

# JASON MARINE GROUP LIMITED

(Company Registration No.: 200716601W)  
(Incorporated in the Republic of Singapore)

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## EXERCISE OF OPTION TO DISPOSE OF INVESTMENT IN E-MARINE GLOBAL INC.

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### 1. INTRODUCTION

The board of directors of ("Board") Jason Marine Group Limited (the "Company" or together with its subsidiaries the "Group") wishes to announce that its wholly owned subsidiary, Jason Venture Pte Ltd ("JVPL") had on 7 November 2018 exercised the put option to sell its entire investment in e-Marine Global Inc. ("e-Marine") comprising 1,363,953 shares in e-Marine ("Sale Shares"), representing approximately 6.0% in the issued share capital of e-Marine, for KRW759 per share plus interest accrued on the aggregate consideration at a rate of 5.38% per annum for the period from 28 October 2011 to the date the put option was exercised ("Disposal"). Please refer to Note 15 of the Company's annual report for FY2018 for details relating to the put option. e-Marine is principally engaged in the provision of information and communications technology for the maritime industry.

### 2. PRINCIPAL TERMS AND CONDITIONS

The consideration for the Sale Shares pursuant to the exercise of the put option is KRW 1.43 billion (approximately S\$1.75 million)<sup>(1)</sup> in cash, after taking into consideration the interest accrued from 28 October 2011 to 7 November 2018. The counterparty is obliged to make payment for the shares in e-Marine which are the subject of the put option by 6 December 2018. The Group's initial investment in e-Marine is approximately S\$1.23 million.

Based on the last traded market price of US\$0.51 on 7 November 2018, the market valuation of the Group's investment in e-Marine is approximately S\$1.0 million.

The Group has adopted a new financial reporting framework, Singapore Financial Reporting Standards (International) (SFRS(I)s), on 1 April 2018 and has prepared its first set of financial information under SFRS(I)s for the six months ended 30 September 2018. Accordingly, as the Group has elected to classify the investment in e-Marine as "Financial asset at FVOCI" under the adoption of SFRS(I) 9, the fair value gain of the Group's investment in e-Marine previously recognised, amounting to S\$0.65 million will have to be transferred to equity upon the Disposal.

Consequently, subject to the counterparty fulfilling his obligation to purchase the Group's shares in e-Marine, the Company's management expects to record a gain of approximately S\$0.1 million in the profit and loss account arising from the Disposal.

### 3. RATIONALE

The Disposal will allow the Group to realise its investment and the proceeds will be used for the general working capital of the Group. The Board is of the view that the Disposal is in the best interest of the Company having considered the illiquid trading of e-Marine shares on the OTC Market in the United States of America, as well as the Company's intention to focus on its core businesses.

<sup>(1)</sup> Exchange rate of KRW 100 = S\$ 0.122382 was used in the above computation of the consideration for the Sale Shares

#### 4. LISTING MANUAL RELEVANT FIGURES

The relative figures for the Disposal, computed in accordance with Rule 1006 (a) to (e) of the Listing Manual Section B: Rules of Catalist ("Catalist Rules") are as set out below:

Rule	Based	Note	Relative Percentage
1006(a)	NAV of the assets to be disposed of, compared with the Group's NAV as at 30 September 2018	(1)	-1.33%
1006(b)	Net loss attributable to the assets disposed of, compared with the Group's net loss for the 6-months period ended 30 September 2018 ("HY2019")	(2)	2.21%
1006(c)	Consideration compared with the Company's market capitalisation	(3)	13.52%
1006(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of securities previously in issue	(4)	Not applicable
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	(5)	Not applicable

- (1) Based on the Group's unaudited consolidated net asset value of S\$21.1 million as at 30 September 2018 and 6% of the unaudited consolidated net liability value of e-Marine of S\$0.3 million as at 30 June 2018. If the Group's audited consolidated net asset value of S\$46.5 million as at 31 March 2018 and 6% of the audited consolidated net liability value of e-Marine of S\$0.3 million as at 31 December 2017 were used instead, the relative figure for Rule 1006(a) would have been -0.62%.
- (2) Based on the Group's unaudited consolidated net loss before income tax, minority interests and extraordinary items of S\$1.5 million (adjusted for (i) impairment of loan to an associated company Sense Infosys Pte Ltd ("SIS") of S\$0.8 million and (ii) fair value loss on derivative financial instruments of S\$0.9 million) for HY2019 and 6% of e-Marine's unaudited consolidated net loss before income tax of S\$33,000 for the 6-months ended 30 June 2018. If the Group's audited consolidated net profit before income tax, minority interests and extraordinary items of S\$0.9 million (adjusted for (i) impairment of available-for-sale assets of S\$35,000 and (ii) fair value loss of derivative of approximately S\$0.7 million) for the financial year ended 31 March 2018 ("FY2018") and 6% of e-Marine's audited consolidated net loss before income tax of S\$0.2 million for the financial year ended 31 December 2017 were used instead, the relative figure for Rule 1006(b) would have been -21.76%.
- (3) The Company's market capitalisation of approximately S\$12.9 million is determined by multiplying 105,000,000 ordinary shares (excluding treasury shares) by the weighted average price of the shares transacted on 30 October 2018 (being the last market day immediately preceding the exercising of the put option) of S\$0.123.
- (4) Not applicable as the transaction is a disposal.

- (5) Not applicable as the transaction does not involve the disposal of mineral, oil and gas assets.
- (6) Exchange rate of KRW 100 = S\$ 0.122382 was used in the above computations of the relative figures.

As the relative figure in Rule 1006(c) is above 5%, the Disposal constitutes a discloseable transaction for the purpose of Rule 1010 of the Catalist Rules.

## 5. FINANCIAL EFFECTS

The financial effects of the Disposal are set out below purely for illustrative purpose:

	Note	Before the transaction	After the transaction
Net tangible assets ("NTA") per ordinary share in the capital of the Company ("Share") as at 31 March 2018 (cents)	(1)	44.24	23.73 <sup>(3)</sup>
Earnings per share ("EPS") for the financial year ended 31 March 2018 (cents)	(2)	0.04	1.37 <sup>(4)</sup>

- (1) The impact on the NTA per Share as illustrated in the table above are computed based on the audited consolidated balance sheet of the Group as at 31 March 2018, assuming that the Disposal had been completed on 31 March 2018. It should be noted that the fair value of the Group's investment in e-Marine was S\$23.3 million, based on the closing quoted price of US\$13.00 as at 31 March 2018.
- (2) The impact on earnings per Share as illustrated in the table above is computed based on the audited consolidated profit and loss statement of the Group for FY2018, assuming that the Disposal had been completed on 1 April 2017.
- (3) Exchange rate of KRW 100 = S\$ 0.123320 was used in the computation of the Group's NTA per Share as at 31 March 2018 after taking into account the financial effects of the Disposal.
- (4) Exchange rate of KRW 100 = S\$ 0.124790 was used in the computation of the Group's EPS for the financial year ended 31 March 2018 after taking into account the financial effects of the Disposal.

## 6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors of the Company ("Directors") and/or the controlling shareholder of the Company have any interests, direct or indirect, in the Disposal, save for their interests by virtue of their shareholdings and/or directorships, as the case may be, in the Company and the Group. There will be no Directors appointed to the Company in connection with the Disposal.

## 7. DOCUMENTS FOR INSPECTION

Shareholders should note that a copy of the (i) notice to exercise the put option and the (ii) put option agreement is available for inspection during normal business hours at the Company's registered office at 194 Pandan Loop, #06-05 Pantech Business Hub, Singapore 128383, for three (3) months from the date hereof.

By order of the Board

Foo Chew Tuck  
Executive Chairman and CEO  
9 November 2018

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*This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. 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 Ms Tan Cher Ting, Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone (65) 6337 5115.*