



**JASON MARINE GROUP LIMITED**  
(Company Registration No. 200716601W)  
(Incorporated in the Republic of Singapore)

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**JOINT VENTURE BETWEEN MASTERSCAN ENGINEERING PTE. LTD. AND IPROMAR (PTE.) LTD., AN ASSOCIATED COMPANY OF JASON MARINE GROUP LIMITED**

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The Board of Directors of Jason Marine Group Limited (the “**Company**”) wishes to announce that its associated company, iPromar (Pte.) Ltd. (“**iPromar**”) had on 8 July 2010, entered into a joint venture agreement (the “**Agreement**”) with Masterscan Engineering Pte. Ltd. (“**MasterScan**”) (the “**Joint Venture**”), a company incorporated in Singapore.

Pursuant to the terms of the Agreement, iPromar and MasterScan have agreed to incorporate a company in Singapore, iMaster Pte Ltd (the “**JV Co**”), which will carry on the business of providing non-destructive testing (“**NDT**”) services, advance NDT services and pre & post weld heat treatment services, in the manner set out in the Agreement (the “**Business**”). NDT is a wide group of analysis techniques used to evaluate the properties of a material, component or system. As NDT does not permanently alter the article being inspected, it minimizes the risk of damage to the said article. The Business shall exclude coverage of the Singapore marine industry.

It is envisaged that the JV Co will set up a subsidiary in the Kingdom of Saudi Arabia by 2012 to target sales in the Middle East.

Masterscan is a leading independent NDT service provider catering to the oil & gas, offshore marine construction, ship building, petrochemical, power plants, refineries and construction industries in Singapore and overseas. Accordingly, the Joint Venture is expected to facilitate knowledge transfer in NDT services from Masterscan to the JV Co.

iPromar is jointly held by four Singapore companies, namely Rotary Mechanical and Construction Company (Private) Limited, Heatec Jietong Pte Ltd, Pamarine Pte Ltd, and the Company’s subsidiary, Jason Venture Pte. Ltd. (“**Jason Venture**”) (collectively, the “**Consortium Members**”). iPromar was formed in December 2007 under the International Partners Programme by International Enterprise Singapore (“**IE Singapore**”), an agency under the Ministry of Trade and Industry. It was set up to offer a suite of turnkey engineering, procurement and construction services, and supply chain solutions for the downstream oil & gas industries and offshore & marine industries in the Middle East. The Consortium Members believe that the introduction of NDT services via the JV Co further complements the existing services of iPromar, making the integrated service offerings of iPromar more complete and thus more globally competitive.

The initial issued and paid-up share capital of the JV Co will be S\$500,000 (“**Initial Investment**”) divided into 500,000 new ordinary shares in JV Co (“**JV Co Shares**”). Pursuant to the terms of the Agreement, completion is to take place on 31 July 2010 (or such other date as may be agreed between iPromar and MasterScan) (“**Completion**”) following the fulfillment (or waiver, as the case may be) of, among others, the following conditions:

- (a) the JV Co being formed in accordance with the terms of the Agreement; and
- (b) the passing of a resolution by the respective directors of each of iPromar and Masterscan approving the transactions contemplated by the Agreement.

At Completion, iPromar and MasterScan shall make their respective contributions to the Initial Investment by subscribing for the JV Co Shares in the following proportions:

- (a) iPromar: 300,000 JV Co Shares representing 60% interest in the JV Co; and
- (b) Masterscan: 200,000 JV Co Shares representing 40% interest in the JV Co.

iPromar’s share of the Initial Investment amounting to S\$300,000 will be funded from its internal resources. In conjunction thereto, each of the Consortium Members had subscribed in equal proportion, a total of 300,000 new ordinary shares in iPromar (“**iPromar Shares**”) for a total consideration of S\$300,000 (the “**iPromar Subscription**”). Accordingly, Jason Venture had increased its investment in iPromar by subscribing for an additional new 75,000 iPromar Shares for a total consideration of S\$75,000, which was funded from its internal resources. As each of the Consortium Member had subscribed for new iPromar Shares in equal proportion, there will be no change in the shareholdings of each Consortium Member in iPromar i.e. each Consortium Member will continue to have a 25% interest in iPromar after the iPromar Subscription.

The board of directors of the JV Co shall comprise six directors, four of whom shall be nominated by iPromar, and two of whom shall be nominated by Masterscan. The chairman of the JV Co shall be Mr Chia Kim Piow, Chairman of Rotary Engineering Limited.

The Joint Venture is not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Company, its subsidiaries and its associated companies for the financial year ending 31 March 2011.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Joint Venture, other than through their shareholdings (if any) in the Company.

## **BY ORDER OF THE BOARD**

Foo Chew Tuck  
Executive Chairman

8 July 2010

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This announcement has been prepared by the Company and its contents 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 (“**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.

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 Benjamin Choy Bing Choong, Corporate Finance, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone: +65 6337-5115.