

**JADASON ENTERPRISES LTD  
(REG. NO. 199003898K)**

**MATERIAL VARIANCES BETWEEN UNAUDITED AND AUDITED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31  
DECEMBER 2019 (“FY2019”)**

The Board of Directors (the “Board”) of Jadason Enterprises Ltd (the “Company”) refers to the unaudited financial statements of the Company and its subsidiaries (collectively, the “Group”) for FY2019 released on 28 February 2020.

Pursuant to Rule 704(6) of the Listing Manual, the Board wishes to announce the material variances between the audited financial statements and the announcement dated 28 February 2020, following the finalisation of the FY2019 audit. The details of the variances are set out in the explanatory notes attached.

As a result of the adjustments, the loss per share of the Group attributable to owners of the Company decreased from 2.38 cents (as previously announced) to 2.08 cents and the net asset value per share of the Group increased from 4.26 cents (as previously announced) to 4.56 cents.

Fung Chi Wai  
Chief Executive Officer  
8 May 2020

A. Income statement of the Group

	Audited	Unaudited	Variance	Notes
	S\$'000	S\$'000	S\$'000	
Revenue	44,252	44,252		
Cost of sales	<u>(42,044)</u>	<u>(41,891)</u>	(153)	1
Gross profit	2,208	2,361		
Other operating income	360	360		
Selling and distribution expenses	(1,740)	(1,700)	(40)	2
Administrative expenses	(9,314)	(9,624)	310	3
Impairment loss of plant and equipment	<u>(5,382)</u>	<u>(7,452)</u>	2,070	4
Loss from operations	(13,868)	(16,055)		
Finance cost	<u>(1,063)</u>	<u>(1,063)</u>		
Loss before income tax	(14,931)	(17,118)		
Income tax	<u>___(73)</u>	<u>___(73)</u>		
Loss after income tax	<u>(15,004)</u>	<u>(17,191)</u>	2,187	1 - 4

B. Statement of comprehensive income/loss of the Group

	Audited	Unaudited	Variance	Notes
	S\$'000	S\$'000	S\$'000	
Loss after income tax for the year	(15,004)	(17,191)	2,187	See Section A
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Exchange differences on translating foreign operations	<u>___(926)</u>	<u>___(926)</u>		
	(926)	(926)		
Total comprehensive loss for the year	<u>(15,930)</u>	<u>(18,117)</u>	2,187	See Section A

C. Statement of financial position of the Group

	Audited	Unaudited	Variance	Notes
	S\$'000	S\$'000	S\$'000	
<b>Currents assets:</b>				
Inventories	3,919	3,752	167	1(a)
<b>Non-current assets:</b>				
Property, plant and equipment	10,771	8,460	2,311	1(b), 4
Right-of-use assets	12,972	13,263	(291)	1(d)
<b>Capital and Reserves:</b>				
Accumulated losses	(17,814)	(20,001)	2,187	See Section A

Notes

1	(a) Write-back of allowance for inventory obsolescence of \$167,000; (b) Reduction in depreciation charge of \$241,000; (c) Reclassification from Administrative Expenses of \$270,000; and (d) Adjustment for provision for rental increases of \$291,000.
2	Reclassification from Administrative Expenses of \$40,000.
3	(a) Reclassification to Selling and Distribution Expenses of \$40,000; (b) Reclassification to Cost of Sales of \$270,000.
4	Reduction in impairment loss of plant and equipment of \$2,070,000.

The above non-cash adjustments and reclassifications do not impact the cash flows of the Group.