JADASON ENTERPRISES LTD
(Registration No. 199003898K)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF SGX-ST LISTING MANUAL

Jadason Enterprises Ltd (the 'Company') has been placed on the watch-list with effect from 4 March 2015, pursuant to Rule 1311 of the SGX-ST Listing Manual.

In accordance with Rule 1313(2) of the SGX-ST Listing Manual, the Board of Directors of the Company would like to provide the following quarterly update on the Company, together with its subsidiaries (collectively, the 'Group').

Update on Financial Situation

The Group has released its financial statement for the quarter and nine months period ended 30 September 2015 on 6 November 2015. Shareholders should refer to the announcement for further details.

At 30 September 2015, the Group had cash and cash equivalents of S$36.8 million (31 December 2014: S$35.4 million). Net cash, defined by cash and cash equivalents less bank borrowings and leasing obligations, was S$18.1 million at 30 September 2015 (31 December 2014: S$12.2 million). At 30 September 2015, net current assets of the Group amounted to S$45.0 million (31 December 2014: S$45.0 million).

Revenue for the quarter ended 30 September 2015 ("3Q 2015") was S$14.7 million, a decrease of 41% compared with that of the same period last year. The Group posted a net loss of S$19.8 million for 3Q 2015, compared with a net loss of S$1.3 million for 3Q 2014. Compared with 3Q 2014, the Group saw weaker performance from both its Equipment and Supplies and Manufacturing and Support Services businesses. In 3Q 2015, the Group recognized an impairment loss of plant and equipment of S$14.0 million due mainly to idle assets in its Manufacturing and Support Services business, as weak demand persists for printed circuit board ("PCB") drilling and PCB mass lamination services in China. The Group also recorded an allowance for inventory obsolescence of S$1.9 million, in the light of low demand experienced in its business segments.

Revenue for the nine months period ended 30 September 2015 ("9M 2015") decreased by 21% to S$50.3 million, compared with 9M 2014. The net loss for 9M 2015 was S$25.2 million, compared with a net loss of S$2.1 million for 9M 2014. In 9M 2015, the Group's plants in China which are engaged in the provision of manufacturing and support services experienced weak demand from customers who have exposure to mobile services infrastructure equipment and mobile devices. The results for 9M 2015 were also significantly impacted by the impairment loss of plant and equipment and allowance for inventory obsolescence as described in the paragraph above.

Update on Future Direction

The economic slowdown in China will continue to adversely affect the printed circuit board industry. There is a lack of visibility in business prospects in the near term, and the Group expects a challenging environment for both its 'Equipment and Supplies' and 'Manufacturing and Support Services' business segments.

The Group will continue its efforts in managing costs and improving operational efficiency in its existing core businesses. Management will look into the feasibility of introducing more advanced automation equipment in the facilities to reduce headcount and cost.

Supported by adequate financial resources, the Group will also continue to explore new growth opportunities based on its existing competencies.

By Order of the Board

Fung Chi Wai
Chief Executive Officer
6 November 2015