

**JADASON ENTERPRISES LTD (REGISTRATION NO. 199003898K)  
("COMPANY") AND ITS SUBSIDIARIES ("GROUP")**

**Interim Financial Statements for the Six-Month Period ("2H 2022") and Full  
Year Ended 31 December 2022 ("FY 2022")**

**Contents**

- A. Consolidated Statement of Profit or Loss and Other Comprehensive  
Income**
- B. Statements of Financial Position**
- C. Consolidated Statement of Cash Flows**
- D. Statements of Changes in Equity**
- E. Notes to the Interim Financial Statements**
- F. Other Information Required by Listing Rule Appendix 7.2**

**A. Consolidated Statement of Profit or Loss and Other Comprehensive Income**

	2H 2022	2H 2021	Increase/ (Decrease)	FY 2022	FY 2021	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue (Note a)	16,005	29,001	(45)	32,151	42,782	(25)
Cost of sales (Note a)	<u>(15,356)</u>	<u>(27,190)</u>	(44)	<u>(31,270)</u>	<u>(40,897)</u>	(24)
Gross profit (Note a)	649	1,811	(64)	881	1,885	(53)
Other operating income (Note b)	1,530	851	80	1,030	806	28
Selling and distribution expenses (Note c)	(611)	(679)	(10)	(1,155)	(1,258)	(8)
Administrative expenses (Note c)	(3,174)	(4,256)	(25)	(6,994)	(8,378)	(17)
Impairment loss on property, plant and equipment (Note d)	<u>(125)</u>	<u>(2,859)</u>	(96)	<u>(125)</u>	<u>(2,859)</u>	(96)
Loss from operations (Note a)	(1,731)	(5,132)	(66)	(6,363)	(9,804)	(35)
Finance cost (Note e)	<u>(229)</u>	<u>(397)</u>	(42)	<u>(576)</u>	<u>(821)</u>	(30)
Loss before income tax	(1,960)	(5,529)	(65)	(6,939)	(10,625)	(35)
Income tax	<u>(6)</u>	<u>(4)</u>	50	<u>(7)</u>	<u>(11)</u>	(36)
Loss for the period attributable to owners of the Company	<u>(1,966)</u>	<u>(5,533)</u>	(64)	<u>(6,946)</u>	<u>(10,636)</u>	(35)
<b>Other comprehensive income:</b>						
<u>Items that may be reclassified subsequently to profit or loss</u>						
Exchange differences on translating foreign operations (Note f)	<u>(1,588)</u>	<u>493</u>	NM	<u>(1,289)</u>	<u>1,567</u>	NM
Other comprehensive income for the financial period, net of tax	<u>(1,588)</u>	<u>493</u>		<u>(1,289)</u>	<u>1,567</u>	
<b>Total comprehensive income for the period attributable to owners of the Company</b>	<u>(3,554)</u>	<u>(5,040)</u>	(29)	<u>(8,235)</u>	<u>(9,069)</u>	(9)
<b>Loss per share attributable to owners of the Company</b>						
Basic and diluted (cents)	<u>(0.27)</u>	<u>(0.77)</u>		<u>(0.96)</u>	<u>(1.47)</u>	

**Explanatory Notes to the Consolidated Statement of Profit or Loss and Other Comprehensive Income:**

Note a

Included in the cost of sales for 2H 2022 and FY 2022 is an allowance for inventory obsolescence of S\$456,000 recognised by the Group in the light of low demand experienced in its Manufacturing and Support Services business segment. The cost of sales for 2H 2021 and FY 2021 included an allowance for inventory obsolescence of S\$699,000.

Please refer to Section F of this report for further discussions on the performance of the Group's operating segments.

Note b

	2H 2022	2H 2021	FY 2022	FY 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Other operating income:				
Foreign exchange gain/(loss), net	232	(17)	(655)	(263)
Interest income from financial institutions	72	52	112	85
Income from scrap sales	141	378	180	389
Insurance claim	-	-	119	-
Government grants	50	9	168	58
Rent concession granted	3	18	9	31
Gain on disposal of property, plant and equipment	557	16	537	16
Gain on de-recognition of lease liabilities and right-of-use assets	746	-	746	-
Factory closure expenses	(289)	-	(289)	-
Recovery of trade debts	-	5	-	35
Recovery of non-trade debt	-	346	-	346
Sundry income	<u>18</u>	<u>44</u>	<u>103</u>	<u>109</u>
	<u>1,530</u>	<u>851</u>	<u>1,030</u>	<u>806</u>

Included in the Group's 'other operating income' for the period under review was a foreign exchange gain of S\$232,000, compared with a loss of S\$17,000 in 2H 2021. The foreign exchange gain in 2H 2022 was due mainly to the strengthening of the Singapore dollar against the Hong Kong dollar, as the Group has payables denominated in the latter currency.

The foreign exchange losses in FY 2022 and FY 2021 were due mainly to the weakening of the Singapore dollar against the Hong Kong dollar as the Group has payables denominated in Hong Kong dollar, as well as the weakening of the Japanese Yen against the Hong Kong dollar and Singapore dollar as certain overseas subsidiaries within the Group have bank balances denominated in Japanese Yen and payables denominated in Singapore dollar. The loss was higher in FY 2022 due to the more unfavourable movements in the foreign exchange rates.

The decrease in income from scrap sales in 2H 2022 and FY 2022 was related to the lower business activities at the Group's Manufacturing and Support Services business segment. (See also Section F of this report.)

The insurance claim received in FY 2022 related to a minor fire incident at the Group's printed circuit board ("PCB") mass lamination factory in Dongguan as announced on 2 March 2018.

During the period/year under review, higher grants and credits were received in Hong Kong, Shanghai and Japan from government measures to support businesses during the Covid-19 pandemic compared with the same period last year.

The gain on disposal of property, plant and equipment arose mainly from the sale of equipment at the Group's PCB mass lamination plant. As disclosed in the interim financial statements for the half-year ended 30 June 2022, the Group sought to exit the PCB mass lamination business as part of its efforts to rationalise its operations.

A gain of S\$0.7 million on de-recognition of lease liabilities and right-of-use assets was recorded in 2H 2022 and FY 2022 as some factory leases were terminated early as part of the Group's cost control measures. In the process of returning the leased properties, the Group incurred factory closure expenses of S\$0.3 million mainly in relation to its PCB mass lamination operation during the period/year under review (see paragraph above).

In 2H 2021 and FY 2021, the Group recovered a non-trade debt from a former subsidiary. Please refer to the FY 2021 annual report or results announcement for further details.

Note c

The decreases in selling and distribution expenses and administrative expenses were related to the decrease in business activities and cost control measures implemented by the Group.

Note d

The Group recognised an impairment loss on property, plant and equipment of S\$0.1 million in 2H 2022 and FY 2022 due mainly to weak demand at its PCB drilling plant in China, as further explained on page 18 of this report. The impairment loss of S\$2.9 million in 2H 2021 and FY 2021 was recorded on the same grounds. In making the impairment losses, management made an estimate of the fair value less costs of disposal of the assets used in the operation.

Note e

The decrease in finance cost was related to the lower lease liabilities, as explained in Explanatory Note h of Section B of this report.

Note f

The loss on translation of foreign operations in 2H 2022 and FY 2022 was due mainly to the weakening of the Chinese Renminbi against the Singapore dollar. The gain on translation of foreign operations in 2H 2021 and FY 2021 was due mainly to the strengthening of the Chinese Renminbi against the Singapore dollar.

NM – Percentage changes are not meaningful.

## B. Statements of Financial Position

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets:</b>				
Property, plant and equipment (Note a)	5,290	6,205	11	5
Right-of-use assets (Note b)	3,874	8,969	237	368
Investments in subsidiaries	-	-	15,327	16,281
	<b>9,164</b>	<b>15,174</b>	<b>15,575</b>	<b>16,654</b>
<b>Current assets:</b>				
Cash and bank balances (Note c)	9,181	16,687	168	1,691
Bank deposits (Note c)	2,284	1,013	-	-
Inventories (Note d)	1,444	2,661	211	260
Trade receivables (Note e)	7,242	10,122	1,573	2,083
Bill receivables (Note e)	1,170	1,964	-	-
Other receivables and prepayments	440	1,210	75	82
Amounts due from subsidiaries	-	-	22	21
	<b>21,761</b>	<b>33,657</b>	<b>2,049</b>	<b>4,137</b>
<b>Total assets</b>	<b>30,925</b>	<b>48,831</b>	<b>17,624</b>	<b>20,791</b>
<b>Equity attributable to owners of the Company:</b>				
Share capital	50,197	50,197	50,197	50,197
Treasury shares	(307)	(307)	(307)	(307)
Foreign currency translation reserve	(3,495)	(2,206)	(77)	(92)
Reserve and Enterprise Expansion Funds (Note f)	5,711	5,711	-	-
Accumulated losses	(39,472)	(32,526)	(44,701)	(43,337)
	<b>12,634</b>	<b>20,869</b>	<b>5,112</b>	<b>6,461</b>
<b>Non-current liabilities:</b>				
Bank borrowing (Note g)	947	1,441	947	1,441
Lease liabilities (Note h)	3,593	7,855	84	229
Provision for long service payment	161	161	-	-
	<b>4,701</b>	<b>9,457</b>	<b>1,031</b>	<b>1,670</b>
<b>Current liabilities:</b>				
Bank borrowing (Note g)	495	480	495	480
Trust receipts (Note g)	-	1,920	-	1,920
Trade payables (Note i)	9,212	10,527	1,921	2,241
Other payables	2,393	2,459	433	491
Income tax payable	400	357	-	-
Lease liabilities (Note h)	1,090	2,762	168	158
Amounts due to subsidiaries	-	-	8,464	7,370
	<b>13,590</b>	<b>18,505</b>	<b>11,481</b>	<b>12,660</b>
<b>Total liabilities</b>	<b>18,291</b>	<b>27,962</b>	<b>12,512</b>	<b>14,330</b>
<b>Total equity and liabilities</b>	<b>30,925</b>	<b>48,831</b>	<b>17,624</b>	<b>20,791</b>

**Explanatory Notes to the Statements of Financial Position:**

Note a

The decrease in property, plant and equipment of the Group was due mainly to disposals, depreciation and impairment charges (see Explanatory Note d of Section A) and the effect of translating the financial statements of foreign subsidiaries into Singapore dollar during the year under review.

Note b

Right-of-use (“ROU”) assets relate mainly to leases of factories and offices occupied by various entities within the Group. The decrease in ROU assets was due mainly to depreciation charge, the early termination of some factory leases in Dongguan as explained in Note h below and the effect of translating the financial statements of foreign subsidiaries into Singapore dollar.

Note c

Please refer to the statement of cash flows of the Group, found in Section C of this report.

Net cash used in operating activities in FY 2022 was S\$0.7 million, compared with net cash from operating activities of S\$5.3 million in FY 2021. This was due mainly to weaker operating cash flows before changes in working capital and lower amounts of trade and bill receivables realised into cash in FY 2022. Net cash from investing activities in FY 2022 was derived mainly from disposal of plant and equipment and interest income. Net cash used in financing activities in FY 2022 was mainly for the payment of bank loan, trust receipts, lease liabilities and the related interest expense.

The Group ended FY 2022 with cash and cash equivalents of S\$11.5 million, including bank deposits of S\$2.3 million. Net cash, after accounting for loans and lease liabilities from financial institutions of S\$1.4 million, was S\$10.1 million at 31 December 2022.

Note d

The decrease in inventories was due mainly to an allowance for inventory obsolescence of S\$0.5 million as mentioned in Explanatory Note a of Section A of this report and the lower activities at the Group’s Manufacturing and Support Services business during the year under review.

Note e

The decreases in trade and bill receivables of the Group were due mainly to payments received and the lower business activities at the Group’s Manufacturing and Support Services business during the year under review.

Note f

Reserve and Enterprise Expansion Funds pertain to subsidiaries in China, and are appropriations of profits made in accordance with applicable laws and regulations.

Note g

The decreases in bank borrowing and trust receipts were due to repayment by the Group and Company during the year under review.

Note h

Lease liabilities relate mainly to leases of factories and offices occupied by various entities within the Group (see Note b above). The decrease in lease liabilities of the Group was due mainly to lease payments made, the early termination of some factory leases in Dongguan as part of the Group's cost control measures and the effect of translating the financial statements of foreign subsidiaries into Singapore dollar.

Note i

The decrease in trade payables of the Group was due mainly to payments made and the lower business activities at the Group's Manufacturing and Support Services business during the year under review.

**C. Consolidated Statement of Cash Flows**

	FY 2022	FY 2021
	S\$'000	S\$'000
<b>Cash flows from operating activities:</b>		
Loss before income tax	(6,939)	(10,625)
Adjustments for:		
Allowance for inventory obsolescence	456	699
Amortisation of land use rights	17	18
Depreciation of property, plant and equipment	223	895
Depreciation of right-of-use assets	2,456	2,733
Impairment loss on property, plant and equipment	125	2,859
Interest expense	576	821
Interest income	(112)	(85)
Gain on disposal of property, plant and equipment	(537)	(16)
Gain on de-recognition of lease liabilities and right-of-use assets	(746)	-
Write-back of allowance for doubtful debts	-	(35)
Write-back of allowance for inventory obsolescence	(6)	(20)
Write-off of plant and equipment	23	23
Write-off of inventories	12	-
Unrealised foreign exchange loss	<u>580</u>	<u>342</u>
Operating cash flows before changes in working capital	(3,872)	(2,391)
Trade receivables	2,315	3,933
Bill receivables	620	5,057
Other receivables	475	(384)
Inventories	755	58
Trade payables	(1,041)	(651)
Other payables	<u>(66)</u>	<u>(267)</u>
Cash flows (used in)/from operations	(814)	5,355
Income tax refund/(paid)	<u>79</u>	<u>(100)</u>
Net cash flows (used in)/from operating activities	<u>(735)</u>	<u>5,255</u>
<b>Cash flows from investing activities:</b>		
Interest received	112	85
Proceeds from disposal of plant and equipment	622	79
Purchase of plant and equipment	<u>(8)</u>	<u>(213)</u>
Net cash flows from/(used in) investing activities	<u>726</u>	<u>(49)</u>
<b>Cash flows from financing activities:</b>		
Repayment of bank borrowings	(479)	(79)
Proceeds from trust receipts	1,198	5,812
Repayment of trust receipts	(3,105)	(5,638)
Repayment of lease liabilities	(2,461)	(2,581)
Interest paid on loans and borrowings	(68)	(108)
Interest paid on leasing arrangements	<u>(508)</u>	<u>(713)</u>
Net cash flows used in financing activities	<u>(5,423)</u>	<u>(3,307)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(5,432)</b>	<b>1,899</b>
Cash and cash equivalents at beginning of year	17,700	15,353
Effects of exchange rate changes	<u>(803)</u>	<u>448</u>
<b>Cash and cash equivalents at end of year</b>	<b><u>11,465</u></b>	<b><u>17,700</u></b>

**D. Statements of Changes in Equity**

	Share Capital	Treasury Shares	Foreign Currency Translation Reserve	Surplus Reserve #	Accumulated Losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>GROUP</b>						
<b>Attributable to owners of the Company</b>						
At 1 January 2022	50,197	(307)	(2,206)	5,711	(32,526)	20,869
<b>Total comprehensive income for the year</b>						
Loss for the year	-	-	-	-	(6,946)	(6,946)
Other comprehensive income - foreign currency translation loss for foreign operations	-	-	(1,289)	-	-	(1,289)
<b>Total</b>	-	-	<b>(1,289)</b>	-	<b>(6,946)</b>	<b>(8,235)</b>
At 31 December 2022	50,197	(307)	(3,495)	5,711	(39,472)	12,634
At 1 January 2021	50,197	(307)	(3,773)	5,711	(21,890)	29,938
<b>Total comprehensive income for the year</b>						
Loss for the year	-	-	-	-	(10,636)	(10,636)
Other comprehensive income - foreign currency translation gain for foreign operations	-	-	1,567	-	-	1,567
<b>Total</b>	-	-	<b>1,567</b>	-	<b>(10,636)</b>	<b>(9,069)</b>
At 31 December 2021	50,197	(307)	(2,206)	5,711	(32,526)	20,869
<b>COMPANY</b>						
At 1 January 2022	50,197	(307)	(92)	-	(43,337)	6,461
<b>Total comprehensive income for the year</b>						
Loss for the year	-	-	-	-	(1,364)	(1,364)
Other comprehensive income - foreign currency translation gain for foreign operations	-	-	15	-	-	15
<b>Total</b>	-	-	<b>15</b>	-	<b>(1,364)</b>	<b>(1,349)</b>
At 31 December 2022	50,197	(307)	(77)	-	(44,701)	5,112
At 1 January 2021	50,197	(307)	(87)	-	(40,733)	9,070
<b>Total comprehensive income for the year</b>						
Loss for the year	-	-	-	-	(2,604)	(2,604)
Other comprehensive income - foreign currency translation loss for foreign operations	-	-	(5)	-	-	(5)
<b>Total</b>	-	-	<b>(5)</b>	-	<b>(2,604)</b>	<b>(2,609)</b>
At 31 December 2021	50,197	(307)	(92)	-	(43,337)	6,461

# Surplus Reserve refers to Reserve Fund and Enterprise Expansion Fund (see Explanatory Note f of Section B).

## **E. Notes to the Interim Financial Statements**

### **1 Corporate information**

Jadason Enterprises Ltd (the “Company”) is incorporated and domiciled in Singapore. The registered office and principal place of business of the Company is located at 3 Kaki Bukit Crescent #03-01, Singapore 416237.

These interim consolidated financial statements as at and for the six-month period and full year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activities of the Company are those of an investment holding company and the distribution of machines and supplies for the printed circuit board (“PCB”) industry. The Company also operates through Jadason Enterprises Ltd, Taiwan Branch (the “Branch”) in the Republic of China. The principal activities of the Branch are the promotion of sales and rendering of after-sales service and maintenance.

The principal activities of the subsidiaries are the provision of equipment and supplies, equipment after-sales support and services to the PCB industry. The Group also provides PCB drilling services in China. During the six-month period ended 31 December 2022, the Group exited the PCB mass lamination business in China.

### **2 Basis of preparation**

- 2.1 The interim financial statements for the six months and full year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

The interim financial statements are presented in Singapore dollar, which is the Company’s functional currency.

- 2.2 New and amended standards adopted by the Group

A number of amendments to SFRS(I)s have become applicable for the current financial year. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

- 2.3 Use of estimates and judgements

In preparing the interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### **3. Seasonal operations**

The Group has substantial operations in China, and generally experiences slower business during the lunar new year holidays each year as many factories and businesses in China are shut down during this festive period. As with most firms in the PCB industry, the Group also generally sees higher sales in the second half of the calendar year. However, past performance is not necessarily indicative of the future sales trend.

### **4. Segment and revenue information**

For management purposes, the Group is organised into business units based on their products and services, and has the following reportable operating segments:

#### Equipment and supplies

Equipment and supplies includes the provision of equipment and supplies to the PCB industry.

#### Manufacturing and support services

Manufacturing and support services includes the provision of equipment after-sales support and services, PCB drilling services and PCB mass lamination services in China. During the six-month period ended 31 December 2022, the Group exited the PCB mass lamination business.

Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Transfer prices, if any, between operating segments are in a manner similar to transactions with third parties.

	Equipment and supplies	Manufacturing and support services	Total
	S\$'000	S\$'000	S\$'000
<u>FY 2022</u>			
Revenue:			
- External sales	<u>26,501</u>	<u>5,650</u>	<u>32,151</u>
Total	<u>26,501</u>	<u>5,650</u>	<u>32,151</u>
Results:			
Adjusted EBITDA*	(897)	(2,757)	(3,654)
Interest income	35	77	112
Amortisation of land use rights	-	(17)	(17)
Depreciation of property, plant and equipment	(14)	(209)	(223)
Depreciation of right-of-use assets	(163)	(2,293)	(2,456)
Impairment loss on property, plant and equipment	— -	<u>(125)</u>	<u>(125)</u>
Loss from operations	(1,039)	(5,324)	(6,363)
Interest expense	<u>(60)</u>	<u>(516)</u>	<u>(576)</u>
Loss before income tax	(1,099)	(5,840)	(6,939)
Income tax expense	<u>(1)</u>	<u>(6)</u>	<u>(7)</u>
Loss for the year	<u>(1,100)</u>	<u>(5,846)</u>	<u>(6,946)</u>
Assets / Liabilities:			
Segment assets	10,983	19,942	30,925
Segment liabilities	10,632	7,659	18,291
Other segment information:			
Purchase of property, plant and equipment	7	1	8
Addition of right-of-use assets	28	-	28
Allowance for inventory obsolescence	-	(456)	(456)
Write-back of allowance for inventory obsolescence	6	-	6
Write-off of inventories	-	(12)	(12)

	Equipment and supplies	Manufacturing and support services	Total
	S\$'000	S\$'000	S\$'000
<u>FY 2021</u>			
Revenue:			
- External sales	<u>30,360</u>	<u>12,422</u>	<u>42,782</u>
Total	<u>30,360</u>	<u>12,422</u>	<u>42,782</u>
Results:			
Adjusted EBITDA*	107	(3,491)	(3,384)
Interest income	11	74	85
Amortisation of land use rights	-	(18)	(18)
Depreciation of property, plant and equipment	(17)	(878)	(895)
Depreciation of right-of-use assets	(210)	(2,523)	(2,733)
Impairment loss on property, plant and equipment	— -	<u>(2,859)</u>	<u>(2,859)</u>
Loss from operations	(109)	(9,695)	(9,804)
Interest expense	<u>(110)</u>	<u>(711)</u>	<u>(821)</u>
Loss before income tax	(219)	(10,406)	(10,625)
Income tax expense	<u>(1)</u>	<u>(10)</u>	<u>(11)</u>
Loss for the year	<u>(220)</u>	<u>(10,416)</u>	<u>(10,636)</u>
Assets / Liabilities:			
Segment assets	14,507	34,324	48,831
Segment liabilities	13,513	14,449	27,962
Other segment information:			
Purchase of property, plant and equipment	18	195	213
Addition of right-of-use assets	174	52	226
Allowance for inventory obsolescence	-	(699)	(699)
Write-back of allowance for inventory obsolescence	11	9	20
Write-back of allowance for doubtful debts	35	-	35

\* Adjusted EBITDA – Earnings before interest, taxation, depreciation, amortisation and impairment loss on property, plant and equipment.

Revenue of the Group by operating segments and primary geographical markets:

	Equipment and supplies		Manufacturing and support services		Total	
	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	6,840	6,700	1,170	1,140	8,010	7,840
The People's Republic of China	18,044	22,358	3,819	10,426	21,863	32,784
Others	<u>1,617</u>	<u>1,302</u>	<u>661</u>	<u>856</u>	<u>2,278</u>	<u>2,158</u>
	<u>26,501</u>	<u>30,360</u>	<u>5,650</u>	<u>12,422</u>	<u>32,151</u>	<u>42,782</u>

Non-current assets of the Group based on the geographical location of assets:

	Non-current assets	
	31.12.2022	31.12.2021
	S\$'000	S\$'000
Singapore	248	373
The People's Republic of China	8,876	14,611
Others	40	190
	<u>9,164</u>	<u>15,174</u>

Non-current assets comprise property, plant and equipment and right-of-use assets as presented in the consolidated statement of financial position.

## 5. Loss before taxation

Loss for the period has been arrived after crediting/(charging) the following:

	2H 2022	2H 2021	FY 2022	FY 2021
	S\$'000	S\$'000	S\$'000	\$'000
Foreign exchange gain/(loss), net	232	(17)	(655)	(263)
Amortisation of land use rights	(8)	(9)	(17)	(18)
Depreciation of property, plant and equipment	(96)	(350)	(223)	(895)
Depreciation of right-of-use assets	(1,079)	(1,378)	(2,456)	(2,733)
Profit on disposal of property, plant and equipment	557	16	537	16
Allowance for inventory obsolescence	(456)	(699)	(456)	(699)
Write-back of allowance for inventory obsolescence	3	5	6	20
Write-back of allowance for doubtful debts	-	5	-	35

## 6. Taxation

The Group calculates the income tax expense using the statutory tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim consolidated statement of profit or loss for the period/year under review related to withholding tax paid on services rendered to overseas customers.

## 7. Loss per share

The calculation of loss per share (basic and diluted) is based on weighted average number of ordinary shares of 722,395,000 (2021: 722,395,000).

There was no difference between the basic and diluted loss per share as the Company has no dilutive instruments as at 31 December 2022 and 31 December 2021.

**8. Net asset value**

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	Cents	Cents	Cents	Cents
Net asset value per ordinary share	1.75	2.89	0.71	0.89

The calculation of net asset value per ordinary share was based on 722,395,000 shares as at 31 December 2022 (31 December 2021: 722,395,000).

**9. Property, plant and equipment**

During the year ended 31 December 2022, the Group acquired assets amounting to S\$8,000 (FY 2021: S\$213,000) and disposed of S\$88,000 (FY 2021: S\$63,000) assets. Impairment loss of property, plant and equipment for the year ended 31 December 2022 was S\$125,000 (FY 2021: S\$2,859,000).

**10. Borrowings**

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Amount repayable in one year or less (unsecured)</b>				
Bank loan	495	480	495	480
Trust receipts	-	1,920	-	1,920
	<u>495</u>	<u>2,400</u>	<u>495</u>	<u>2,400</u>
<b>Amount repayable after one year (unsecured)</b>				
Bank loan	947	1,441	947	1,441
Total loans and borrowings	1,442	3,841	1,442	3,841

**11. Share capital**

	31.12.2022		31.12.2021	
	No. of shares		No. of shares	
	'000	S\$'000	'000	S\$'000
Issued and fully paid:				
Balance at beginning and end of financial period	726,065	50,197	726,065	50,197

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares (except treasury shares) carry one vote per share. The ordinary shares have no par value.

The total number of issued shares excluding treasury shares as at 31 December 2022 was 722,395,000 (31 December 2021: 722,395,000).

Treasury shares

	Number of treasury shares
Balance as at 1 January 2022 and 31 December 2022	(3,670,000)

The treasury shares held by the Company as at 31 December 2022 represent 0.51% (31 December 2021: 0.51%) of the total number of issued shares excluding treasury shares.

Subsidiary holdings

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022 and 31 December 2021.

**12. Subsequent events**

There are no known material subsequent events which have resulted in adjustments to this set of interim financial statements.

**F. Other information required by Listing Rule Appendix 7.2**

**1. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The interim statements of financial position of Jadason Enterprises Ltd and its subsidiaries as at 31 December 2022 and the related interim consolidated statement of profit or loss and other comprehensive income, interim statements of changes in equity and interim consolidated statement of cash flows for the period then ended and certain explanatory notes have not been audited or reviewed.

**2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

	Revenue		(Loss)/profit from Operations	
	2H 2022	2H 2021	2H 2022	2H 2021
Business Segments:	S\$'000	S\$'000	S\$'000	S\$'000
Equipment and Supplies	13,544	22,757	(167)	490
Manufacturing and Support Services	2,461	6,244	(1,564)	(5,622)
<b>Total</b>	<b>16,005</b>	<b>29,001</b>	<b>(1,731)</b>	<b>(5,132)</b>

	Revenue		Loss from Operations	
	FY 2022	FY 2021	FY 2022	FY 2021
Business Segments:	S\$'000	S\$'000	S\$'000	S\$'000
Equipment and Supplies	26,501	30,360	(1,039)	(109)
Manufacturing and Support Services	5,650	12,422	(5,324)	(9,695)
<b>Total</b>	<b>32,151</b>	<b>42,782</b>	<b>(6,363)</b>	<b>(9,804)</b>

Revenue for 2H 2022 was S\$16.0 million, 45% lower than 2H 2021 revenue of S\$29.0 million. However, the Group posted a smaller loss from operations of S\$1.7 million during the period under review, compared with a loss of S\$5.1 million for 2H 2021 as further explained below.

Revenue for the Equipment and Supplies business for 2H 2022 decreased by S\$9.2 million, or 40%, compared with 2H 2021 due mainly to lower sales of equipment and supplies to PCB manufacturers in China. The uncertainty arising from China's commitment to curbing the spread of Covid-19 with rolling lockdowns and quarantines has affected the performance of the Equipment and Supplies business during the period under review. The business segment posted an operating loss of S\$167,000, compared with an operating profit of S\$490,000 for 2H 2021.

For FY 2022, revenue of the Equipment and Supplies business decreased from S\$30.4 million to S\$26.5 million due mainly to lower sales of equipment and supplies to PCB manufacturers in China, as explained in the paragraph above. The business segment incurred an operating loss of S\$1.0 million for FY 2022, compared with a loss of S\$0.1 million for FY 2021, due mainly to lower business volume and foreign exchange loss (see Explanatory Note b of Section A).

Revenue of the Manufacturing and Support Services business for 2H 2022 decreased by S\$3.8 million, or 61%, to S\$2.5 million compared with 2H 2021 due mainly to weaker demand for PCB drilling and PCB mass lamination services in China amidst the component shortages and the impact of US-China tensions faced by some of our customers. As a result of the under utilisation of capacity, absorption of overhead costs was impacted and this business segment reported a loss from operations of S\$1.6 million for 2H 2022 (2H 2021: S\$5.6 million). Included in the loss from operations of this business segment for 2H 2022 were the impairment loss on plant and equipment of S\$0.1 million as mentioned on page 4 of this report, write-down in inventories of S\$0.5 million as explained in Explanatory Note a of Section A and the gain from disposal of property, plant and equipment of S\$0.6 million, gain from de-recognition of lease liabilities and right-of-use assets of S\$0.7 million and factory closure expenses of S\$0.3 million as explained in Explanatory Note b of Section A. Included in the loss from operations for 2H 2021 were an impairment loss on plant and equipment of S\$2.9 million and a write-down in inventories of S\$0.7 million as mentioned on page 4 and page 3 respectively of this report. Excluding the effects of these charges and credits, the decrease in loss from operations in 2H 2022 was due mainly to cost control measures implemented by the Group in response to the reduced demand.

For FY 2022, revenue of the Manufacturing and Support Services business decreased by 55% from S\$12.4 million to S\$5.7 million and loss from operations decreased from S\$9.7 million to S\$5.3 million. The factors which impacted the revenue and results for 2H 2022 as described above also affected the performance of this business segment for FY 2022.

Please also refer to the explanatory notes provided in Sections A and B of this report.

**3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The results are generally in accordance with our announcement dated 15 August 2022.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group's Equipment and Supplies business continues to see a healthy level of product enquiries from PCB manufacturers. However, the lead time for some PCB equipment is still long and this may affect the fulfilment of orders of our Equipment and Supplies business segment.

The trade tensions between the US and China continue to disrupt the business of some of our customers in China, and affect the flow of manufacturing and support services jobs to the Group's factory. Despite this, China's recent departure from zero-Covid and re-opening of its borders have set the stage for a broad-based economic

recovery and we are hopeful that business activity at our Manufacturing and Support Services business would gradually improve.

The Group will continue to work on cost controls and rationalising its operations. In 2H 2022, the Group exited the PCB mass lamination business, the plan for which was previously announced on 15 August 2022. The exit of this business is expected to result in significant savings in operating costs in 2023. The Group will also strive to maintain sufficient liquidity and look for opportunities to diversify its revenue streams.

**5. Dividend**

**(a) Current financial period reported on**

No dividend is declared.

**(b) Corresponding period of the immediately preceding financial year**

Nil.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**6. If no dividend has been declared/recommendeded, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared/recommendeded for the year ended 31 December 2022 as the Group wishes to conserve financial resources in the face of challenging operating environment.

**7. If the Group has obtained a general mandate from shareholders for interested person transactions (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for IPTs.

**8. Confirmation pursuant to Rule 720(1) of the Listing Manual**

The Company confirms that it has procured the undertakings from all its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

**9. Confirmation by the board pursuant to Rule 705(5) of the Listing Manual**

Not applicable - not required for announcement on full year results.

**10. Disclosure of person occupying a managerial position who is related to a director or chief executive officer or substantial shareholder**

There is no person occupying a managerial position in the Group who is related to a director or chief executive officer or substantial shareholder of the Company.

**11. A breakdown of sales and profit/loss after tax**

	FY 2022	FY 2021	+ / (-)
Group	S\$'000	S\$'000	%
Sales reported for first half-year	16,146	13,781	17
Loss after tax for first half-year	(4,980)	(5,103)	(2)
Sales reported for second half-year	16,005	29,001	(45)
Loss after tax for second half-year	(1,966)	(5,533)	(64)

**BY ORDER OF THE BOARD**

**Fung Chi Wai**  
**Chief Executive Officer**  
**28 February 2023**