

Financial Statement Announcement for the Third Quarter Ended 30 September 2015

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 third quarter ended 30 September 2015. These figures have not been audited or reviewed.

(In Singapore dollars)	Jul - Sep 2015 \$'000	Jul - Sep 2014 \$'000	+ / (-) %	Jan - Sep 2015 \$'000	Jan - Sep 2014 \$'000	+ / (-) %
Revenue	176,527	120,464	46.5	496,397	340,626	45.7
Cost of sales	(151,247)	(105,641)	43.2	(429,212)	(297,140)	44.4
Gross Profit	25,280	14,823	70.5	67,185	43,486	54.5
Other items of income						
Interest income	143	78	83.3	365	239	52.7
Other income	11,879	699	n.m	15,966	7,650	n.m.
Other items of expense						
Marketing and distribution	(3,906)	(2,618)	49.2	(11,196)	(7,701)	45.4
Administrative expenses	(12,727)	(7,226)	76.1	(33,275)	(20,665)	61.0
Other expenses	(1,599)	(1,256)	27.3	(3,391)	(3,609)	(6.0)
Finance costs	(1,004)	(317)	n.m.	(2,940)	(977)	n.m.
Share of results of joint venture	79	-	n.m.	562	-	n.m.
Profit before tax	18,145	4,183	n.m.	33,276	18,423	80.6
Income tax expense	(2,264)	(559)	n.m.	(4,342)	(1,908)	n.m.
Profit for the period	15,881	3,624	n.m.	28,934	16,515	75.2
Profit attributable to:						
Owners of the Company	15,881	3,624	n.m.	28,934	16,515	75.2

Consolidated Statement of comprehensive income for the third quarter ended 30 September 2015. These figures have not been audited or reviewed.

Profit net of tax	15,881	3,624	n.m.	28,934	16,515	75.2
Other comprehensive income						
Foreign currency translation	(3,645)	2,256	n.m	(2,599)	(879)	n.m
Share of foreign currency translation of joint venture	200	-	n.m	405	-	n.m
Other comprehensive income for the period, net of tax	(3,445)	2,256	n.m.	(2,194)	(879)	n.m.
Total comprehensive income for the period	12,436	5,880	n.m.	26,740	15,636	71.0
Total comprehensive income attributable to:						
Owners of the Company	12,436	5,880	n.m.	26,740	15,636	71.0

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 is stated after (charging) / crediting:-

	Jul - Sep 2015 \$'000	Jul - Sep 2014 \$'000	+ / (-) %	Jan - Sep 2015 \$'000	Jan - Sep 2014 \$'000	+ / (-) %
Depreciation of property, plant and equipment	(7,951)	(5,709)	39.3	(24,283)	(17,655)	37.5
(Allowance for)/reversal of impairment loss on property, plant and equipment	(466)	19	n.m.	(432)	245	n.m.
Property, plant and equipment written off	(20)	(26)	(23.1)	(119)	(182)	(34.6)
Loss on disposal of a subsidiary	-	-	n.m.	(25)	-	n.m.
Gain on disposal of investment	-	-	n.m.	253	-	n.m.
Gain on disposal of non current assets held for sales	-	-	n.m.	-	5,227	n.m.
(Loss)/gain on disposal of property, plant and equipment	(16)	35	n.m.	(111)	62	n.m.
(Impairment allowance)/Write-back for inventories obsolescence/foreseeable losses	(434)	(355)	22.3	302	174	73.6
Write-back/(impairment allowance) for doubtful debts	124	(14)	n.m.	(61)	(155)	(60.6)
Amortisation of intangible assets	(431)	(112)	n.m.	(1,227)	(336)	n.m.
Foreign exchange gain/(loss)	11,037	(852)	n.m.	12,894	(1,865)	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		
	30.09.15 \$'000	31.12.14 \$'000	+ / (-) %	30.09.15 \$'000	31.12.14 \$'000	+ / (-) %
Non-current assets						
Property, plant and equipment	193,246	193,618	(0.2)	6,470	4,775	35.5
Intangible assets	19,392	20,095	(3.5)	-	-	n.m.
Other investments	8	4	100.0	-	-	n.m.
Investment in subsidiaries	-	-	n.m.	335,220	335,340	(0.0)
Investment in joint venture	5,392	5,186	4.0	-	-	n.m.
Prepayments	404	465	(13.1)	404	465	(13.1)
Deferred tax assets	2,622	2,976	(11.9)	-	-	n.m.
	<u>221,064</u>	<u>222,344</u>	<u>(0.6)</u>	<u>342,094</u>	<u>340,580</u>	<u>0.4</u>
Current assets						
Inventories	110,722	109,186	1.4	4,696	6,531	(28.1)
Trade and other receivables	175,596	158,458	10.8	80,880	88,844	(9.0)
Prepayments	6,271	5,019	24.9	405	241	68.0
Cash and short term deposits	114,147	103,105	10.7	5,934	7,857	(24.5)
	<u>406,736</u>	<u>375,768</u>	<u>8.2</u>	<u>91,915</u>	<u>103,473</u>	<u>(11.2)</u>
Less: Current liabilities						
Bank overdraft	209	-	n.m.	-	-	n.m.
Trade and other payables	159,217	141,747	12.3	75,576	71,255	6.1
Loans and borrowings	80,243	91,594	(12.4)	38,257	45,552	(16.0)
Tax payable	4,900	4,869	0.6	-	-	n.m.
	<u>244,569</u>	<u>238,210</u>	<u>2.67</u>	<u>113,833</u>	<u>116,807</u>	<u>(2.55)</u>
Net current assets / (liabilities)	162,167	137,558	17.9	(21,918)	(13,334)	64.4
Less: Non-current liabilities						
Other Liabilities	1,939	1,272	52.4	-	-	n.m.
Loans and borrowings	48,927	45,426	7.7	41,877	42,000	(0.3)
Deferred tax liabilities	7,192	7,930	(9.3)	-	-	n.m.
	<u>58,058</u>	<u>54,628</u>	<u>6.3</u>	<u>41,877</u>	<u>42,000</u>	<u>(0.3)</u>
Net assets	<u>325,173</u>	<u>305,274</u>	<u>6.5</u>	<u>278,299</u>	<u>285,246</u>	<u>(2.4)</u>
Equity attributable to owners of the Company						
Share capital	298,716	298,716	-	298,716	298,716	-
Reserves	26,457	6,558	n.m.	(20,417)	(13,470)	51.6
Total equity	<u>325,173</u>	<u>305,274</u>	<u>6.5</u>	<u>278,299</u>	<u>285,246</u>	<u>(2.4)</u>

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

Amount repayable in one year or less, or on demand

As at 30.09.2015		As at 31.12.2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
9,218	71,025	8,036	83,558

Amount repayable after one year

As at 30.09.2015		As at 31.12.2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
3	48,924	-	45,426

Details of any collateral

Collateral for secured borrowings is as follows:

- (a) Sunningdale Innovative Technology (Tianjin) Co Ltd's loan of S\$3.1 mil (31.12.2014: S\$2.8mil) is secured by cash and bank balances of the same amount of other subsidiary companies.
- (b) First Engineering (Shanghai) Co Ltd's loan of S\$4.3 mil (31.12.2014: S\$4.1mil) is secured by cash and bank balances of the same amount of other subsidiary companies.
- (c) First Engineering (Guangzhou) Co Ltd's loan S\$nil (31.12.2014: S\$0.9mil) is secured by certain fixed assets of said subsidiary. The charge on the fixed assets has released in November 2015.
- (d) The term loan and finance lease of S\$nil (31.12.2014: S\$0.006mil) booked by AS Sunningdale Tech Latvia is secured by certain fixed assets of said subsidiary.
- (e) The finance lease of S\$nil (31.12.2014: S\$0.2mil) booked by First Engineering (Shanghai) Co Ltd is secured by certain fixed assets of said subsidiary.
- (f) The bank overdraft, finance lease and term loan of S\$ 1.8 mil (31.12.2014: S\$nil) booked by SIA Skan Tooling is secured by net assets of said subsidiary.

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 third quarter ended 30 September 2015

(In Singapore dollars)	Jul - Sep 2015 \$'000	Jul - Sep 2014 \$'000	Jan - Sep 2015 \$'000	Jan - Sep 2014 \$'000
Cash flows from operating activities:				
Profit before tax	18,145	4,183	33,276	18,423
Adjustments for:				
Depreciation of property, plant and equipment	7,951	5,709	24,283	17,655
Allowance for/(Reversal of) impairment on property, plant and equipment	466	(19)	432	(245)
Property, plant and equipment written off	20	26	119	182
Loss on disposal of subsidiaries	-	-	25	-
Gain on disposal of investment	-	-	(253)	-
Gain on disposal of non current assets held for sales	-	-	-	(5,227)
Loss/(gain) on disposal of property, plant and equipment	16	(35)	111	(62)
Impairment allowance/(write back) for inventories obsolescence/foreseeable losses	434	355	(302)	(174)
(Write-back)/impairment allowance for doubtful debts	(124)	14	61	155
Amortisation of intangible assets	431	112	1,227	336
Share of results of joint venture	(79)	-	(562)	-
Employee share award expenses	193	158	577	476
Interest expense	1,004	317	2,940	977
Interest income	(143)	(78)	(365)	(239)
Currency realignment	(3,127)	2,459	(1,083)	(2,009)
Operating cashflows before changes in working capital	25,187	13,201	60,486	30,248
Decrease/(Increase) in inventories	409	2,402	(101)	(7,071)
Increase in trade and other receivables	(7,969)	(1,469)	(16,885)	(1,494)
Increase in prepayments	(185)	(1,511)	(1,152)	(1,595)
Increase / (decrease) in trade and other payables	7,890	(1,785)	13,014	3,977
Cash flows generated from operations	25,332	10,838	55,362	24,065
Interest paid	(1,004)	(317)	(2,940)	(977)
Interest received	143	78	365	239
Income tax paid	(1,538)	(1,127)	(5,198)	(4,587)
Net cash generated from operating activities	22,933	9,472	47,589	18,740
Cash flows from investing activities:				
Purchase of property, plant and equipment	(6,141)	(4,053)	(18,634)	(10,114)
Net proceeds from disposal of non-current asset held for sales	-	-	-	8,996
Net proceeds from disposal of property, plant and equipment	33	21	100	137
Net proceeds from disposal of subsidiary	-	-	2	-
Net proceeds from disposal of investment	-	-	253	-
Dividends income from joint venture	761	-	761	-
Acquisition of subsidiary, net of cash acquired	(2,483)	-	(2,483)	-
Net cash used in investing activities	(7,830)	(4,032)	(20,001)	(981)
Cash flows from financing activities:				
Proceeds from loans and borrowings	3,241	1,876	19,327	2,666
Repayment of loans and borrowings	(6,919)	(414)	(28,517)	(6,442)
Proceeds from issue of shares ^(*)	-	24,902	-	24,902
Increase in bank balances pledged	(1,153)	-	(278)	-
Dividends paid to shareholders	-	-	(7,418)	(5,356)
Net cash (used in) / generated from financing activities	(4,831)	26,364	(16,886)	15,770
Net increase in cash and cash equivalents	10,272	31,804	10,702	33,529
Cash and cash equivalents at beginning of period	96,723	79,140	96,193	76,518
Effects of exchange rate changes on opening cash and cash equivalent	(452)	(781)	(352)	116
Cash and cash equivalents at end of period	106,543	110,163	106,543	110,163
Note:				
	30.09.2015	31.12.2014	30.09.2014	31.12.2013
Cash & cash at bank	114,147	103,105	112,848	79,216
Less: Bank overdraft	(209)	-	-	-
Less: Bank balances pledged	(7,395)	(6,912)	(2,685)	(2,698)
Cash & cash equivalents	106,543	96,193	110,163	76,518
	30.06.2015	30.06.2014		
Cash & cash at bank	102,682	81,776		
Less: Bank overdraft	-	-		
Less: Bank balances pledged	(5,959)	(2,636)		
Cash & cash equivalents	96,723	79,140		

* On 8 July 2014, the Company had issued 153,016,000 shares to 2 investors in respect of the placement agreement signed on 19 June 2014.

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 2015

(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 01.01.2014	272,765	(20,958)	(7,854)	8,733	252,686
Profit for the period	-	8,452	-	-	8,452
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(575)	(14)	(589)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	166	166
Issue of share under share awards	27	-	-	(27)	-
Total transactions with owners in their capacity as owners	<u>272,792</u>	<u>(12,506)</u>	<u>(8,429)</u>	<u>8,858</u>	<u>260,715</u>
Balance at 31.03.2014	272,792	(12,506)	(8,429)	8,858	260,715
Profit for the period	-	4,439	-	-	4,439
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(2,426)	(120)	(2,546)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	152	152
Dividends paid	-	(5,356)	-	-	(5,356)
Total transactions with owners in their capacity as owners	<u>272,792</u>	<u>(13,423)</u>	<u>(10,855)</u>	<u>8,890</u>	<u>257,404</u>
Balance at 30.06.2014	272,792	(13,423)	(10,855)	8,890	257,404
Profit for the period	-	3,624	-	-	3,624
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	2,149	107	2,256
<u>Contributions by and distributions to owners</u>					
Issue of shares ⁽¹⁾	24,902	-	-	-	24,902
Grant of equity-settled share awards to employees	-	-	-	158	158
Total transactions with owners in their capacity as owners	<u>297,694</u>	<u>(9,799)</u>	<u>(8,706)</u>	<u>9,155</u>	<u>288,344</u>
Balance at 30.09.2014	297,694	(9,799)	(8,706)	9,155	288,344
Balance at 01.01.2015	298,716	163	(3,887)	10,282	305,274
Profit for the period	-	7,052	-	-	7,052
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	8,322	557	8,879
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	203	203
Total transactions with owners in their capacity as owners	<u>298,716</u>	<u>7,215</u>	<u>4,435</u>	<u>11,042</u>	<u>321,408</u>
Balance at 31.03.2015	298,716	7,215	4,435	11,042	321,408
Profit for the period	-	6,001	-	-	6,001
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(7,528)	(100)	(7,628)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	181	181
Dividends paid	-	(7,418)	-	-	(7,418)
Total transactions with owners in their capacity as owners	<u>298,716</u>	<u>5,798</u>	<u>(3,093)</u>	<u>11,123</u>	<u>312,544</u>
Balance at 30.06.2015	298,716	5,798	(3,093)	11,123	312,544
Profit for the period	-	15,881	-	-	15,881
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(3,460)	15	(3,445)
<u>Contributions by and distributions to owners</u>					
Grant of equity-settled share awards to employees	-	-	-	193	193
Transfer to statutory reserve	-	(432)	-	432	-
Total transactions with owners in their capacity as owners	<u>298,716</u>	<u>21,247</u>	<u>(6,553)</u>	<u>11,763</u>	<u>325,173</u>
Balance at 30.09.2015	298,716	21,247	(6,553)	11,763	325,173

(In Singapore dollars)

1(d)(i)
(Cont'd)

Company

Attributable to owners of the Company

	Share Capital	Retained Earnings	Other Reserve	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 01.01.2014	272,765	(17,575)	688	255,878
Profit for the period	-	340	-	340
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	166	166
Issue of share under share awards	27	-	(27)	-
Total transactions with owners in their capacity as owners	272,792	(17,235)	827	256,384
Balance at 31.03.2014	272,792	(17,235)	827	256,384
Profit for the period	-	1,461	-	1,461
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	152	152
Dividends paid	-	(5,356)	-	(5,356)
Total transactions with owners in their capacity as owners	272,792	(21,130)	979	252,641
Balance at 30.06.2014	272,792	(21,130)	979	252,641
Profit for the period	-	376	-	376
<u>Contributions by and distributions to owners</u>				
Issue of shares ⁽¹⁾	24,902	-	-	24,902
Grant of equity-settled share awards to employees	-	-	158	158
Total transactions with owners in their capacity as owners	297,694	(20,754)	1,137	278,077
Balance at 30.09.2014	297,694	(20,754)	1,137	278,077
Balance at 01.01.2015	298,716	(14,240)	770	285,246
Profit for the period	-	2,310	-	2,310
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	203	203
Total transactions with owners in their capacity as owners	298,716	(11,930)	973	287,759
Balance at 31.03.2015	298,716	(11,930)	973	287,759
Loss for the period	-	(3,099)	-	(3,099)
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	181	181
Dividends paid	-	(7,418)	-	(7,418)
Total transactions with owners in their capacity as owners	298,716	(22,447)	1,154	277,423
Balance at 30.06.2015	298,716	(22,447)	1,154	277,423
Profit for the period	-	687	-	687
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share awards to employees	-	-	189	189
Total transactions with owners in their capacity as owners	298,716	(21,760)	1,343	278,299
Balance at 30.09.2015	298,716	(21,760)	1,343	278,299

⁽¹⁾ On 8 July 2014, the Company had issued 153,016,000 shares to 2 investors in respect of the placement agreement signed on 19 June 2014.

- 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 31.12.2014 (before share consolidation)	927,324,011
Balance as at 31.12.2014 (after share consolidation)	185,464,536
Balance as at 30.09.2015	185,464,536

The Company completed the shares consolidation which took effect as at 9.00 a.m. on 2 October 2015. The share consolidation exercise was made to facilitate compliance with the continuing listing requirement imposed by SGX-ST for issuers listed on the SGX Mainboard to have a minimum trading price per share of S\$0.20. Under this arrangement, every five (5) Shares were consolidated into one (1) Consolidated Share. The share consolidation does not involve the diminution of any liability in respect of any unpaid capital or the payment to any shareholder of any paid-up capital and has no effect on the equity of the company and the subsidiaries. The number of shares in issue totaling have therefore been converted into 185,464,536 Consolidated Shares. For the earnings per share, because the conversion was without consideration, it is treated as if had occurred before the beginning of 2014, the earliest period presented.

As at 30.09.2015, the share capital of the Company comprised 185,464,536 shares.

The number of shares that may be issued on conversion of share awards as at 30 Sep 2015 was 3,789,800 (31 December 2014: 3,957,800) 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 30.09.2015 (as at 31.12.14 : 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 30.09.2015

- 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 31.12.2014 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 01.01.2015.

- 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		Group	
	3rd Qtr 15	3rd Qtr 14	9mths ended 30.09.15	9mths ended 30.09.14
Earnings per ordinary share (EPS) for the period based on net profit attributable to				
(a) on weighted average number of ordinary shares (cents)	8.56	2.00	15.60	10.16
(b) on a fully diluted basis (cents)	8.39	1.96	15.28	9.92

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 185,464,536 and 185,464,536 (3Q14: 181,290,709, 9 months ended 30.09.14: 162,541,295) for the 3rd quarter ended 30.09.2015 and 9 months ended 30.09.2015 respectively

6 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 30.09.2015. The adjusted weighted average number of ordinary shares is 189,254,336 and 189,365,105 (3Q14: 185,235,276, 9 months ended 30.09.14: 166,527,972) for the 3rd quarter ended 30.09.2015 and 9 months ended 30.09.2015 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	
	30.09.15	31.12.14	30.09.15	31.12.14
Net asset value per ordinary share				
Net asset value per ordinary share based on existing issued share capital as at the end of period (\$)	1.75	1.65	1.50	1.54

	Group		Company	
	30.09.15	31.12.14	30.09.15	31.12.14
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 (\$)	1.65	1.54	1.50	1.54

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

July – September 2015 (“3Q15”)

The Group's revenue increased by 46.5% from \$120.5 million in 3Q14 to \$176.5 million in 3Q15, of which \$49.1 million was contributed by First Engineering Limited Group (“FEL”) which was acquired in November 2014. The strengthening of the US Dollar against Singapore Dollar, Malaysia Ringgit and Chinese Renminbi resulted in an increase of \$4.5 million to the Group's revenue.

Excluding the contribution from FEL, revenue increased by 5.8% to \$127.4 million. The increase in revenue was contributed by all business segments except for Healthcare.

	3Q15 \$'000	3Q14 \$'000	Inc/(Dec) %
Automotive	57,656	28,395	n.m.
Consumer/IT	72,454	53,597	35.2
Healthcare	12,441	9,759	27.5
Mould Fabrication	33,976	28,713	18.3
	<u>176,527</u>	<u>120,464</u>	46.5

During the period, gross profit increased by 70.5% from \$14.8 million in 3Q14 to \$25.3 million in 3Q15. Gross margin for 3Q15 was 14.3% compared to 12.3% in 3Q14 due to the increase in volume and strengthening of the US Dollar.

The increases in marketing and distribution and administrative expenses were mainly due to consolidating FEL.

The increase in other income was due to foreign exchange gains of \$11.0 million as compared to a foreign exchange loss in 3Q14.

The decrease in other expenses was due to foreign exchange losses of \$1.0 million in 3Q14 as compared to a foreign exchange gain in 3Q15 and impairment allowance on property, plant and equipment of \$0.5 million in 3Q15.

The increase in finance costs was mainly due to additional loans obtained for funding the acquisition of FEL.

The Group achieved a net profit of \$15.9 million in 3Q15 compared to \$3.6 million in 3Q14. Excluding the allowance for/reversal of impairment loss on property, plant and equipment, amortization of intangible assets and the foreign exchange gain/loss, the net profit would have been \$5.8 million in 3Q15 as compared to \$4.6 million in 3Q14.

	3Q15 \$'000	3Q14 \$'000
Reported Net Profit	15,881	3,624
Adjustment:		
Allowance for / (reversal of) impairment loss on property, plant and equipment	466	(19)
Amortisation of intangible assets	431	112
Foreign exchange (gain)/loss	(11,037)	852
Adjusted Net Profit	<u>5,741</u>	<u>4,569</u>

CONSOLIDATED BALANCE SHEET

The Group's property, plant and equipment amounted to \$193.2 million as at 30 September 2015 compared to \$193.6 million as at 31 December 2014. The acquisition of SIA Skan Tooling ("Skan Tooling") on 17 September 2015, addition of \$21.3 million in capital expenditure for machineries and depreciation charges of \$24.3 million (9M14: \$17.7 million) were the main components of the change over the last nine months.

The increases in Trade and other receivables and Trade and other payables was in line with increase in Revenue.

The decrease in loans and borrowings was due to repayment of loans and partially offset by the loan assumed in acquiring Skan Tooling.

The Group maintained a cash balance of \$114.1 million as at 30 September 2015 (31 December 2014: \$103.1 million) resulting in net debt of \$15.2 million (31 December 14: \$33.9 million).

CONSOLIDATED CASHFLOW STATEMENTJuly - September 2015 ("3Q15")

Net cash generated from operating activities was \$22.9 million for 3Q15, compared to \$9.5 million for 3Q14. Net cash used in investing activities was \$7.8 million in 3Q15, compared to \$4.0 million in 3Q14 mainly due to payment of capital expenditure and acquisition of Skan Tooling. Net cash used in financing activities was \$4.8 million in 3Q15, compared to net cash generated from financing activities of \$26.4 million in 3Q14 which had proceeds from issue of shares of \$24.9 million.

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 strengthening of the US\$ against our costs, denominated in the currencies of the countries we operate in, has helped to ease some margin pressure. However, we remain cautious about the outlook for the rest of 2015 due to many external factors; a subdued global economic environment, volatile foreign exchange, significant increase in labour costs and intense pricing pressure from customers.

The integration of First Engineering, by and large, has been completed as per plan. We have optimized resources in corporate support and operational functions for higher efficiencies. We have also achieved some results in our cross selling effort for our enlarged group.

The overall order backlog across all business segments remains stable. We continue to receive many new project enquiries, for high precision complex engineering parts. Our global footprint has also been a key strength as customers look for a single supplier for their worldwide needs.

Our effort to accelerate business development to improve our Southern China plant utilization remains a priority for the group. Our new Thailand plant has started mass production as per plan. Our Brazil plant has started mass production for a new customer that will improve the plant utilization. We have also started the construction of our Chuzhou factory and expect it to be ready in 4Q 2016.

Despite the challenging business environment, our focus to drive and shape our long term business to achieve sustainable and higher profitability remains 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? **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.

There is no IPTs for the period under review

BY ORDER OF THE BOARD

KHOO BOO HOR
Executive Director &
Chief Executive Officer

13 November 2015

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 third quarter 2015 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