

**SCINTRONIX CORPORATION LTD.
Registration No. 199901719E
(Incorporated in Singapore)
(The “Company”)**

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

Pursuant to Rule 1313(2) of the SGX-ST Listing Manual, the Board of Directors of the Company wishes to provide the following updates relating to the financial situation of the Company and its subsidiaries (collectively, the “Group”) for the 3 Months period ended 31 March 2014 and the outlook and future plans to exit from the watch-list.

The Company was placed on the watch-list pursuant to Rule 1311 of the SGX-ST Listing Manual on 5 December 2011. The Company was given till 5 December 2013 (“Deadline”) to meet the requirements of SGX-ST to be removed from the watch-list.

On 6 December 2013, the Company has submitted an application to SGX-ST and was granted an extension on 13 December of the Deadline for three months up to 5 March 2014.

On 4 March 2014, the Company has submitted an application to SGX-ST to extend the Deadline for another twelve months on the basis to complete the Proposed Acquisition (as defined below) as part of the Group’s efforts to inject a profitable business into the Group.

Financial Situation

For the 3 months ended 31 March 2014, the Group recorded a total net loss after tax of S\$250k as compared to a net loss of S\$411K for the prior corresponding period ended 31 March 2013.

As at 31 March 2014, Group total assets stood at S\$8.2 million comprises of: (i) cash and cash equivalent of S\$6.5 million; (ii) property, plant and equipment of S\$1.4 million; and (iii) trade and other receivables and investment property of S\$0.3 million.

The Group total liabilities of S\$1.9 million comprises of S\$1.3 million of trade and other payables and S\$0.6 million of bank borrowing. The bank borrowing is secured by legal mortgage over the Company’s property, plant & equipment.

The Net Assets of the Group as at 31 March 2014 was S\$6.3 million.

Outlook and Future Direction

The Group has been focused on reducing its operational expenses in line with the downsizing of its current business operations while the process for the injection of a new business is on-going.

On 4 March 2014, the Company has entered into a memorandum of understanding (“**MOU**”) in relation to the proposed acquisition of the entire equity interest in Bestway Steel Building Co., Ltd (“**Bestway**”) from Loncin Holdings (“**Proposed Acquisition**”).

Bestway was founded in 2002 and it is based in Chongqing. Bestway is principally engaged in the design, production and installation of steel structures for office buildings, industrial buildings and sports stadiums. Loncin Holdings is an entity that is ultimately controlled by Mr Tu Jianhua (“**Mr Tu**”) and his family. Mr Tu is also the ultimate majority shareholder of the Company.

The Company will make necessary announcements as and when there are material developments on this matter.

By Order of the Board
SCINTRONIX CORPORATION LTD.

Mr Yang Weimin
Executive Chairman

28 May 2014