

## JASON MARINE GROUP LIMITED

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

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### PROPOSED SUBSCRIPTION OF 51,340 CONVERTIBLE PREFERENCE SHARES IN THE CAPITAL OF SENSE INFOSYS PTE. LTD.

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#### 1. INTRODUCTION

The board of directors of Jason Marine Group Limited (the “**Company**”, or together with its subsidiaries, the “**Group**”) is pleased to announce that its wholly-owned subsidiary, Jason Venture Pte. Ltd. (“**Jason Venture**”), has today entered into a subscription agreement (“**Subscription Agreement**”) with Sense Infosys Pte. Ltd. (“**Sense Infosys**”), Chow Ngee Ken (one of the founders and a director of Sense Infosys) and Cap Vista Pte. Ltd. (“**Cap Vista**”). Pursuant to the Subscription Agreement, Jason Venture has agreed to subscribe for 51,340 new Series A2 convertible preference shares (the “**Subscription Shares**”) in the capital of Sense Infosys (“**Series A2 CPS**”) for an aggregate subscription price of S\$850,000 (“**Subscription Price**”) or an issue price of approximately S\$16.56 for each Series A2 CPS (the “**Proposed Investment**”). The Subscription Shares represent 45.9% of the total number of Series A2 CPS issued by Sense Infosys.

Chow Ngee Ken and Cap Vista will subscribe for 9,060 ordinary shares and 60,400 new Series A2 CPS respectively. Cap Vista is the strategic investment arm of the Defence Science and Technology Agency (“**DSTA**”). Based on information provided by Cap Vista, Cap Vista invests in companies with innovative technologies that can serve the defence and security needs of Singapore. Cap Vista aims to be a strategic investor of choice for young companies seeking to develop their businesses in the Asian defence and security market.

As announced by the Company on 15 January 2015, Jason Venture previously subscribed for 52,000 Series A convertible preference shares in the capital of Sense Infosys (“**Series A CPS**”) for an aggregate subscription price of S\$450,000. In the event that Jason Venture converts its Series A CPS into ordinary shares but none of the Series A2 CPS is converted, Jason Venture will hold approximately 16.7% of the enlarged share capital of Sense Infosys (taking into account the subscription of ordinary shares by Chow Ngee Ken pursuant to the Subscription Agreement). In the event that Jason Venture converts all of its Series A CPS and Series A2 CPS and all other holders of Series A2 CPS also convert their Series A2 CPS into ordinary shares, Jason Venture will hold approximately 24.4% of the enlarged share capital of Sense Infosys.

Jason Venture has also today entered into a shareholders’ agreement with all the existing shareholders of Sense Infosys and the subscribers of the new Series A2 CPS, namely Chow Ngee Ken, Yong Kai Chin, Tng Sian Soo (collectively, the “**Original Shareholders**”) and Cap Vista.

As none of the relative figures computed on the bases set out under Rule 1006 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst (“**Catalist Rules**”) exceeds 5%, the Proposed Investment does not constitute a “discloseable transaction” under Chapter 10 of the Catalist Rules.

## **2. INFORMATION ON SENSE INFOSYS**

Sense Infosys is a company incorporated in Singapore on 24 January 2013. As at the date of the Subscription Agreement, Sense Infosys has an issued and paid-up share capital of S\$700,000 comprising 250,000 ordinary shares, 52,000 Series A CPS and no other outstanding share options or convertible instruments. As at the date of the Subscription Agreement, Chow Ngee Ken, Yong Kai Chin and Tng Sian Soo respectively hold 150,000, 50,000 and 50,000 ordinary shares in the issued and paid-up share capital of Sense Infosys and are also directors of Sense Infosys. As at the date of the Subscription Agreement, Jason Venture holds 52,000 Series A CPS.

Sense Infosys is involved in the business of providing analytics, situation awareness and decision support technology solutions and consulting services, based on its proprietary products, for maritime, port and logistics solutions. As at the date of the Subscription Agreement, Sense Infosys has a 65%-owned subsidiary, E@SIS Pte. Ltd. which was incorporated in Singapore on 24 September 2013.

Based on the management accounts provided by Sense Infosys, the unaudited consolidated net assets and net tangible liabilities of Sense Infosys amounted to approximately S\$213,000 and S\$427,000 respectively as at 31 December 2015. The unaudited consolidated net loss of Sense Infosys for the financial year ended 31 December 2015 was approximately S\$321,000.

## **3. SUBSCRIPTION PRICE**

The Subscription Price was arrived at after arm's length negotiations and taking into account *inter alia* the management's expertise, the technological know-how, the market potential of Sense Infosys' proprietary products, the benefit of having Cap Vista participate in Sense Infosys as a strategic investor, and the future plans and business prospects of Sense Infosys. The Subscription Price of S\$850,000 will be set off against (i) the cash loan of S\$250,000 advanced by Jason Venture to Sense Infosys pursuant to the agreement in relation to the subscription of the Series A CPS dated 15 January 2015; and (ii) the aggregate sum of S\$32,100 owed by Sense Infosys to Jason Venture's related company, Jason Electronics (Pte) Ltd. The remainder of the Subscription Price will be paid in cash by Jason Venture upon completion.

Based on the unaudited consolidated net assets value of Sense Infosys as at 31 December 2015, the net book value attributable to the incremental potential shareholding interest of Jason Venture in Sense Infosys arising from the Proposed Investment of 7.7% would amount to approximately S\$16,000. No independent valuation was conducted on Sense Infosys. Based on the unaudited consolidated net loss of Sense Infosys for the financial year ended 31 December 2015, the share of loss attributable to the incremental potential shareholding interest of Jason Venture in Sense Infosys arising from the Proposed Investment of 7.7% would amount to approximately S\$25,000. The Subscription Price will be funded entirely using the Group's internal cash resources.

As a holder of convertible preference shares ("CPS") issued by Sense Infosys, Jason Venture and Cap Vista shall be entitled to receive a fixed non-cumulative preferential dividend at the rate of eight (8) per cent. per annum on the capital paid up on the CPS, such dividends shall be payable out of the profits of Sense Infosys available for the payment of dividends as and when declared by the board of directors of Sense Infosys. So long as any CPS is in issue, no dividends shall be declared or paid on the ordinary shares of Sense Infosys unless full dividends have been declared and paid on the CPS.

#### 4. SALIENT TERMS OF THE INVESTMENT DOCUMENTS

4.1 The conditions precedent to the Proposed Investment are as follows:-

- (i) the passing of the appropriate resolutions from the directors and the shareholders of Sense Infosys approving the issue and allotment of the Series A2 CPS to the subscribers or such other person as may be nominated by the subscribers;
- (ii) entry into loan documentation to record the terms and repayment of loans and expenses owing by Sense Infosys to Chow Ngee Ken;
- (iii) entry into loan documentation to record the terms and repayment of loans and expenses owing by E@SIS Pte. Ltd. to Sense Infosys;
- (iv) the Original Shareholders and Sense Infosys having performed in all respects all undertakings and obligations on the part of the Original Shareholders and Sense Infosys as set out in the Subscription Agreement which are required to be performed by them on or prior to the completion date; and
- (v) there having been no breach of any of the warranties by Sense Infosys or the Original Shareholders.

4.2 On completion of the Proposed Investment, the board of directors of Sense Infosys (the “**Sense Infosys Board**”) shall consist of a maximum of six (6) directors of whom:

- (i) Jason Venture shall have the right to appoint up to two (2) director(s) to the Sense Infosys Board;
- (ii) Cap Vista shall have the right to appoint up to one (1) director to the Sense Infosys Board; and
- (iii) each of the Original Shareholders shall have the right to appoint up to one (1) director to the Sense Infosys Board.

#### 5. RATIONALE

The Proposed Investment allows the Group to increase its investment in a complementary business with promising prospects. Sense Infosys will be able to develop its business using the proceeds from the issuance of the Series A2 CPS. Through this fund-raising, Sense Infosys will also be able to leverage on the strengths of Cap Vista which will serve as a bridge to facilitate possible security and defence related project development.

As at 30 September 2015, the Group was in a net cash position of approximately S\$18.7 million. The Subscription Price will be funded entirely using the Group’s internal cash resources. The Proposed Investment also presents an opportunity for the Group to further deploy its cash resources and more efficiently utilise its capital to generate better return for its shareholders.

The Proposed Investment is not expected to have any material impact on the earnings per share or the net tangible assets per share of the Company and the Group for the current financial year ending 31 March 2017.

**6. DISCLOSURE OF DIRECTORS AND CONTROLLING SHAREHOLDER'S INTEREST**

None of the Directors and/or the controlling shareholder of the Company have any interests, direct or indirect, in the Proposed Investment, save for their interests by virtue of their shareholdings and/or directorships, as the case may be, in the Company and the Group.

**7. DETAILS OF ANY SERVICE CONTRACTS**

There is no service contract arising from the Proposed Investment.

**8. DOCUMENTS FOR INSPECTION**

A copy of the Subscription Agreement and the Shareholders' Agreement (subject to the redaction of any confidential information as may be determined by Cap Vista and/or the Company at their sole and absolute discretion) are available for inspection during normal business hours at the registered office of the Company at 194 Pandan Loop, #06-05 Pantech Business Hub, Singapore 128383, for a period of three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

Foo Chew Tuck  
Executive Chairman

25 April 2016

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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 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 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.*