

ASJ HOLDINGS LIMITED

(Company Registration: 199601740N)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

On 5 March 2014, ASJ Holdings Limited (the “**Company**” or the “**Group**”) was placed on the watch-list pursuant to Listing Rule 1311.

Pursuant to Listing Rule 1313(2), the Board of Directors of the Company wishes to provide the following updates for the first quarter ended 31 March 2014 (“**1Q FY2014**”).

Update on Financial Position

For 1Q FY2014, the Group recorded an unaudited net profit after tax of S\$14,000, compared to a net loss after tax of S\$1.13 million for the same period last year (“**1Q FY2013**”).

The change in the bottom line was mainly due to:

1. The Group’s revenue increased by 27.1% to S\$11.9 million in 1Q FY2014 as compared to S\$9.37 million in 1Q FY2013. Group gross profit margin of 11.5% in 1Q FY2014 was comparably better than the gross profit margin of 6.7% in 1Q FY2013, and in absolute terms, there was an increase of S\$0.75 million in gross profit.
2. The Group recorded an exchange gain of S\$62,000 in 1Q FY2014 as compared to an exchange loss of S\$171,000 in 1Q FY2013.
3. Group operating expenses, which include selling, general and administrative and finance expenses reduced by 5.5% to S\$1.55 million in 1Q FY2014, as compared to 1Q FY2013 of S\$1.64 million.

Update on Future Direction

Moving ahead, the capacity utilisation for manufacturing segment is expected to improve as a result of contracts secured with key overseas distributor partners. The Group will maintain focus on its core businesses while improving our work processes and cost structure. We will also explore new business opportunities to improve the growth for the distribution segment in FY2014.

BY ORDER OF THE BOARD

ASJ Holdings Limited

Tan Swee Gek

Company Secretary

29 April 2014