

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

**Interim Financial Statements for the Six-Month Period ("2H 2021") and Full  
Year Ended 31 December 2021 ("FY 2021")**

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

	2H 2021	2H 2020	Increase/ (Decrease)	FY 2021	FY 2020	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue (Note a)	29,001	24,420	19	42,782	41,086	4
Cost of sales (Note a)	<u>(27,190)</u>	<u>(19,923)</u>	36	<u>(40,897)</u>	<u>(35,668)</u>	15
Gross profit (Note a)	1,811	4,497	(60)	1,885	5,418	(65)
Other operating income (Note b)	851	1,605	(47)	806	2,057	(61)
Selling and distribution expenses	(679)	(721)	(6)	(1,258)	(1,324)	(5)
Administrative expenses	(4,256)	(4,088)	4	(8,378)	(8,002)	5
Impairment loss on property, plant and equipment (Note c)	<u>(2,859)</u>	<u>(1,144)</u>	150	<u>(2,859)</u>	<u>(1,144)</u>	150
(Loss)/profit from operations (Note a)	(5,132)	149	NM	(9,804)	(2,995)	227
Finance cost (Note d)	<u>(397)</u>	<u>(438)</u>	(9)	<u>(821)</u>	<u>(908)</u>	(10)
Loss before income tax	(5,529)	(289)	1,813	(10,625)	(3,903)	172
Income tax (Note e)	<u>(4)</u>	<u>(149)</u>	(97)	<u>(11)</u>	<u>(173)</u>	(94)
Loss for the period attributable to owners of the Company	<u>(5,533)</u>	<u>(438)</u>	1,163	<u>(10,636)</u>	<u>(4,076)</u>	161
<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>493</u>	<u>(20)</u>	NM	<u>1,567</u>	<u>1,076</u>	46
Other comprehensive income for the financial period, net of tax	<u>493</u>	<u>(20)</u>		<u>1,567</u>	<u>1,076</u>	
<b>Total comprehensive income for the period attributable to owners of the Company</b>	<u>(5,040)</u>	<u>(458)</u>	1,000	<u>(9,069)</u>	<u>(3,000)</u>	202
<b>Loss per share attributable to owners of the Company</b>						
Basic and diluted (cents)	<u>(0.77)</u>	<u>(0.06)</u>		<u>(1.47)</u>	<u>(0.56)</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 2021 and FY 2021 is an allowance for inventory obsolescence of S\$0.7 million 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 2020 and FY 2020 included an allowance for inventory obsolescence of S\$0.1 million and a write-back of allowance for inventory obsolescence of S\$0.4 million.

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

Note b

	2H 2021	2H 2020	FY 2021	FY 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Other operating income:				
Foreign exchange (loss)/gain, net	(17)	749	(263)	527
Interest income from financial institutions	52	19	85	52
Income from scrap sales	378	370	389	624
Government grants	9	298	58	514
Rent concession granted	18	48	31	48
Profit on disposal of property, plant and equipment	16	34	16	64
Recovery of trade debts	5	-	35	-
Recovery of non-trade debt	346	-	346	-
Sundry income	44	87	109	228
	<u>851</u>	<u>1,605</u>	<u>806</u>	<u>2,057</u>

Included in the Group's 'other operating income' for the period under review was a foreign exchange loss of S\$17,000, compared with a gain of S\$749,000 in 2H 2020. The foreign exchange gain in 2H 2020 and FY 2020 was due mainly to the strengthening of the Singapore dollar and Chinese Renminbi against the Hong Kong dollar, as the Group had payables denominated in the latter currency.

The foreign exchange loss in FY 2021 was 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 decrease in income from scrap sales in FY 2021 was related to the lower business activities at the Group's Manufacturing and Support Services business segment. (See also Section F of this report.)

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

Non-trade debt refers to the outstanding amount owed by Jadason Technology Limited ("JTL"), a former subsidiary of the Group. JTL was disposed of in 2005 and at the time of disposal owed the Group an amount of HK\$27.6 million, of which HK\$5.1 million (S\$0.9

million) remained outstanding as at 31 December 2015. The Group made a full allowance against the amount in 2015 but actively followed up with JTL on repayment. In December 2021, JTL made an offer to settle HK\$2.0 million (S\$346,000) in full and final settlement of the amount, citing several grounds for compromise. The Group reviewed and after due consideration, accepted the offer. As at the date of this report, the Group has received the settlement amount of HK\$2.0 million (S\$346,000) from JTL. The amount of S\$560,000 not recovered represented 1.9% of the latest audited net tangible assets of the Group.

Note c

The Group recognised an impairment loss of S\$2.9 million in 2H 2021 and FY 2021 due mainly to weak demand at its printed circuit board (“PCB”) drilling plants in China, as further explained on pages 16 and 17 of this report. In making the impairment, management made an estimate of the fair value less costs of disposal of the plant and equipment used in the operation. Under this approach, management considered the prices recently paid or offered for similar machines, and made adjustments to the indicated market prices to take into consideration the conditions of the machines.

The impairment loss on property, plant and equipment of S\$1.1 million recorded in 2H 2020 and FY 2020 was due mainly to sluggish business conditions experienced by the Group’s PCB mass lamination operations amidst the Covid-19 pandemic and US-China trade tensions. The recoverable amounts of the assets had been determined based on their value-in-use derived from management’s cashflow projections.

Note d

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

Note e

An income tax charge arose during the periods under review in spite of the loss before income tax due to under-provision of taxation in respect of prior years.

Note f

The gain on translation of foreign operations in 2H 2021, FY 2021 and FY 2020 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	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets:</b>				
Property, plant and equipment (Note a)	6,205	9,385	5	-
Right-of-use assets (Note b)	8,969	11,026	368	523
Investments in subsidiaries	-	-	16,281	17,748
	<b>15,174</b>	<b>20,411</b>	<b>16,654</b>	<b>18,271</b>
<b>Current assets:</b>				
Cash and bank balances (Note c)	16,687	15,353	1,691	2,384
Bank deposits (Note c)	1,013	-	-	-
Inventories (Note d)	2,661	3,398	260	248
Trade receivables (Note e)	10,122	13,812	2,083	1,645
Bill receivables (Note e)	1,964	6,706	-	-
Other receivables and prepayments	1,210	700	82	82
Amounts due from subsidiaries	-	-	21	21
	<b>33,657</b>	<b>39,969</b>	<b>4,137</b>	<b>4,380</b>
<b>Total assets</b>	<b>48,831</b>	<b>60,380</b>	<b>20,791</b>	<b>22,651</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	(2,206)	(3,773)	(92)	(87)
Reserve and Enterprise Expansion Funds (Note f)	5,711	5,711	-	-
Accumulated losses	(32,526)	(21,890)	(43,337)	(40,733)
	<b>20,869</b>	<b>29,938</b>	<b>6,461</b>	<b>9,070</b>
<b>Non-current liabilities:</b>				
Bank borrowings	1,441	1,917	1,441	1,917
Lease liabilities (Note g)	7,855	10,006	229	387
Provision for long service payment	161	159	-	-
	<b>9,457</b>	<b>12,082</b>	<b>1,670</b>	<b>2,304</b>
<b>Current liabilities:</b>				
Bank borrowings	480	83	480	83
Trust receipts	1,920	1,746	1,920	1,746
Trade payables (Note h)	10,527	10,914	2,241	1,595
Other payables (Note h)	2,459	2,726	491	466
Income tax payable	357	428	-	-
Lease liabilities (Note g)	2,762	2,463	158	147
Amounts due to subsidiaries	-	-	7,370	7,240
	<b>18,505</b>	<b>18,360</b>	<b>12,660</b>	<b>11,277</b>
<b>Total liabilities</b>	<b>27,962</b>	<b>30,442</b>	<b>14,330</b>	<b>13,581</b>
<b>Total equity and liabilities</b>	<b>48,831</b>	<b>60,380</b>	<b>20,791</b>	<b>22,651</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 depreciation and impairment (see Explanatory Note c of Section A) charges, offset partially by additions of equipment 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, and are recognised following the adoption of Singapore Financial Reporting Standards (International) (“SFRS(I)”) 16 Leases in FY 2019 (see also Note g below). The decrease in ROU assets was due mainly to depreciation charge, offset partially by new leases 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 from operating activities for FY 2021 was derived mainly from operating cash flows before changes in working capital and the realisation of trade and bill receivables into cash during the year under review. Net cash used in investing activities was marginal in FY 2021. Net cash used in financing activities in FY 2021 was mainly for the payment of lease liabilities and the related interest expense.

The Group ended FY 2021 with cash and cash equivalents of S\$17.7 million, including bank deposits of S\$1.0 million. Net cash, after accounting for loans and lease liabilities from financial institutions of S\$1.9 million, was S\$15.8 million at 31 December 2021.

Note d

The decrease in inventories of the Group was due mainly to an allowance for inventory obsolescence of S\$0.7 million as mentioned in Explanatory Note a of Section A of this report.

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

Lease liabilities relate mainly to leases of factories and offices occupied by various entities within the Group, and are recognised following the adoption of SFRS(I) 16 Leases in FY 2019 (see Note b above). The decrease in total lease liabilities of the Group was due mainly to lease payments made, offset partially by new leases and the effect of translating the financial statements of foreign subsidiaries into Singapore dollar.

Note h

The decreases in trade and other payables of the Group were 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 2021	FY 2020
	S\$'000	S\$'000
<b>Cash flows from operating activities:</b>		
Loss before income tax	(10,625)	(3,903)
Adjustments for:		
Allowance for inventory obsolescence	699	124
Amortisation of land use rights	18	17
Bad debts written off	-	26
Depreciation of property, plant and equipment	895	1,027
Depreciation of right-of-use assets	2,733	2,739
Impairment loss on property, plant and equipment	2,859	1,144
Interest expense	821	908
Interest income	(85)	(52)
Profit on disposal of property, plant and equipment	(16)	(64)
Write-back of allowance for doubtful debts	(35)	-
Write-back of allowance for inventory obsolescence	(20)	(399)
Write-off of plant and equipment	23	11
Unrealised foreign exchange loss/(gain)	342	(592)
Operating cash flows before changes in working capital	(2,391)	986
Trade receivables	3,933	3,503
Bill receivables	5,057	(1,771)
Other receivables	(384)	301
Inventories	58	796
Trade payables	(651)	2,983
Other payables	(267)	(191)
Cash flows from operations	5,355	6,607
Income tax paid	(100)	(30)
Net cash flows from operating activities	5,255	6,577
<b>Cash flows from investing activities:</b>		
Interest received	85	52
Proceeds from disposal of plant and equipment	79	64
Purchase of plant and equipment	(213)	(265)
Net cash flows used in investing activities	(49)	(149)
<b>Cash flows from financing activities:</b>		
Repayment of bank borrowings	(79)	(1,000)
Proceeds from bank borrowings	-	2,000
Proceeds from trust receipts	5,812	5,247
Repayment of trust receipts	(5,638)	(5,615)
Repayment of lease liabilities	(2,581)	(2,297)
Interest paid on loans and borrowings	(108)	(93)
Interest paid on leasing arrangements	(713)	(815)
Net cash flows used in financing activities	(3,307)	(2,573)
<b>Net increase in cash and cash equivalents</b>	1,899	3,855
Cash and cash equivalents at beginning of year	15,353	11,233
Effects of exchange rate changes	448	265
<b>Cash and cash equivalents at end of year</b>	17,700	15,353

**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 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
At 1 January 2020	50,197	(307)	(4,849)	5,711	(17,814)	32,938
<b>Total comprehensive income for the year</b>						
Loss for the year	-	-	-	-	(4,076)	(4,076)
Other comprehensive income - foreign currency translation gain for foreign operations	-	-	1,076	-	-	1,076
<b>Total</b>	-	-	<b>1,076</b>	-	<b>(4,076)</b>	<b>(3,000)</b>
At 31 December 2020	50,197	(307)	(3,773)	5,711	(21,890)	29,938
<b>COMPANY</b>						
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
At 1 January 2020	50,197	(307)	(81)	-	(23,493)	26,316
<b>Total comprehensive income for the year</b>						
Loss for the year	-	-	-	-	(17,240)	(17,240)
Other comprehensive income - foreign currency translation loss for foreign operations	-	-	(6)	-	-	(6)
<b>Total</b>	-	-	<b>(6)</b>	-	<b>(17,240)</b>	<b>(17,246)</b>
At 31 December 2020	50,197	(307)	(87)	-	(40,733)	9,070

# 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 2021 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 and PCB mass lamination services in China.

### **2 Basis of preparation**

- 2.1 The interim financial statements for the six months and full year ended 31 December 2021 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 2020.

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 2020.

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.

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 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	_____ -	_(2,859)	_(2,859)
Loss from operations	(109)	(9,695)	(9,804)
Interest expense	_(110)	_(711)	_(821)
Loss before income tax	(219)	(10,406)	(10,625)
Income tax expense	_(1)	_(10)	_(11)
Loss for the year	_(220)	(10,416)	(10,636)
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

	Equipment and supplies	Manufacturing and support services	Total
	S\$'000	S\$'000	S\$'000
<u>FY 2020</u>			
Revenue:			
- External sales	<u>23,949</u>	<u>17,137</u>	<u>41,086</u>
Total	<u>23,949</u>	<u>17,137</u>	<u>41,086</u>
Results:			
Adjusted EBITDA*	279	1,601	1,880
Interest income	15	37	52
Amortisation of land use rights	-	(17)	(17)
Depreciation of property, plant and equipment	(36)	(991)	(1,027)
Depreciation of right-of-use assets	(186)	(2,553)	(2,739)
Impairment loss on property, plant and equipment	<u>(46)</u>	<u>(1,098)</u>	<u>(1,144)</u>
Profit/(loss) from operations	26	(3,021)	(2,995)
Interest expense	<u>(100)</u>	<u>(808)</u>	<u>(908)</u>
Loss before income tax	(74)	(3,829)	(3,903)
Income tax expense	<u>(1)</u>	<u>(172)</u>	<u>(173)</u>
Loss for the year	<u>(75)</u>	<u>(4,001)</u>	<u>(4,076)</u>
Assets / Liabilities:			
Segment assets	14,222	46,158	60,380
Segment liabilities	13,260	17,182	30,442
Other segment information:			
Purchase of property, plant and equipment	80	185	265
Addition of right-of-use assets	608	-	608
Allowance for inventory obsolescence	7	117	124
Write-back of allowance for inventory obsolescence	3	396	399

\* 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 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	6,700	6,020	1,140	979	7,840	6,999
The People's Republic of China	22,333	16,790	10,426	14,907	32,759	31,697
Others	<u>1,327</u>	<u>1,139</u>	<u>856</u>	<u>1,251</u>	<u>2,183</u>	<u>2,390</u>
	<u>30,360</u>	<u>23,949</u>	<u>12,422</u>	<u>17,137</u>	<u>42,782</u>	<u>41,086</u>

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

	Non-current assets	
	31.12.2021	31.12.2020
	S\$'000	S\$'000
Singapore	373	523
The People's Republic of China	14,611	19,573
Others	190	315
	<u>15,174</u>	<u>20,411</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 2021	2H 2020	FY 2021	FY 2020
	S\$'000	S\$'000	S\$'000	\$'000
Foreign exchange (loss)/gain, net	(17)	749	(263)	527
Amortisation of land use rights	(9)	(9)	(18)	(17)
Depreciation of property, plant and equipment	(350)	(425)	(895)	(1,027)
Depreciation of right-of-use assets	(1,378)	(1,331)	(2,733)	(2,739)
Profit on disposal of property, plant and equipment	16	34	16	64
Allowance for inventory obsolescence	(699)	(124)	(699)	(124)
Write-back of allowance for inventory obsolescence	5	399	20	399
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 related to adjustment for under-provision of tax in respect of prior years.

## 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 (2020: 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 2021 and 31 December 2020.

**8. Net asset value**

	Group		Company	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	Cents	Cents	Cents	Cents
Net asset value per ordinary share	2.89	4.14	0.89	1.26

The calculation of net asset value per ordinary share was based on 722,395,000 shares as at 31 December 2021 (31 December 2020: 722,395,000).

**9. Property, plant and equipment**

During the year ended 31 December 2021, the Group acquired assets amounting to S\$213,000 (FY 2020: S\$265,000) and disposed of S\$63,000 (FY 2020: nil) assets. Impairment loss of property, plant and equipment for the year ended 31 December 2021 was S\$2,859,000 (FY 2020: S\$1,144,000).

**10. Borrowings**

	Group		Company	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Amount repayable in one year or less (unsecured)</b>				
Bank loans	480	83	480	83
Trust receipts	<u>1,920</u>	<u>1,746</u>	<u>1,920</u>	<u>1,746</u>
	<u>2,400</u>	<u>1,829</u>	<u>2,400</u>	<u>1,829</u>
<b>Amount repayable after one year (unsecured)</b>				
Bank loans	1,441	1,917	1,441	1,917
Total loans and borrowings	3,841	3,746	3,841	3,746

**11. Share capital**

	31.12.2021		31.12.2020	
	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 2021 was 722,395,000 (31 December 2020: 722,395,000).

Treasury shares

	Number of treasury shares
Balance as at 1 January 2021 and 31 December 2021	(3,670,000)

The treasury shares held by the Company as at 31 December 2021 represent 0.51% (31 December 2020: 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 2021 and 31 December 2020.

**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 2021 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		Profit/(loss) from Operations	
	2H 2021	2H 2020	2H 2021	2H 2020
Business Segments:	S\$'000	S\$'000	S\$'000	S\$'000
Equipment and Supplies	22,757	14,958	490	322
Manufacturing and Support Services	6,244	9,462	(5,622)	(173)
<b>Total</b>	<b>29,001</b>	<b>24,420</b>	<b>(5,132)</b>	<b>149</b>

	Revenue		(Loss)/profit from Operations	
	FY 2021	FY 2020	FY 2021	FY 2020
Business Segments:	S\$'000	S\$'000	S\$'000	S\$'000
Equipment and Supplies	30,360	23,949	(109)	26
Manufacturing and Support Services	12,422	17,137	(9,695)	(3,021)
<b>Total</b>	<b>42,782</b>	<b>41,086</b>	<b>(9,804)</b>	<b>(2,995)</b>

Revenue for 2H 2021 was S\$29.0 million, 19% higher than 2H 2020 revenue of S\$24.4 million. However, the Group posted a loss from operations of S\$5.1 million during the period under review, compared with a profit from operations of S\$0.1 million for 2H 2020, due mainly to changes in sales mix and various factors as further explained below.

Revenue for the Equipment and Supplies business for 2H 2021 increased by S\$7.8 million, or 52%, compared with 2H 2020 due mainly to higher sales of equipment to PCB manufacturers in China. As mentioned in our announcement of the half-year results, the Covid-19 situation had resulted in a delay in the execution of orders for PCB equipment and these were substantially completed in the second half of the year. The business segment posted an operating profit of S\$0.5 million (2H 2020: S\$0.3 million) for the period under review.



For FY 2021, revenue of the Equipment and Supplies business increased from S\$23.9 million to S\$30.4 million due mainly to higher sales of equipment to PCB manufacturers in China, reflecting the expansion plans of these customers. The business segment incurred an operating loss of S\$0.1 million for FY 2021, compared with an operating profit of S\$26,000 for FY 2020, due mainly to foreign exchange losses and lower grants received from government measures to support businesses during the Covid-19 pandemic (see Explanatory Note b of Section A).

Revenue of the Manufacturing and Support Services business for 2H 2021 decreased by S\$3.2 million, or 34%, to S\$6.2 million compared with 2H 2020 due mainly to weaker demand for PCB drilling 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 lower margin and a loss from operations of S\$5.6 million for 2H 2021 (2H 2020: S\$0.2 million). Included in the loss from operations of this business segment were an impairment loss on plant and equipment of S\$2.9 million (2H 2020: S\$1.1 million) as explained on page 4 of this report and a write-down in inventories of S\$0.7 million (2H 2020: net write-back of S\$0.3 million) as explained on page 3 of this report.

For FY 2021, revenue of the Manufacturing and Support Services business decreased by 28% from S\$17.1 million to S\$12.4 million and loss from operations increased from S\$3.0 million to S\$9.7 million. The factors which impacted the revenue and results for 2H 2021 as described above also negatively affected the performance of this business segment for FY 2021.

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 13 August 2021.

**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.**

Based on discussions with and enquiries from the customers, the demand for PCB equipment is likely to remain stable in the coming year. However, the Covid-19 situation has resulted in long lead time for PCB equipment, and this may affect the performance of our Equipment and Supplies business segment.

The component shortages and trade tensions between the US and China continue to disrupt the business of some of our customers in China, in turn affecting the flow of manufacturing and support services jobs to the Group's factories. The current administration in the US has so far broadly maintained the trade measures put in place by its predecessor. The outlook for our Manufacturing and Support Services business thus remains very challenging.

Our recovery has been disrupted by the unprecedented challenges from the pandemic and economic uncertainties. We will focus on maintaining sufficient liquidity, cost

controls and further improving productivity. We will also look for opportunities to diversify our 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 2021 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 2021	FY 2020	+ / (-)
Group	S\$'000	S\$'000	%
Sales reported for first half-year	13,781	16,666	(17)
Loss after tax for first half-year	(5,103)	(3,638)	40
Sales reported for second half-year	29,001	24,420	19
Loss after tax for second half-year	(5,533)	(438)	1,163

**BY ORDER OF THE BOARD**

**Fung Chi Wai**  
**Chief Executive Officer**  
**28 February 2022**