



**UNAUDITED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED
30 SEPTEMBER 2019**

1(a)(i) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial period.

CONSOLIDATED INCOME STATEMENTS

	Group		Increase / (Decrease) %
	Six months ended		
	30.09.19 S\$'000	30.09.18 S\$'000	
Revenue	13,966	10,920	27.9
Cost of sales	(10,399)	(7,644)	36.0
Gross profit	3,567	3,276	8.9
Other items of income			
Other income	1,392	763	82.4
Interest income	68	125	(45.6)
Other items of expense			
Distribution costs	(2,608)	(2,940)	(11.3)
General and administrative expenses	(1,842)	(2,031)	(9.3)
Finance costs	(15)	-	NM
Other expenses	(3)	(1,067)	(99.7)
Write back of/(Allowance for) Impairment loss on financial assets	426	(909)	NM
Share of result of associates, net of tax	5	(415)	NM
Profit/(Loss) before income tax	990	(3,198)	NM
Income tax expense	(7)	(7)	0.0
Profit/(Loss) for the financial year	983	(3,205)	NM
Profit attributable to:			
Owners of the parent	976	(3,212)	NM
Non-controlling interests	7	7	0.0
Profit/(Loss) for the financial year	983	(3,205)	NM

NM: Not Meaningful


JASON MARINE GROUP LIMITED

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

1(a)(ii) Statement of comprehensive income for the financial year ended 31 March 2019
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Group		
	Six months ended	30.09.18	Increase /
	30.09.19	30.09.18	(Decrease)
	S\$'000	S\$'000	%
Profit/(Loss) for the financial period	983	(3,205)	NM
Other comprehensive income:			
<u>Items that may be reclassified subsequently to</u>			
<u>profit & loss account:</u>			
Foreign currency difference on translation of foreign operations	102	98	4.1
<u>Items that will not be reclassified subsequently to</u>			
<u>profit & loss account:</u>			
Net loss on fair value changes of financial assets, at FVOCI	(2,490)	(21,592)	(88.5)
Other comprehensive income for the financial period, net of tax	(2,388)	(21,494)	(88.9)
Total comprehensive income for the financial period, net of tax	(1,405)	(24,699)	(94.3)
Total comprehensive income attributable to:			
Owners of the parent	(1,414)	(24,705)	(94.3)
Non-controlling interests	9	6	50.0
	(1,405)	(24,699)	(94.3)

**1(a)(iii) Notes to consolidated income statements**

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

	Group		Increase / (Decrease) %
	Six months ended 30.09.19 S\$'000	30.09.18 S\$'000	
Allowance for impairment loss on doubtful trade and other receivables, net	(74)	(114)	(35.1)
Bad debt expenses	(3)	-	NM
Depreciation of plant and equipment	(314)	(181)	73.5
Fair value gain/(loss) on derivative financial instruments, net	538 ⁽¹⁾	(931) ⁽²⁾	NM
Foreign exchange gain, net	105	555	(81.1)
Gain on disposal of property and equipment	-	25	NM
Government grants	193	116	66.4
Interest income	68	125	(45.6)
Plant and equipment written off	-	(1)	NM
Sundry income			
- contract termination payment	401	-	NM
- others	38	63	(39.7)
Write back of/(Allowance for) impairment loss on doubtful other receivables - associate	500 ⁽³⁾	(791) ⁽³⁾	NM
Write back of/(Allowance for) inventory obsolescence	117	(135)	NM

NM: Not Meaningful

Notes:

- (1) Includes fair value gain of approximately S\$617,000 in relation to the put option held by the Group to sell its entire investment in eMarine Global Inc., which was based on a valuation performed by an independent valuation firm.
- (2) Relates to the fair value loss of S\$931,000 in respect of the fair value of the profit guarantee arising from the Group's investment in Sense Infosys Pte. Ltd recognised in the previous financial year.
- (3) Relates to the convertible loans drawn down by Sense Infosys Pte. Ltd.


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1(b)(i) A balance sheet (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 30.09.19 S\$'000	As at 31.03.19 S\$'000	As at 30.09.19 S\$'000	As at 31.03.19 S\$'000
Non-current assets				
Plant and equipment	711	771	-	-
Right-of-use assets	525	-	-	-
Investments in subsidiaries	-	-	15,555	15,555
Investments in associates	82	77	-	-
Financial assets, at FVOCI	1,404	3,894	-	-
Deferred tax assets	5	-	-	-
Total non-current assets	2,727	4,742	15,555	15,555
Current assets				
Inventories	4,453	4,632	-	-
Trade and other receivables	12,885	5,496	361	25
Contract assets	2,097	6,422	-	-
Derivative financial instrument	865	254	-	-
Prepayments	196	234	14	21
Cash and cash equivalents	11,133	14,165	6,295	7,452
Total current assets	31,629	31,203	6,670	7,498
Less:				
Current liabilities				
Trade and other payables	5,920	5,567	159	269
Contract liabilities	3,139	3,453	-	-
Current income tax payable	234	464	-	4
Lease liabilities	349	-	-	-
Total current liabilities	9,642	9,484	159	273
Net current assets	21,987	21,719	6,511	7,225
Less:				
Non-current liabilities				
Deferred tax liabilities	3	3	-	-
Lease liabilities	183	-	-	-
	186	3	-	-
Net assets	24,528	26,458	22,066	22,780
Capital and reserves				
Share capital	17,967	17,967	17,967	17,967
Treasury shares	(255)	(255)	(255)	(255)
Fair value adjustment reserve	812	3,302	-	-
Foreign currency translation account	40	(60)	-	-
Retained earnings	5,887	5,436	4,354	5,068
Equity attributable to the owners of the parent	24,451	26,390	22,066	22,780
Non-controlling interests	77	68	-	-
Total equity	24,528	26,458	22,066	22,780

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

Amount repayable in one year or less, or on demand

As at 30.09.19		As at 30.09.18	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Amount repayable after one year

As at 30.09.19		As at 30.09.18	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Details of any collateral

As at 30 September 2019, the Group did not have any secured or unsecured borrowings.


JASON MARINE GROUP LIMITED

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

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	
	30.09.19	30.09.18
	S\$'000	S\$'000
Operating activities		
Profit/(Loss) before income tax	990	(3,198)
Adjustments for:		
Changes in fair value of derivative financial instrument, net	(538)	931
Depreciation of plant and equipment	314	181
Gain on disposal of property and equipment	-	(25)
Interest income	(68)	(125)
Interest expenses	15	-
Plant and equipment written off	-	1
Share of results of associates	(5)	415
Unrealised exchange loss	80	-
(Write back of)/Allowance for impairment loss on doubtful trade and other receivables	(426)	905
(Write back of)/Allowance for inventory obsolescence	(117)	135
Operating cash flows before working capital changes	245	(780)
Working capital changes:		
Inventories	362	(503)
Trade and other receivables	(6,964)	(3,056)
Contract assets	4,325	2,301
Prepayments	38	(12)
Trade and other payables	(19)	(694)
Contract liabilities	(16)	2,002
Cash used in operations	(2,029)	(742)
Interest received	68	125
Income tax paid	(242)	(65)
Net cash used in operating activities	(2,203)	(682)
Investing activities		
Purchase of plant and equipment	(146)	(146)
Proceeds from disposal of plant and equipment	-	20
Net cash used in investing activities	(146)	(126)
Financing activities		
Dividend paid	(525)	(525)
Interest paid	(15)	-
Payment of lease liabilities	(168)	-
Net cash used in financing activities	(708)	(525)
Net change in cash and cash equivalents	(3,057)	(1,333)
Cash and cash equivalents at beginning of financial year	14,165	17,881
Effects of foreign exchange rate changes on cash and cash equivalents	25	180
Cash and cash equivalents at end of financial period	11,133	16,728
Cash and cash equivalents comprise of the following:		
Fixed deposits	5,711	8,667
Cash and bank balances	5,422	8,061
Cash and cash equivalents included in the consolidated statement of cash flows	11,133	16,728


JASON MARINE GROUP LIMITED

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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	Treasury shares S\$'000	Fair value adjustment reserve S\$'000	Foreign currency translation account 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 2019	17,967	(255)	3,302	(60)	5,436	26,390	68	26,458
Profit for the financial year	-	-	-	-	976	976	7	983
Other comprehensive income for the financial year								
Net change in fair value of equity investment at FVOCI	-	-	(2,490)	-	-	(2,490)	-	(2,490)
Foreign currency differences on translation of foreign operations	-	-	-	100	-	100	2	102
Total comprehensive income for the financial year	-	-	(2,490)	100	976	(1,414)	9	(1,405)
Distributions to owners of the parent								
Dividend paid	-	-	-	-	(525)	(525)	-	(525)
Total transactions with the owners of the parent	-	-	-	-	(525)	(525)	-	(525)
Balance at 30 September 2019	17,967	(255)	812	40	5,887	24,451	77	24,528
Balance at 31 March 2018	17,967	(255)	22,979	(143)	5,850	46,398	54	46,452
Adoption of SFRS(I) 9	-	-	(34)	-	(80)	(114)	-	(114)
Balance restated at 1 April 2018	17,967	(255)	22,945	(143)	5,770	46,284	54	46,338
Loss for the financial year	-	-	-	-	(3,212)	(3,212)	7	(3,205)
Other comprehensive income for the financial year								
Net change in fair value of equity investment at FVOCI	-	-	(21,592)	-	-	(21,592)	-	(21,592)
Foreign currency differences on translation of foreign operations	-	-	-	99	-	99	(1)	98
Total comprehensive income for the financial year	-	-	(21,592)	99	(3,212)	(24,705)	6	(24,699)
Distributions to owners of the parent								
Dividends	-	-	-	-	(525)	(525)	-	(525)
Total transactions with the owners of the parent	-	-	-	-	(525)	(525)	-	(525)
Balance at 30 September 2018	17,967	(255)	1,353	(44)	2,033	21,054	60	21,114


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STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Company	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 31 March 2019	17,967	(255)	5,068	22,780
Loss for the financial year	-	-	(189)	(189)
Total comprehensive income for the financial year	-	-	(189)	(189)
Transactions with the owners of the parent				
Dividend paid	-	-	(525)	(525)
Total transactions with the owners of the parent	-	-	(525)	(525)
Balance at 30 September 2019	17,967	(255)	4,354	22,066
Balance at 31 March 2018	17,967	(255)	5,464	23,176
Adoption of SFRS(I) 9	-	-	(202)	(202)
Balance restated at 1 April 2018	17,967	(255)	5,262	22,974
Loss for the financial year	-	-	(191)	(191)
Total comprehensive income for the financial year	-	-	(191)	(191)
Transactions with the owners of the parent				
Dividends	-	-	(525)	(525)
Total transactions with the owners of the parent	-	-	(525)	(525)
Balance at 30 September 2018	17,967	(255)	4,546	22,258



- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 was no change in the Company's share capital since the end of the previous period reported on, being the period between 1 April 2019 and 30 September 2019.

The Company held 1,000,000 treasury shares as at 30 September 2019 (30 September 2018: 1,000,000). There were no subsidiary holdings as at 30 September 2019 (30 September 2018: Nil). The percentage of the number of treasury shares held against the total number of issued ordinary shares (excluding treasury shares) in the capital of the Company ("Shares") as at 30 September 2019 was approximately 0.9% (30 September 2018: 0.9%).

As at 30 September 2019 and 30 September 2018, the Company did not have any outstanding options or convertibles.

- 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 30.09.19	As at 31.03.19
Total number of issued Shares	106,000,000	106,000,000
Less: Total number of treasury shares	<u>(1,000,000)</u>	<u>(1,000,000)</u>
Total number of issued Shares excluding treasury shares	<u><u>105,000,000</u></u>	<u><u>105,000,000</u></u>

- 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.**

	Six months ended 30.09.19
Treasury shares:	
Balance at beginning and end of period	1,000,000

During the six months ended 30 September 2019 ("HY2020"), there was no change in the number of treasury shares held.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at end of the current financial period reported on.**

Not applicable as the Company did not have any subsidiary holdings.

**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 as the figures have not been audited or reviewed.

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 and the Company have 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 for the financial year ended 31 March 2019.

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.

The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 *Leases*, which is effective from 1 April 2019. The standard requires a lessee to recognise the rights to use leased assets as Right-Of-Use ("ROU") asset and a lease liability representing its obligation to make lease payments.

The Group applied the standard using the modified retrospective approach, with no restatement of comparative information. At the date of initial application, the Group has applied the practical expedient to recognise the amount of ROU assets equal to the lease liabilities as at 1 April 2019. Subsequent to initial recognition, the Group depreciates the ROU assets over its lease term and recognise interest expenses on lease liabilities.

The ROU assets as at 30 September 2019 were mainly related to leases of the vehicle, office equipment and offices occupied by the Group.

The adoption of SFRS(I) 16 resulted in the following effect on the balance sheet:

	Group	
	As at	As at
	30.9.2019	01.04.2019
		\$'000
Balance Sheet		
Right-of-use assets		
Offices	495	660
Vehicle	19	26
Office equipment	11	13
	525	699
Lease liabilities		
Current	349	340
Non-current	183	359
	532	699



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/(LOSSES) PER SHARE ("EPS")	Group	
	Six months ended 30.09.19	30.09.18
Profit/(Loss) for the financial period attributable to owners of the parent (S\$'000)	976	(3,212)
Weighted average number of Shares excluding treasury shares used in the computation of EPS ('000)	105,000	105,000
EPS (cents) (Basic and diluted) ⁽¹⁾	0.93	(3.06)

Note:

(1) Basic and diluted EPS are the same as the Company did not have any outstanding instruments convertible into rights to subscribe for, and/or options in respect of, its Shares during these financial periods.

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 30.09.19	As at 31.03.19	As at 30.09.19	As at 31.03.19
NAV per Share (cents)	23.36	25.20	21.02	22.07
Number of Shares (excluding treasury shares) used in the computation of NAV per Share ('000)	105,000	105,000	105,000	105,000



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.**

REVIEW OF FINANCIAL PERFORMANCE OF THE GROUP

Six months ended 30 September 2019 ("HY2020") compared to six months ended 30 September 2018 ("HY2019")

The Group's revenue is derived from three business segments: (i) sale of goods; (ii) rendering of services; and (iii) airtime revenue. Sale of goods is mostly project-based and relates to the design, supply, integration and installation of a comprehensive range of radio and satellite communication, navigation and marine automation systems. Rendering of services relates to equipment leasing and provision of maintenance and support services including repair works, troubleshooting, commissioning, radio survey and annual performance tests. Airtime revenue relates to provision of airtime for satellite communication systems.

The Group's total revenue increased by approximately S\$3.1 million or 27.9% from approximately S\$10.9 million in HY2019 to approximately S\$14.0 million in HY2020. The increase came from the sale of goods segment of approximately S\$3.2 million due to more progress recognition in the projects and the airtime revenue segment of approximately S\$0.2 million due to more airtime services taken up by customers. These increases were offset by a decrease in the rendering of services segment of approximately S\$0.3 million due to lesser servicing works rendered during HY2020.

The Group's cost of sales increased by approximately S\$2.8 million or 36.0% from S\$7.6 million in HY2019 to S\$10.4 million in HY2020, in line with the increase in revenue.

The Group's gross profit increased by approximately S\$0.3 million or 8.9% from S\$ 3.3 million in HY2019 to S\$3.6 million in HY2020. The overall gross profit margin however decreased from 30.0% in HY2019 to 25.5% in HY2020, due to lower percentage of overall sales contributed from higher margin segment, as well as absence of progress recognition of one major Singapore-based contract from the information communication technology space under the sale of goods segment which was recognised in HY2019.

Other items of income (including interest income) increased by approximately S\$0.6 million or 64.4% from approximately S\$0.9 million in HY2019 to approximately S\$1.5 million in HY2020 due to (i) an increase in fair value gain on derivative financial instruments of approximately S\$0.5 million, mainly arising from the investment in eMarine Global Inc., (ii) an increase in sundry income of approximately S\$0.4 million mainly relating to contract termination payments from a customer and (iii) a write-back of allowance for inventory obsolescence of approximately S\$0.1 million. These were offset by a decrease in foreign exchange gain of approximately S\$0.4 million.

The Group's distribution costs decreased by approximately S\$0.3 million or 11.3% from approximately S\$2.9 million in HY2019 to approximately S\$2.6 million in HY2020. This was due mainly to the decrease in manpower cost for sales, marketing and support staff of approximately S\$0.4 million, offset by an increase in marketing, advertisement and promotion expenses of approximately S\$0.1 million.



The Group's general and administrative expenses decreased by approximately S\$0.2 million or 9.3% from approximately S\$2.0 million in HY2019 to approximately S\$1.8 million in HY2020, mainly attributable to a decrease in manpower cost for general and administrative staff of approximately S\$0.1 million and a decrease in legal and professional fees of approximately S\$0.1 million.

The Group's finance costs amounted to S\$15,000 in HY2020 due to the adoption of SFRS(I) 16 which resulted in the recognition of ROU assets, lease liabilities as well as the corresponding interest expenses over its lease term.

The Group's other expenses decreased by approximately S\$1.1 million or 99.7% from approximately S\$1.1 million in HY2019 to approximately S\$3,000 in HY2020. This was mainly due to the absence of fair value loss on derivative financial instrument of approximately S\$0.9 million in relation to the fair value of profit guarantee arising from investment in SIS, as well as the absence of allowance for inventory obsolescence of approximately S\$0.1 million.

The Group's write back of impairment loss on financial assets was approximately S\$0.4 million in HY2020 as compared to an allowance for impairment on financial assets of approximately S\$0.9 million in HY2019. This was mainly due to the write-back of allowance for impairment loss on doubtful trade and other receivables of approximately S\$0.5 million mainly arising from the recovery of a loan extended to Sense Infosys Pte Ltd ("SIS"), as compared to an allowance for impairment loss of approximately S\$0.8 million.

The Group's share of result from associates decreased by approximately S\$0.4 million from loss of approximately S\$415,000 in HY2019 to profit of approximately S\$5,000 in HY2020. This was due to the absence of share of SIS's losses as SIS was in the process of creditors' voluntary liquidation as announced in SGX-ST on 23 April 2019, and the Group's interest in SIS was reduced to nil.

The Group's income tax expense was approximately S\$7,000 in HY2020, comparable to that in HY2019.

As a result of the foregoing, profit after income tax attributable to owners of the parent was approximately S\$1.0 million in HY2020 as compared to loss of approximately S\$3.2 million in HY2019. Excluding the foreign exchange gains and losses, write back / allowance for impairment of other receivables in SIS as well as fair value changes on derivative financial instruments in relation to the Group's investment in SIS and eMarine, net loss would have been S\$0.2 million for HY2020 as compared to S\$2.0 million for HY2019, representing a decrease of 92.1%.

	Group		Increase / (Decrease) %
	Six months ended 30.09.19 S\$'000	30.09.18 S\$'000	
Profit/(Loss) for the financial year	983	(3,205)	NM
Adjustments:			
(Write back of)/Allowance for impairment loss of other receivables in SIS	(500)	791	NM
Fair value gain on derivative financial instruments, put option in eMarine	(617)	-	NM
Fair value loss on derivative financial instruments, profit guarantee in SIS	-	931	NM
Fair value loss on derivative financial instruments, others	79	-	NM
Foreign exchange gain, net	(105)	(555)	(81.1)
	(160)	(2,038)	(92.1)

REVIEW OF FINANCIAL POSITION OF THE GROUP

Total non-current assets decreased by approximately S\$2.0 million, from approximately S\$4.7 million as at 31 March 2019 to approximately S\$2.7 million as at 30 September 2019. This was mainly due to a decrease in financial assets, at FVOCI of approximately S\$2.5 million which was offset by an increase in ROU assets of approximately S\$0.5 million net of depreciation following the adoption of SFRS(I) 16 as explained in paragraph 5 of this announcement.



The change in fair value of financial assets at FVOCI mainly relates to the Group's equity interest of approximately 6.0% in eMarine Global Inc. ("eMarine"), a company which is listed on the OTC market in the United States of America. The fair value of the Group's investment in eMarine, as reported in the Group's audited consolidated financial statements for the financial year ended 31 March 2019 ("FY2019"), was approximately S\$3.5 million, based on the closing quoted market price on the last market trading day of FY2019 of US\$1.90.

As at 30 September 2019, the fair value of the investment in eMarine amounted to S\$1.0 million based on the market price of eMarine of US\$0.55 on the last market trading day of HY2020. Accordingly, the Group had recognised a net fair value loss of approximately S\$2.5 million which was accounted for in the Group's consolidated statement of comprehensive income for HY2020. The remaining value in the Group's financial assets at FVOCI of approximately S\$0.4 million relates to the Group's unquoted equity securities of 10% interest in Cosco Shipping Electronics (Guangzhou) Co., Ltd.

Total current assets increased by approximately S\$0.4 million, from approximately S\$31.2 million as at 31 March 2019 to approximately S\$31.6 million as at 30 September 2019. This was mainly due to (i) an increase in trade and other receivables of approximately S\$7.4 million, and (ii) an increase in derivative financial instrument relating to the Group's investment in eMarine of approximately S\$0.6 million. These increases were offset by (i) a decrease in contract assets of approximately S\$4.3 million, (ii) a decrease in cash and cash equivalents of approximately S\$3.0 million, and (iii) a decrease in inventories of approximately S\$0.2 million.

The increase in trade and other receivables was due to the transfer from contracts assets as billing milestones were reached, as well as from the increase in revenue.

Total current liabilities increased by approximately S\$0.1 million, from approximately S\$9.5 million as at 31 March 2019 to approximately S\$9.6 million as at 30 September 2019. This was due mainly to (i) an increase in trade and other payables of approximately S\$0.3 million, and (ii) an increase in lease liabilities of approximately S\$0.3 million following the adoption of SFRS(I) 16. These were offset by (i) a decrease in contract liabilities of approximately S\$0.3 million, and (ii) a decrease in income tax payable of approximately S\$0.2 million.

Total non-current liabilities increased by S\$183,000, from approximately S\$3,000 as at 31 March 2019 to approximately S\$186,000 as at 30 September 2019. This was due to the increase in lease liabilities following the adoption of SFRS(I) 16.

As at 30 September 2019, capital and reserves amounted to approximately S\$24.4 million comprising mainly share capital of approximately S\$18.0 million, retained earnings of approximately S\$5.9 million, fair value adjustment reserve of approximately S\$0.8 million, and treasury shares held of approximately S\$0.3 million.

REVIEW OF STATEMENT OF CASH FLOWS OF THE GROUP

In HY2020, net cash generated from operating activities before working capital changes was approximately S\$0.2 million. Net cash used in working capital amounted to approximately S\$2.3 million which was mainly due to an increase in trade and other receivables of approximately S\$7.0 million, offset by a decrease in contract assets of approximately S\$4.3 million, as well as a decrease in inventory of approximately S\$0.4 million. After payment of income tax expenses of approximately S\$0.2 million, offset by interest received of approximately S\$0.1 million, the net cash used in operating activities amounted to approximately S\$2.2 million in HY2020.

Net cash used in investing activities in HY2020 was approximately S\$0.1 million, attributable to the purchase of plant and equipment.



Net cash used in financing activities in HY2020 was approximately S\$0.7 million, due to payment of dividend of approximately S\$0.5 million and payment of lease liabilities of approximately S\$0.2 million during the current reporting period.

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

No forecast or prospect statement in relation to the Group's results for HY2020 has been previously disclosed to shareholders.

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 outlook of the marine offshore oil and gas industry for the coming months remains largely unchanged. The Group expects market conditions to remain challenging and its financial performance will continue to be affected by the uncertainties and developments in the industry. Soft demand for goods and services coupled by intense market competition will continue to exert pressure on margins.

The Group will focus on strengthening its existing business and look for opportunities to increase business activities by creating value for customers and leveraging on technology. At the same time, the Group will continue to monitor the current US and China trade tensions which may have a potential impact on the business and actively exercise prudence in managing operational costs.

11. Dividend

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

No. The Board is not recommending any interim dividend in respect of HY2020.

Name of dividend	Not applicable
Dividend type	Not applicable
Dividend rate	Not applicable
Tax rate	Not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

No. The Board did not recommend any interim dividend in respect of HY2019.

Name of dividend	Not applicable
Dividend type	Not applicable
Dividend rate	Not applicable
Tax rate	Not applicable

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Not applicable.

**(d) Date payable**

Not applicable.

(e) Book closure date

Not applicable.

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

The Board of Directors (the "Board") is not recommending any interim dividend having considered the current challenging environment.

13. Interested Person Transactions

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	80	
(ii) Unity Consultancy Pte. Ltd.	7	
(iii) Jason Harvest Pte Ltd	23	
Total:	110	Not applicable

The Group did not obtain any general mandate from shareholders for interested person transactions.

14. Confirmation pursuant to Rule 705(5)

We hereby confirm, on behalf of the Board, to the best of their knowledge, nothing has come to the attention of the Board which may render the unaudited consolidated financial statements of the Group for the six months ended 30 September 2019 to be false or misleading in any material aspect.

On behalf of the Board

Foo Chew Tuck
Executive Chairman and CEO

Eileen Tay-Tan Bee Kiew
Lead Independent Director



JASON MARINE GROUP LIMITED

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

15. Confirmation pursuant to Appendix 7H of Rule 720(1) of the Listing Manual

The Company confirms that it has already procured signed undertakings from all its directors and relevant executive officers in the format as set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules.

BY ORDER OF THE BOARD

Foo Chew Tuck
Executive Chairman and CEO
7 November 2019

*This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "**Sponsor**") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"). This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes 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.*