053 | 246,671 |
| Profit from continuing operations, net of tax | - | 2,471 | - | 2,471 |
| <u>Contributions by and distributions to owners</u> | | | | |
| Grant of equity-settled share awards to employees | - | - | 211 | 211 |
| Total transactions with owners in their capacity as owners | 270,831 | (22,742) | 1,264 | 249,353 |
| Balance at 31.03.2012 | 270,831 | (22,742) | 1,264 | 249,353 |
| Profit from continuing operations, net of tax | - | 3,961 | - | 3,961 |
| <u>Other comprehensive income</u> | | | | |
| Foreign currency translation | - | - | - | - |
| <u>Contributions by and distributions to owners</u> | | | | |
| Grant of equity-settled share awards to employees | - | - | 209 | 209 |
| Issue of share under share awards | 9 | - | (9) | (0) |
| Dividends paid | - | (4,512) | - | (4,512) |
| Total transactions with owners in their capacity as owners | 270,840 | (23,293) | 1,464 | 249,011 |
| Balance at 30.06.2012 | 270,840 | (23,293) | 1,464 | 249,011 |

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 31.12.2011 | 751,898,893 |
| Issue of shares to employees under STL RSP in April 2012 | 157,500 |
| Balance as at 30.06.2012 | 752,056,393 |

As at 30.06.2012, the share capital of the Company comprised 752,056,393 shares

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The Company does not have treasury shares as at 30.06.2012 (as at 31.12.11 : nil)

1(d)(iv) A Statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There was no sales, transfers, disposal, cancellation and/or use of treasury shares as at 30.06.12

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

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 31.12.2011 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 01.01.2012.

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 12 | 2nd Qtr 11 | 1st Half 12 | 1st Half 11 |
| Earnings per ordinary share (EPS) for the period based on net profit attributable to shareholders | | | | |
| (a) on weighted average number of ordinary shares (cents) | 0.29 | 0.27 | 0.73 | 0.54 |
| (b) on a fully diluted basis (cents) | 0.28 | 0.26 | 0.71 | 0.53 |

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 752,049,470 and 751,974,597 (2Q11: 746,281,893, 1H11: 746,264,738) for the 2nd quarter ended 30.06.2012 and half year ended 30.06.2012 respectively.

Earnings per ordinary share (diluted basis) 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 30.06.2012. The adjusted weighted average number of ordinary shares is 773,129,305 and 773,189,349 (2Q11: 766,038,393, 1H11: 766,012,702) for 2nd quarter ended 30.06.2012 and half year ended 30.06.2012 respectively.

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

| | Group | | Company | |
|---|-------------|-------------|-------------|-------------|
| | At 30.06.12 | At 31.12.11 | At 30.06.12 | At 31.12.11 |
| 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) | 31.34 | 31.65 | 33.11 | 32.81 |

| | Group | | Company | |
|--|-------------|-------------|-------------|-------------|
| | At 30.06.12 | At 31.12.11 | At 30.06.12 | At 31.12.11 |
| 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) | 29.38 | 29.62 | 33.11 | 32.81 |

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 and 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 - June 2012 ("2Q12 ")

The Group's revenue increased 4.7% from \$101.7 million in 2Q11 to \$106.4 million in 2Q12. The major contributors to this increase were the Consumer/IT and Healthcare business segments, partially offset by the Mould Fabrication business segment. Automotive was essentially flat.

| | <u>2Q12</u> | <u>2Q11</u> | + / (-) |
|--------------------------|----------------|----------------|---------|
| | \$'000 | \$'000 | % |
| Automotive | 24,297 | 24,624 | (1.3) |
| Consumer/IT [#] | 51,970 | 41,211 | 26.1 |
| Healthcare | 7,317 | 6,368 | 14.9 |
| Mould Fabrication | <u>22,826</u> | <u>29,451</u> | (22.5) |
| | <u>106,410</u> | <u>101,654</u> | 4.7 |

([#] 2Q12 figures include the revenue of \$11.7 million contributed from the companies which were acquired in Europe on 22 August 11).

During the period, gross profit decreased 10.1% from \$13.4 million in 2Q11 to \$12.1 million in 2Q12. Gross margin for 2Q12 was 11.3% compared to 13.2% in 2Q11. The reduction in gross margin was due to changes in product mix and increased labor costs.

Other income increased from \$0.5 million to \$1.1 million, primarily due to a gain on disposal of property, plant and equipment.

Other expenses decreased from \$1.8 million to \$1.0 million. There was a foreign exchange loss of \$1.4 million in 2Q11. In 2Q12, the Group had an exchange gain of \$33,000 which was offset by the amortization of intangible assets of \$550,000.

The Group achieved a net profit of \$2.2 million in 2Q12 as compared to \$2.0 million in 2Q11. Excluding the effect of foreign exchange fluctuations and amortization of intangible assets, the Group's net profit for 2Q12 maintained at \$2.7 million as compared to \$3.4 million in 2Q11.

CONSOLIDATED BALANCE SHEET

The comparative figures as at 31 December 2011 were restated due to purchase price allocation in accordance with FRS 103 (R) Business Combinations following the acquisition of Akciju Sabiedriba ATEC and ATEC of Sweden AB in Aug 2011.

The Group's property, plant and equipment were at \$158.4 million as at 30 June 2012 as compared to \$164.4 million as at 31 December 2011. The decrease was due to the depreciation charge of \$6.8 million (2Q11: \$5.7 million) partially offset by the acquisition of certain machines and equipment.

The decrease in intangible assets was due to allocation to property, plant and equipment and deferred tax liability as the result of the purchase price allocation mentioned above.

The decrease in bank overdrafts was due to the restructuring of the financing to a short term loan.

The decrease in tax payable was due to payments for previous years.

The Group maintained a cash balance of \$48.3 million as at 30 June 2012 (31 December 2011: \$49.2 million) resulting in net debt of \$10.5 million (31 December 11: \$9.6 million).

CONSOLIDATED CASHFLOW STATEMENT

April - June 2012 ("2Q12")

Net cash generated from operating activities was \$7.2 million for 2Q12, compared to \$5.1 million for 2Q11. Net cash used in investing activities was \$6.2 million for 2Q12 as compared to \$4.9 million in 2Q11 due to payment made for property, plant and equipment. Net cash generated used in financing activities for 2Q12 was \$3.5 million compared to \$5.3 million in 2Q11.

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 significant trends and 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 overall business outlook remains challenging with on-going Europe's debt crisis, China's slow growth and US's slow economic recovery. Pricing pressure from customers remains intense, coupled with significant increase in China labour costs continue to squeeze margins.

Automotive business remains flat. Several old projects will come to end of life but will be replaced by several big newly won global projects which will start mass production in next one to two years. Consumer/IT business also remains flat. One major customer has changed their supply strategy but strong orders from other existing customers and new customers have compensated for the gap. Healthcare business remains fastest growing segment. Our Europe operations will start mass production towards end of 3Q for one of our customers that we currently serve in Asia. Tooling business orders have slowed down due to one major customer that has changed their supply chain strategy, coupled with weak export orders in Automotive segment.

Although there are many challenges ahead in the global business environment, the management remains confident due to strong business fundamentals that have been built over the years.

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/recommended, a statement to that effect

Not Applicable

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

| | 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) |
|----------------------------------|---|--|
| | 2Q12 \$'000 | 2Q12 \$'000 |
| Zing Precision Manufacturing Ltd | 92 | - |
| Total | 92 | - |

BY ORDER OF THE BOARD

KHOO BOO HOR
Executive Director &
Chief Executive Officer

13 August 2012

14 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 second quarter 2012 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