

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 ended 30 June 2017 (“2Q 2017”) on 11 August 2017. Shareholders should refer to the announcement for further details.

At 30 June 2017, the Group had cash and cash equivalents of S\$15.9 million (31 December 2016: S\$18.7 million). Net cash, defined by cash and cash equivalents less bank borrowings and leasing obligations, was S\$11.4 million at 30 June 2017 (31 December 2016: S\$11.1 million). At 30 June 2017, net current assets of the Group amounted to S\$31.7 million (31 December 2016: S\$31.5 million).

Revenue for 2Q 2017 increased by 42% to S\$15.4 million compared with 2Q 2016. During the quarter under review, the Group’s two operating segments, i.e., Equipment and Supplies business and Manufacturing and Support Services business saw stronger demand from printed circuit board (“PCB”) manufacturers. The Group recorded a net profit of S\$0.7 million for the quarter ended 30 June 2017 (2Q 2016: loss of S\$1.2 million).

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 in their capital expenditure programmes, and the Group expects a challenging environment for its Equipment and Supplies business.

Based on discussions with long-term customers, who have indicated their intention to increase their production capacities, we expect our Manufacturing and Support Services business to see an improvement in performance in the second half of FY2017.

The Group will continue to rationalize and streamline its core businesses.

Supported by adequate financial resources, the Group will also explore new businesses or opportunities for growth.

By Order of the Board

Fung Chi Wai
Chief Executive Officer
11 August 2017