

JADASON ENTERPRISES LTD
(Registration No. 199003898K)

QUARTERLY UPDATE PURSUANT TO LISTING RULE 1313(2)

Jadason Enterprises Ltd (the ‘Company’) has been placed on the watch-list (financial entry criteria) with effect from 6 June 2023 pursuant to Listing Rule 1311(1).

In accordance with Listing Rule 1313(2), the Board of Directors of the Company would like to provide the following update on the Company, together with its subsidiaries (collectively, the ‘Group’).

Update on Financial Situation

The Group has released its financial statement for the half-year ended 30 June 2023 on 14 August 2023. Shareholders should refer to the announcement for further details.

At 30 June 2023, the Group had cash and cash equivalents of S\$9.9 million (31 December 2022: S\$11.5 million). Net cash, defined by cash and cash equivalents less bank borrowings, was S\$8.7 million at 30 June 2023 (31 December 2022: S\$10.0 million). At 30 June 2023, net current assets of the Group amounted to S\$5.5 million (31 December 2022: S\$8.2 million).

Revenue for the half-year ended 30 June 2023 (“HY 2023”) decreased by 38% to S\$10.1 million compared with HY 2022. The net loss for HY 2023 was S\$2.5 million, compared with a net loss of S\$5.0 million for HY 2022. In HY 2023, the Group’s Equipment and Supplies business and Manufacturing and Support Services business both experienced weaker demand from printed circuit board (“PCB”) manufacturers amidst the subdued economic conditions and the impact of US-China tensions. The Group reported a lower loss in HY 2023 due mainly to cost controls and rationalisation measures, including the termination of some factory leases in Dongguan and the exit of the PCB mass lamination in the second half of 2022, and a decrease in foreign exchange loss.

Update on Future Direction

Against the backdrop of an uncertain global economy and the slow growth in China, PCB manufacturers are likely to remain cautious. The Group thus 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 rationalising its operations. The Group will also strive to maintain sufficient liquidity and look for opportunities to diversify its revenue streams.

The Company is required to take steps to exit the watch-list within 36 months from 6 June 2023, and will make further announcements if any material developments occur.

By Order of the Board

Fung Chi Wai
Chief Executive Officer
14 August 2023