

**JASON MARINE GROUP LIMITED**

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

UNAUDITED HALF-YEAR FINANCIAL STATEMENT FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2013

This announcement has been prepared by the Company and its content have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), this being the SGX-ST Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Benjamin Choy, Director, Corporate Finance. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 6337 5115.

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED INCOME STATEMENT

	Group		
	Six months ended		Increase /
	30.09.13	30.09.12	(Decrease)
	S\$'000	S\$'000	%
Revenue	22,605	14,413	56.8
Cost of sales	(16,515)	(10,991)	50.3
Gross profit	6,090	3,422	78.0
<i>Other items of income</i>			
Other income	360	131	NM
Interest income	49	42	16.7
<i>Other items of expense</i>			
Distribution costs	(2,522)	(2,339)	7.8
General and administrative expenses	(2,730)	(2,768)	(1.4)
Other expenses	-	(404)	NM
Finance costs	- *	- *	NM
Share of results of associates, net of tax	73	(39)	NM
Profit / (Loss) before income tax	1,320	(1,955)	(167.5)
Income tax expense	(250)	(8)	NM
Profit / (Loss) for the financial period	1,070	(1,963)	(154.5)
Profit / (Loss) attributable to:			
Owners of the parent	1,097	(1,921)	
Non-controlling interests	(27)	(42)	
Profit / (Loss) for the financial period	1,070	(1,963)	

NM: Not Meaningful

* Denotes amount less than S\$1,000



1(a)(ii) Statement of comprehensive income for the six months ended 30 September 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group		
	Six months ended	30.09.12	Increase /
	30.09.13	30.09.12	(Decrease)
	S\$'000	S\$'000	%
Profit / (Loss) for the financial period	1,070	(1,963)	(154.5)
Other comprehensive (loss) / income :			
Foreign currency difference on translation of foreign operations	(91)	25	NM
Income tax relating to components of other comprehensive income / (loss)	-	-	NM
Other comprehensive income / (loss) for the financial period, net of tax	(91)	25	NM
Total comprehensive income / (loss) for the financial period, net of tax	979	(1,938)	(150.5)
Total comprehensive income / (loss) attributable to:			
Owners of the parent	1,006	(1,897)	
Non-controlling interests	(27)	(41)	
	979	(1,938)	

1(a)(iii) Notes to consolidated income statement

Profit / (Loss) before income tax is arrived at after (charging) / crediting:

	Group		
	Six months ended	30.09.12	Increase /
	30.09.13	30.09.12	(Decrease)
	S\$'000	S\$'000	%
Amortisation of intangible asset	(93)	(91)	2.2
Depreciation of plant and equipment	(202)	(143)	41.3
Foreign exchange gain / (loss), net	135	(404)	NM
Interest expense on trust receipts and finance lease	- *	- *	NM
Interest income	49	42	16.7
<u>Grants</u>			
- capability development scheme (SAP system)	33	33	-
- capability development scheme (human capital development)	43	-	NM
- others	46	26	76.9
<u>Sundry income</u>			
- sponsorships	88	-	NM
- others	8	21	(61.9)
Write-back of allowance for doubtful third parties trade receivables no longer required	-	8	NM

NM: Not Meaningful

* Denotes amount less than S\$1,000



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- 1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	As at 30.09.13 S\$'000	As at 31.03.13 S\$'000	As at 30.09.13 S\$'000	As at 31.03.13 S\$'000
Non-current assets				
Intangible asset	23	116	-	-
Plant and equipment	940	780	-	-
Investments in subsidiaries	-	-	14,892	14,892
Investments in associates	152	79	-	-
Available-for-sale financial assets	1,482	1,482	-	-
Other receivables	589	589	-	-
Deferred tax asset	2	3	-	-
	<u>3,188</u>	<u>3,049</u>	<u>14,892</u>	<u>14,892</u>
Current assets				
Inventories	5,784	4,433	-	-
Trade and other receivables	16,779	14,239	74	75
Prepayments	212	196	14	27
Current income tax recoverable	-	13	-	-
Cash and cash equivalents	14,231	13,465	3,553	4,050
	<u>37,006</u>	<u>32,346</u>	<u>3,641</u>	<u>4,152</u>
Less:				
Current liabilities				
Trade and other payables	12,222	8,948	153	236
Advance billings	1,827	1,279	-	-
Finance lease payables	4	9	-	-
Derivative financial instruments	62	67	-	-
Current income tax payable	317	97	-	1
	<u>14,432</u>	<u>10,400</u>	<u>153</u>	<u>237</u>
Net current assets	<u>22,574</u>	<u>21,946</u>	<u>3,488</u>	<u>3,915</u>
Less:				
Non-current liabilities				
Deferred tax liabilities	131	131	-	-
	<u>131</u>	<u>131</u>	<u>-</u>	<u>-</u>
	<u>25,631</u>	<u>24,864</u>	<u>18,380</u>	<u>18,807</u>
Capital and reserves				
Share capital	17,967	17,967	17,967	17,967
Foreign currency translation reserve	(88)	3	-	-
Retained earnings	7,872	6,987	413	840
	<u>25,751</u>	<u>24,957</u>	<u>18,380</u>	<u>18,807</u>
Equity attributable to the owners of the parent				
Non-controlling interests	(120)	(93)	-	-
Total equity	<u>25,631</u>	<u>24,864</u>	<u>18,380</u>	<u>18,807</u>

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1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30.09.13		As at 31.03.13	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
4	-	9	-

Amount repayable after one year

As at 30.09.13		As at 31.03.13	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Details of any collateral

As of 30 September 2013, our secured short term borrowing repayable in one year or less amounted to approximately S\$4,000. This obligation under finance lease is secured by the lessor's title to the leased asset, which will revert to the lessor in the event of default by us.


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- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	Six months ended	
	30.09.13	30.09.12
	S\$'000	S\$'000
Operating activities		
Profit / (Loss) before income tax	1,320	(1,955)
Adjustments for:		
Amortisation of intangibles asset	93	91
Depreciation of plant and equipment	202	143
Changes in fair value of derivative financial instruments	5	105
Loss / (Gain) on disposal of property and equipment	1	(39)
Interest expenses	-	-
Interest income	(49)	(42)
Write-back of allowance for doubtful third parties trade receivables no longer required	-	(8)
Share of results of associates	(73)	39
Operating cash flows before working capital changes	1,499	(1,666)
Working capital changes:		
Inventories	(1,351)	848
Trade and other receivables	(2,540)	2,196
Prepayments	(16)	(7)
Trade and other payables	3,274	(717)
Advance billings	548	(247)
Cash generated from operations	1,414	407
Income tax paid	(29)	(106)
Net cash from operating activities	1,385	301
Investing activities		
Purchase of plant and equipment	(363)	(27)
Proceeds of sale of plant and equipment	-	62
Issue of shares to non-controlling interests	-	80
Interest received	49	42
Net cash generated from / (used in) investing activities	(314)	157
Financing activities		
Repayment of obligations under finance leases	(5)	(6)
Interest paid	-	-
Dividend paid	(212)	(212)
Net cash used in financing activities	(217)	(218)
Net change in cash and cash equivalents	854	240
Cash and cash equivalents at beginning of financial period	13,465	11,916
Effects of exchange rate changes on cash and cash equivalents	(88)	25
Cash and cash equivalents at end of financial period	14,231	12,181
Cash and cash equivalents comprise of the following:		
Fixed deposits	5,502	4,917
Cash and bank balances	8,729	7,264
Cash and cash equivalents included in the consolidated statement of cash flows	14,231	12,181


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- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENTS OF CHANGES IN EQUITY

Group	Share capital S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 April 2013	17,967	3	6,987	24,957	(93)	24,864
Profit for the financial period	-	-	1,097	1,097	(27)	1,070
Other comprehensive income / (loss) for the financial period						
Foreign currency differences on translation of foreign operations	-	(91)	-	(91)	-	(91)
Total comprehensive income / (loss) for the financial period	-	(91)	1,097	1,006	(27)	979
Transactions with the owners of the parent						
Dividend paid	-	-	(212)	(212)	-	(212)
Total transactions with the owners of the parent	-	-	(212)	(212)	-	(212)
Balance at 30 September 2013	17,967	(88)	7,872	25,751	(120)	25,631
Balance at 1 April 2012	17,967	20	6,682	24,669	(74)	24,595
Loss for the financial period	-	-	(1,921)	(1,921)	(42)	(1,963)
Other comprehensive income / (loss) for the financial period						
Foreign currency differences on translation of foreign operations	-	24	-	24	1	25
Total comprehensive income / (loss) for the financial period	-	24	(1,921)	(1,897)	(41)	(1,938)
Transactions with the owners of the parent						
Dividend paid	-	-	(212)	(212)	-	(212)
Total transactions with the owners of the parent	-	-	(212)	(212)	-	(212)
Transactions with the non-controlling interests						
Issue of shares to non-controlling interests	-	-	-	-	80	80
Total transactions with the non-controlling interests	-	-	-	-	80	80
Balance at 30 September 2012	17,967	44	4,549	22,560	(35)	22,525


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STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Company	Share capital S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
Balance at 1 April 2013	17,967	-	840	18,807	-	18,807
Loss for the financial period	-	-	(215)	(215)	-	(215)
Total comprehensive (loss) / income for the financial period	-	-	(215)	(215)	-	(215)
Transactions with the owners of the parent						
Dividend paid	-	-	(212)	(212)	-	(212)
Total transactions with the owners of the parent	-	-	(212)	(212)	-	(212)
Balance at 30 September 2013	17,967	-	413	18,380	-	18,380
Balance at 1 April 2012	17,967	-	522	18,489	-	18,489
Loss for the financial period	-	-	(251)	(251)	-	(251)
Total comprehensive (loss) / income for the financial period	-	-	(251)	(251)	-	(251)
Transactions with the owners of the parent						
Dividend paid	-	-	(212)	(212)	-	(212)
Total transactions with the owners of the parent	-	-	(212)	(212)	-	(212)
Balance at 30 September 2012	17,967	-	59	18,026	-	18,026

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- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no changes in the Company's share capital since the end of the previous period reported on and there were no outstanding convertibles or treasury shares held as at 30 September 2012 and 30 September 2013.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year.**

	As at 30.09.13	As at 31.03.13
Total number of issued shares excluding treasury shares	106,000,000	106,000,000

The Company has no treasury shares outstanding as at 30 September 2012, 30 September 2013 and the financial year ended 31 March 2013.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at end of the current financial period reporting on.**

Not applicable.

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

The figures have not been audited nor reviewed by the auditors of the Company.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared to its most recent audited consolidated financial statements as at the financial year ended 31 March 2013.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

In the current reporting period, the Group has adopted all of the new or revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are relevant to its operations which became effective during the current period. The adoption of these new and revised FRS and INT FRS has no material effect on the amounts reported for the current or prior reporting periods.

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6. **Earnings per ordinary share of the group for the current financial year reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

EARNINGS PER SHARE ("EPS")

	Group	
	Six months ended	
	30.09.13	30.09.12
Profit / (Loss) for the financial period attributable to owners of the parent (S\$'000)	1,097	(1,921)
Number of ordinary shares outstanding for computation of EPS ('000)	106,000	106,000
EPS (cents) (Basic and diluted)	1.03	(1.81)

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the: -**

(a) **current financial period reported on; and**(b) **immediately preceding financial year.****NET ASSET VALUE ("NAV")**

	Group		Company	
	As at	As at	As at	As at
	30.09.13	31.03.13	30.09.13	31.03.13
NAV per ordinary share (cents)	24.18	23.46	17.34	17.74
Number of ordinary shares used in computation of NAV per ordinary share ('000)	106,000	106,000	106,000	106,000

8. **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.**

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

REVIEW OF INCOME STATEMENT OF THE GROUP**Six months ended 30 September 2013 ("HY2014") vs six months ended 30 September 2012 ("HY2013")**

The Group's revenue increased by approximately S\$8.2 million or 56.8% from approximately S\$14.4 million in HY2013 to approximately S\$22.6 million in HY2014. The increase in revenue was recorded from all business segments.

The Group's gross profit increased by approximately S\$2.7 million or 78.0% from approximately S\$3.4 million in HY2013 to approximately S\$6.1 million in HY2014, in line with the increase in revenue and gross profit margin. Gross profit margin increased from 23.7% in HY2013 to 26.9% in HY2014.

Other items of income increased by approximately S\$0.2 million from approximately S\$0.2 million in HY2013 to approximately S\$0.4 million in HY2014 mainly due to foreign exchange gain of S\$0.1 million recorded and increase in government grants received of S\$0.1 million in HY2014.



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The Group's distribution costs increased by approximately S\$0.2 million or 7.8% from approximately S\$2.3 million in HY2013 to approximately S\$2.5 million in HY2014. This was due mainly to the increase in salaries and bonuses for sales, marketing and support staff.

The Group's general and administrative expenses for HY2014 decreased by less than \$0.1 million or 1.4% from approximately S\$2.8 million in HY2013 to approximately S\$2.7 million in HY2014. The main items which contributed to the decrease in general and administrative expenses were, legal and professional fees which decreased by S\$0.2 million, and printing and stationery as well as travelling and transportation expenses which decreased by S\$0.1 million in total, which were offset by the increase in salaries and bonuses for administrative and finance staff by S\$0.3 million.

There was no item recorded under other expenses for HY2014. Compared to HY2013, there was an absence of foreign exchange loss recorded during the financial period.

The Group recorded finance costs, mainly on finance lease, of less than S\$1,000 in HY2014 and HY2013.

Income tax expense increased by approximately S\$242,000 from S\$8,000 in HY2013 to S\$250,000 in HY2014 as the Group recorded a profit for the financial period.

As a result of the foregoing, the Group recorded a profit of approximately S\$1.1 million in HY2014.

REVIEW OF FINANCIAL POSITION OF THE GROUP

Total non-current assets increased by approximately S\$0.2 million, from approximately S\$3.0 million as at 31 March 2013 to approximately S\$3.2 million as at 30 September 2013. This was due mainly to increase in plant and equipment of S\$0.2 million and investments in associates (due to share of results of associates) of S\$0.1 million, offset by a decrease in intangible asset of S\$0.1 million.

Total current assets increased by approximately S\$4.7 million, from approximately S\$32.3 million as at 31 March 2013 to approximately S\$37.0 million as at 30 September 2013. This was due mainly to increase in trade and other receivables of S\$2.5 million, inventories of S\$1.4 million and cash and cash equivalents of S\$0.8 million.

Total current liabilities increased by approximately S\$4.0 million, from approximately S\$10.4 million as at 31 March 2013 to approximately S\$14.4 million as at 30 September 2013. This was due mainly to increase in trade and other payables of S\$3.3 million, advance billings of S\$0.5 million and income tax payable of approximately S\$0.2 million.

As at 30 September 2013, our capital and reserves amounted to approximately S\$25.6 million comprising mainly share capital of S\$18.0 million and retained earnings of S\$8.0 million.

REVIEW OF STATEMENT OF CASH FLOWS OF THE GROUP

In HY2014, we generated net cash from operating activities before working capital changes of approximately S\$1.5 million. Net cash used for working capital amounted to approximately S\$0.1 million which was mainly due to increase in inventories and trade and other receivables of S\$1.4 million and S\$2.5 million respectively, which were offset by increase in trade and other payables of approximately S\$3.3 million and advance billings of approximately S\$0.5 million. After payment of income tax, the net cash generated from operating activities amounted to approximately S\$1.4 million for HY2014 as compared to net cash generated from operating activities of approximately S\$0.3 million for HY2013.

Net cash used in investing activities in HY2014 was approximately S\$0.3 million compared to net cash generated from investing activities of approximately S\$0.2 million in HY2013. The net cash used in investing activities in HY2014 was due mainly to the purchase of plant and equipment.

Net cash used in financing activities in HY2014 and HY2013 were approximately S\$0.2 million respectively. The net cash used in financing activities in HY2014 was due mainly to the payment of dividends during the financial period.



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

Not applicable.

10. **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 overall operating conditions remain difficult against a backdrop of weak demand, intense price competition and rising costs, especially that of labour.

As the outlook of the market is still uncertain, the Group remains cautious on the operating environment for the second half of the financial year.

11. **Dividend**

- (a) **Any dividend declared for the current financial period reported on?**

None.

- (b) **Corresponding Period of the Immediately Preceding Financial Year**

None.

- (c) **Date payable**

Not applicable.

- (d) **Books closure date**

Not applicable.

12. **If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared or recommended.

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13. If the group has obtained a general mandate from shareholders for 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.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
Foo Chew Tuck		
Lease of office premises from:		
(i) JE Holdings Pte Ltd	111	
(ii) Unity Consultancy Pte. Ltd.	8	
(iii) Jason Harvest Pte Ltd	23	
Total:	142	Not applicable

In addition to the above, Mr. Tan Lian Huat had provided guarantee to secure our Group's obligation under a hire purchase facility. No fee was paid to the guarantor for the provision of the above guarantee.

The Group has not obtained a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the SGX-ST Listing Manual.

14. **Use of Proceeds Update**

Use of IPO Proceeds	Amount allocated	Amount used as at 30 September 2013
	S\$'000	S\$'000
Investments and/or joint ventures	1,500	428
General working capital	602	602

Since the Company's IPO in October 2009, the IPO proceeds allocated for investments and/or joint ventures have not been fully utilized. At present, the Company does not foresee that there will be new investments and/or joint ventures being made in the immediate twelve months. As it has been four years since the Company's listing, the Board of Directors is of the opinion that it is appropriate that the remaining unutilized proceeds be re-allocated for general working capital purpose. Should the Company enter into new investment and/or joint venture subsequently, the Company will fulfill the funding requirement from internal and/or external resources.

15. **Negative confirmation pursuant to Rule 705(5)**

We confirm on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group for the six months ended 30 September 2013 to be false or misleading in any material aspect.

On behalf of the Board

Foo Chew Tuck
Executive Chairman

Tan Lian Huat
Chief Executive Officer

BY ORDER OF THE BOARD

Foo Chew Tuck
Executive Chairman
6 November 2013