

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 31 March 2017 ("1Q 2017") on 12 May 2017. Shareholders should refer to the announcement for further details.

At 31 March 2017, the Group had cash and cash equivalents of S\$14.7 million (31 December 2016: S\$18.7 million). Net cash, defined by cash and cash equivalents less bank borrowings and leasing obligations, was S\$7.7 million at 31 March 2017 (31 December 2016: S\$11.1 million). At 31 March 2017, net current assets of the Group amounted to S\$30.8 million (31 December 2016: S\$31.5 million).

Revenue for 1Q 2017 decreased by 10% to S\$13.3 million compared with 1Q 2016. During the quarter under review, the Group's Equipment and Supplies business saw weaker sales of equipment to printed circuit board ("PCB") manufacturers, while the Manufacturing and Support Services business posted a marginal increase in revenue. For the quarter ended 31 March 2017, the Group recorded a net profit of S\$0.3 million (1Q 2016: S\$0.3 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
12 May 2017