



Financial Statement Announcement for the First Quarter Ended 31 March 2013

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 first quarter ended 31 March 2013. These figures have not been audited or reviewed.

(In Singapore dollars)	Jan-Mar 2013 \$'000	⁽¹⁾ Restated Jan-Mar 2012 \$'000	+ / (-) %
Revenue	110,066	110,629	(0.5)
Cost of sales	(98,277)	(97,314)	1.0
Gross Profit	11,789	13,315	(11.5)
Other items of income			
Interest income	93	42	n.m.
Other income	719	898	(19.9)
Other items of expense			
Marketing and distribution	(2,255)	(2,250)	0.2
Administrative expenses	(6,418)	(6,597)	(2.7)
Other expenses	(375)	(980)	(61.7)
Finance costs	(390)	(477)	(18.2)
Profit before tax from continuing operations	3,163	3,951	(19.9)
Income tax expense	(850)	(910)	(6.6)
Profit from continuing operations, net of tax	2,313	3,041	(23.9)
Profit attributable to:			
Owners of the parent	2,313	3,041	(23.9)

(1) The figures were restated due to the completion of the Purchase Price Allocation exercise in accordance with FRS 103 (R) Business Combinations following the acquisition of AS Sunningdale Tech Latvia (formerly known as Akciju Sabiedriba ATEC) and ATEC of Sweden AB on Aug 2011. The profit and loss was previously adjusted in 2Q12 and 1H12.

Consolidated Statement of comprehensive income for the first quarter ended 31 March 2013. These figures have not been audited or reviewed.

Profit net of tax	2,313	3,041	(23.9)
Other comprehensive income / (loss)			
Foreign currency translation	5,266	(2,615)	n.m.
Other comprehensive income / (loss) for the period, net of tax	5,266	(2,615)	n.m.
Total comprehensive income for the period	7,579	426	n.m.
Total comprehensive income attributable to:			
Owners of the Company	7,579	426	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):-

	Jan-Mar 2013 \$'000	⁽¹⁾ Restated Jan-Mar 2012 \$'000	+ / (-) %
Depreciation of property, plant and equipment	6,495	6,677	(2.7)
Impairment allowance for doubtful debts	-	6	n.m.
Impairment allowance for inventories obsolescence/foreseeable losses	131	203	(35.5)
Foreign exchange (gain) / loss	(221)	422	n.m.
Amortisation of Intangible assets	218	275	(20.7)
Property, plant and equipment written off	17	11	54.5
(Gain) / loss on disposal of property, plant and equipment	(14)	3	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		
	31.03.13 \$'000	31.12.12 \$'000	+ / (-) %	31.03.13 \$'000	31.12.12 \$'000	+ / (-) %
Non-current assets						
Property, plant and equipment	148,086	147,553	0.4	5,646	5,893	(4.2)
Investment properties	-	-	n.m.	-	-	n.m.
Intangible assets	13,958	14,176	(1.5)	-	-	n.m.
Other investments	1	1	-	-	-	n.m.
Investment in subsidiaries	-	-	n.m.	243,700	243,700	-
Deferred tax assets	662	715	(7.4)	-	-	n.m.
	<u>162,707</u>	<u>162,445</u>	<u>0.2</u>	<u>249,346</u>	<u>249,593</u>	<u>(0.1)</u>
Current assets						
Inventories	86,452	82,199	5.2	7,737	5,755	34.4
Trade and other receivables	104,822	98,626	6.3	65,902	58,615	12.4
Prepayments	3,415	2,904	17.6	241	89	n.m.
Cash and short term deposits	47,090	52,716	(10.7)	1,711	1,885	(9.2)
	<u>241,779</u>	<u>236,445</u>	<u>2.3</u>	<u>75,591</u>	<u>66,344</u>	<u>13.9</u>
Less: Current liabilities						
Trade and other payables	92,860	97,487	(4.7)	53,127	49,547	7.2
Loans and borrowings	55,149	51,007	8.1	16,137	11,786	36.9
Tax payable	5,210	6,047	(13.8)	1,251	1,251	-
	<u>153,219</u>	<u>154,541</u>	<u>(0.9)</u>	<u>70,515</u>	<u>62,584</u>	<u>12.7</u>
Net current assets	88,560	81,904	8.1	5,076	3,760	35.0
Less: Non-current liabilities						
Loans and borrowings	6,781	7,565	(10.4)	-	-	n.m.
Deferred tax liabilities	3,158	3,244	(2.7)	627	627	-
	<u>9,939</u>	<u>10,809</u>	<u>(8.0)</u>	<u>627</u>	<u>627</u>	<u>-</u>
Net assets	241,328	233,540	3.3	253,795	252,726	0.4
Equity attributable to equity holders of the Company						
Share capital	271,529	271,529	-	271,529	271,529	-
Reserves	(30,201)	(37,989)	(20.5)	(17,734)	(18,803)	(5.7)
Total equity	241,328	233,540	3.3	253,795	252,726	0.4

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

Amount repayable in one year or less, or on demand

As at 31.03.13		As at 31.12.2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
3,773	51,376	3,874	47,133

Amount repayable after one year

As at 31.03.13		As at 31.12.2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
787	5,994	1,429	6,136

Details of any collateral

Collateral for secured borrowings is as follows:

- Sunningdale Innovative Technology (Tianjin) Co Ltd's loan of S\$1.6 mil (31.12.2012: S\$1.6mil) is secured by cash and bank balances of the same amount of another subsidiary company.
- The term loan and finance lease of S\$0.2 mil (31.12.2012: S\$0.4 mil) booked by AS Sunningdale Tech Latvia is secured by certain fixed assets of said subsidiary.
- The finance lease of S\$2.8 mil (31.12.2012: S\$3.3mil) 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 first quarter ended 31 March 2013

(In Singapore dollars)	Jan-Mar 2013 \$'000	Jan-Mar 2012 \$'000
Cash flows from operating activities:		
Profit before tax from continuing operations	3,163	3,951
Adjustments for:		
Depreciation of property, plant and equipment	6,495	6,677
(Gain) / loss on disposal of property, plant and equipment	(14)	3
Property, plant and equipment written off	17	11
Amortisation of Intangible assets	218	275
Impairment allowance for doubtful debts	-	6
Impairment allowance for inventories obsolescence/foreseeable losses	131	203
Employee share award expenses	209	211
Interest expense	390	477
Interest income	(93)	(42)
Currency realignment	929	(818)
Operating cashflows before changes in working capital	11,445	10,954
(Increase) / decrease in inventories	(4,384)	5,583
(Increase) / decrease in trade and other receivables	(4,589)	5,143
Increase in prepayments	(511)	(206)
Decrease in trade and other payables	(6,891)	(14,242)
Cash flows (used in) / generated from operations	(4,930)	7,232
Interest paid	(390)	(477)
Interest received	93	42
Income tax paid	(1,796)	(915)
Net cash (used in) / generated from operating activities	(7,023)	5,882
Cash flows from investing activities:		
Purchase of property, plant and equipment	(2,764)	(3,184)
Net proceeds from disposal of property, plant and equipment	44	36
Net cash used in investing activities	(2,720)	(3,148)
Cash flows from financing activities:		
Proceeds from loans and borrowings	4,411	4,000
Repayment of loans and borrowings	(1,417)	(2,825)
Net cash generated from financing activities	2,994	1,175
Net (decrease) / increase in cash and cash equivalents	(6,749)	3,909
Cash and cash equivalents at beginning of period	51,166	45,651
Effects of exchange rate changes on opening cash and cash equivalent	1,079	(650)
Cash and cash equivalents at end of period	45,496	48,910

Note:

	31.03.2013	31.12.2012	31.03.2012	31.12.2011
Cash & cash at bank	47,090	52,716	50,514	49,160
Less: Bank overdraft	-	-	-	(1,874)
Less: Bank balances pledged	(1,594)	(1,550)	(1,604)	(1,635)
Cash & cash equivalents	45,496	51,166	48,910	45,651

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 2013

(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 01.01.2012	270,831	(34,183)	(7,105)	8,069	237,612
Profit from continuing operations, net of tax, (restated)	-	3,041	-	-	3,041
<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
Issue of share under share awards	-	-	-	-	-
Total transactions with owners in their capacity as owners	270,831	(31,142)	(9,651)	8,211	238,249
Balance at 31.03.2012	270,831	(31,142)	(9,651)	8,211	238,249
Balance at 01.01.2013	271,529	(29,350)	(16,835)	8,196	233,540
Profit from continuing operations, net of tax	-	2,313	-	-	2,313
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	5,128	138	5,266
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	209	209
Total transactions with owners in their capacity as owners	271,529	(27,037)	(11,707)	8,543	241,328
Balance at 31.03.2013	271,529	(27,037)	(11,707)	8,543	241,328

(In Singapore dollars)

Company	Share Capital \$'000	Retained Earnings \$'000	Other Reserve \$'000	Total \$'000
	Balance at 01.01.2012	270,831	(25,213)	1,053
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
Balance at 01.01.2013	271,529	(20,007)	1,204	252,726
Profit from continuing operations, net of tax	-	860	-	860
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	209	209
Total transactions with owners in their capacity as owners	271,529	(19,147)	1,413	253,795
Balance at 31.03.2013	271,529	(19,147)	1,413	253,795

- 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 31.12.2012	758,156,393
Balance as at 31.03.2013	758,156,393

As at 31.03.2013, the share capital of the Company comprised 758,156,393 shares.

The number of shares that may be issued on conversion of share awards as at 31 March 2013 was 20,314,000 shares (31 March 2012: 21,075,000).

- 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 31.03.2013 (as at 31.12.12 : 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 31.03.13

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 31.12.2012 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 01.01.2013.

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 2013	1st Qtr 2012 Restated
Earnings per ordinary share (EPS) for the period based on net profit attributable to		
(a) on weighted average number of ordinary shares (cents)	0.31	0.40
(b) on a fully diluted basis (cents)	0.30	0.39

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 758,156,393 (1Q12: 751,898,893) for the 1st quarter ended 31.03.2013.

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 31.03.2013. The adjusted weighted average number of ordinary shares is 780,280,060 (1Q12: 773,250,060) for 1st quarter ended 31.03.2013.

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

Net asset value per ordinary share	Group		Company	
	At 31.03.13	At 31.12.12	At 31.03.13	At 31.12.12
Net asset value per ordinary share based on existing issued share capital as at the end of period (cents)	31.83	30.80	33.48	33.33

Net tangible asset value per ordinary share	Group		Company	
	At 31.03.13	At 31.12.12	At 31.03.13	At 31.12.12
Net tangible asset value per ordinary share based on existing issued share capital as at the end of period (cents)	29.99	28.93	33.48	33.33

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

January – March 2013 (“1Q13”)

The Group's revenue decreased marginally by 0.5% from \$110.6 million in 1Q12 to \$110.1 million in 1Q13. The decrease in revenue was from the Automotive and Mould Fabrication segments, partially offset by growth in the Healthcare business segment.

The decline in Automotive was mainly due to lower orders from Europe OEMs and was a direct result of the slow outlook in the European economy. The decline in Mould Fabrication was due to the fact that more tools were closed last year in 1Q12. The increase from the Healthcare business segment was due to our new plant in Latvia, which started mass production towards the end of 4Q12 and added further capacity in March 2013.

	1Q13	1Q12	+ / (-)
	\$'000	\$'000	%
Automotive	24,205	25,456	(4.9)
Consumer/IT	50,429	50,705	(0.5)
Healthcare	8,892	6,982	27.4
Mould Fabrication	26,540	27,486	(3.4)
	<u>110,066</u>	<u>110,629</u>	(0.5)

During the period, gross profit decreased by 11.5% from \$13.3 million in 1Q12 to \$11.8 million in 1Q13. Gross margin for 1Q13 was 10.7% compared to 12.0% in 1Q12. The reduction in gross margin was due to lower capacity utilization, product mix and increase in staff costs.

The decrease in other expenses was mainly due to foreign exchange loss of \$0.4 million in 1Q12 as compared to foreign exchange gain of \$0.2 million in 1Q13.

The lower finance costs were mainly due to repayment of certain loans and lower interest rates.

The Group achieved a net profit of \$2.3 million compared to \$3.0 million in 1Q12.

CONSOLIDATED BALANCE SHEET

The Group's property, plant and equipment were at \$148.1 million as at 31 March 2013 compared to \$147.6 million as at 31 December 2012. During the quarter, the Group incurred \$3.4 million in capital expenditure for machineries. Property, plant and equipment was stated net of \$6.5 million (1Q12: \$6.7 million) in depreciation charges incurred during the quarter.

The increase in trade and other receivable was mainly due to delay in collections from certain customers as the last day of March 2013 fell on a weekend.

The decrease in tax payable was due to payments made.

The Group maintained a cash balance of \$47.1 million as at 31 March 2013 (31 December 2012: \$52.7 million) resulting in net debt of \$14.8 million (31 December 12: \$5.9 million) mainly due to payment for property, plant and equipment, income tax and the delay in collections as explained above.

CONSOLIDATED CASHFLOW STATEMENT

January - March 2013 (“1Q13”)

Net cash used in operating activities was \$7.0 million for 1Q13, compared to net cash generated from operating activities of \$5.9 million for 1Q12 due to payments of suppliers and income tax and delay in the collections from certain customers as the last day of March 2013 fell on a weekend and increase in inventories. Net cash used in investing activities was \$2.7 million for 1Q13 compared to \$3.1 million in 1Q12. Net cash generated from financing activities for 1Q13 was \$3.0 million compared to \$1.2 million in 1Q12.

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

Little has changed over the last quarter. The business environment remains challenging in Europe, and while there is some growth in the US and China, it has been slower than in the past. This year's significant minimum wage increase in Malaysia and continuous rising costs in China, two countries where we have large operations, and pricing pressure from customers due to competition will continue to squeeze our margins.

In our Automotive business segment, our European customers have completed adjusting down their inventories in the pipeline and we expect a lower but more stable demand for the rest of the year. We are busy with new programs, but mass production will begin only in 1H2014.

In our consumer/IT business segment, our intensified effort to develop new customers for one of our large operations, where revenue fell significantly in 2012 when a major customer changed their supply chain strategy, has paid off. Revenue from new customers was able to partially close the gap. Other plants remain stable and busy.

The Healthcare business growth momentum will continue for the rest of 2013. All our Healthcare plants remain very busy. Our European plant has also successfully increased the capacity in Q2 2013.

Despite the challenges ahead, the management team remains optimistic but cautious for the rest of 2013. Our continuous striving for operational excellence, initiative to develop new capabilities and customers for long term sustainability and discipline in adhering to a profitable business model will allow us to remain on course.

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? Yes

Name of Dividend:	Ordinary
Dividend Type	Interim
Dividend Amount per Share (in cents)	0.6 cents per ordinary share
Tax rate	Tax exempt one-tier

(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)
	1Q13 \$'000	1Q13 \$'000
Zing Precision Manufacturing Ltd	3	-
BW Highsonic Industrial Ltd	8	-
Total	<u><u>11</u></u>	<u><u>-</u></u>

The Group does not need to obtain the general mandate from shareholders for IPTs.

BY ORDER OF THE BOARD

KHOO BOO HOR
Executive Director &
Chief Executive Officer

09 May 2013

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 first quarter 2013 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