

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 under the minimum trading price (“MTP”) criteria with effect from 5 June 2017, pursuant to Rule 1311(2) 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 un-audited financial statement for the financial year ended 31 December 2019 (“FY2019”) on 28 February 2020. Shareholders should refer to the announcement for further details.

At 31 December 2019, the Group had cash and cash equivalents of S\$11.2 million (31 December 2018: S\$10.7 million). Following the adoption of the new Singapore Financial Reporting Standards (International) 16 Leases on 1 January 2019, the Group’s net debt, defined by bank borrowings and lease liabilities less cash and cash equivalents, was S\$3.7 million at 31 December 2019. Net current assets of the Group amounted to S\$20.8 million at 31 December 2019. At 31 December 2019, excluding lease liabilities arising from the right-of-use assets, which were previously classified as operating leases, the Group had a net cash of S\$10.2 million (31 December 2018: S\$9.7 million) and a net current assets of S\$23.1 million (31 December 2018: S\$31.3 million).

Revenue for FY2019 decreased by 19% to S\$44.3 million compared with FY2018. During the year under review, the Group saw weaker demand from printed circuit board (“PCB”) manufacturers in China at both its Equipment and Supplies business and Manufacturing and Support Services business. The Group recorded a net loss of S\$17.2 million for the year under review, compared with a net loss of S\$1.3 million for FY2018. The results for the year under review included an impairment loss of plant and equipment of S\$7.5 million (FY2018: Nil) and a write-down in value of inventories of S\$1.6 million (FY2018: Write-back of S\$0.2 million).

Update on Future Direction

There are no material developments which may have a significant impact on the future direction of the Group.

The Company is required to take steps to exit the MTP watch-list within 36 months from 5 June 2017. The Board is monitoring the situation and the Company will keep shareholders informed as and when there is any further development.

By Order of the Board

Fung Chi Wai
Chief Executive Officer
28 February 2020