

**JASON MARINE GROUP LIMITED**

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

FULL-YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

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		
	Year ended 31 March		
	2020	2019	Increase /
	S\$'000	S\$'000	(Decrease)
			%
Revenue	30,204	29,002	4.1
Cost of sales	(22,511)	(18,824)	19.6
Gross profit	7,693	10,178	(24.4)
Other items of income			
Other income	2,318	931	149.0
Interest income	147	219	(32.9)
Other items of expense			
Distribution costs	(5,057)	(4,883)	3.6
General and administrative expenses	(3,640)	(3,758)	(3.1)
Finance costs	(26)	-	NM
Other expenses	(12)	(687)	(98.3)
Write-back of/(Allowance for) impairment loss on financial assets	801	(977)	NM
Share of result of associates, net of tax	13	(411)	NM
Profit before income tax	2,237	612	265.5
Income tax expense	(41)	(409)	(90.0)
Profit for the financial year	2,196	203	981.8
Profit attributable to:			
Owners of the parent	2,195	191	1049.2
Non-controlling interests	1	12	(91.7)
Profit for the financial year	2,196	203	981.8

NM: Not Meaningful


JASON MARINE GROUP LIMITED

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1(a)(ii) Statement of comprehensive income for the financial year ended 31 March 2020
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Group		
	Year ended 31 March	2019	Increase /
	2020	2019	(Decrease)
	S\$'000	S\$'000	%
Profit for the financial period	2,196	203	981.8
Other comprehensive income:			
<u>Items that may be reclassified subsequently to profit & loss account:</u>			
Foreign currency difference on translation of foreign operations	(34)	85	NM
<u>Items that will not be reclassified subsequently to profit & loss account:</u>			
Net loss on fair value changes of financial assets, at FVOCI	(3,081)	(19,643)	(84.3)
Other comprehensive income for the financial period, net of tax	(3,115)	(19,558)	(84.1)
Total comprehensive income for the financial period, net of tax	(919)	(19,355)	(95.3)
Total comprehensive income attributable to:			
Owners of the parent	(921)	(19,369)	(95.2)
Non-controlling interests	2	14	(85.7)
	(919)	(19,355)	(95.3)

NM: Not Meaningful



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

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

	Group		
	Year ended 31 March		
	2020	2019	Increase /
	S\$'000	S\$'000	(Decrease)
			%
Allowance for for impairment loss on doubtful trade and other receivables, net	(50)	(85)	(41.2)
Bad debt expenses	(3)	-	NM
Depreciation of plant and equipment	(632)	(347)	82.1
Dividend income	63	-	NM
Fair value gain/(loss) on derivative financial instruments, net	972 ⁽¹⁾	(677)	NM
Foreign exchange gain, net	195	504	(61.3)
Gain on disposal of plant and equipment	20	5	300.0
Government grants	232	213	8.9
Interest income	147	219	(32.9)
Inventory written off	(8)	-	NM
Plant and equipment written off	(1)	(4)	(75.0)
Sundry income			
- contract termination payment	401	-	NM
- others	241	90	167.8
Write-back of/(Allowance for) impairment loss on doubtful other receivables - associate	851 ⁽²⁾	(851)	NM
Write-back of allowance for inventory obsolescence	84	66	27.3
Write-back of trade payables	110	6	NM

NM: Not Meaningful

Notes:

- (1) Mainly relates to the fair value of the put option to sell the Group's entire investment in eMarine Global Inc., which was based on a valuation performed by an independent valuation firm.
- (2) Relates to the write back of allowance for impairment loss of S\$791,000 (comprising principal plus accrued interest) for the convertible loans drawn down by Sense Infosys Pte. Ltd and write back of allowance for impairment loss on non-trade receivables of S\$60,000.


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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 31.03.20 S\$'000	As at 31.03.19 S\$'000	As at 31.03.20 S\$'000	As at 31.03.19 S\$'000
Non-current assets				
Plant and equipment	715	771	-	-
Right-of-use assets	414	-	-	-
Investments in subsidiaries	-	-	15,555	15,555
Investments in associates	89	77	-	-
Financial assets, at FVOCI	813	3,894	-	-
Trade receivables	57	-	-	-
Deferred tax assets	5	-	-	-
Total non-current assets	2,093	4,742	15,555	15,555
Current assets				
Inventories	4,103	4,632	-	-
Trade and other receivables	6,860	5,496	1,790	25
Contract assets	3,425	6,422	-	-
Derivative financial instrument	1,392	254	-	-
Prepayments	183	234	20	21
Current income tax recoverable	3	-	-	-
Cash and cash equivalents	14,643	14,165	5,579	7,452
Total current assets	30,609	31,203	7,389	7,498
Less:				
Current liabilities				
Trade and other payables	4,508	5,567	497	269
Contract liabilities	2,580	3,453	-	-
Derivative financial instruments	172	-	-	-
Current income tax payable	2	464	-	4
Lease liabilities	361	-	-	-
Total current liabilities	7,623	9,484	497	273
Net current assets	22,986	21,719	6,892	7,225
Less:				
Non-current liabilities				
Deferred tax liabilities	3	3	-	-
Lease liabilities	62	-	-	-
	65	3	-	-
Net assets	25,014	26,458	22,447	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	221	3,302	-	-
Foreign currency translation account	(95)	(60)	-	-
Retained earnings	7,106	5,436	4,735	5,068
Equity attributable to the owners of the parent	24,944	26,390	22,447	22,780
Non-controlling interests	70	68	-	-
Total equity	25,014	26,458	22,447	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 31.03.20		As at 31.03.19	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Amount repayable after one year

As at 31.03.20		As at 31.03.19	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Details of any collateral

As at 31 March 2020, the Group did not have any secured or unsecured borrowings.



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	
	Year ended 31 March	
	2020	2019
	S\$'000	S\$'000
Operating activities		
Profit before income tax	2,237	612
Adjustments for:		
Bad debt	3	-
Fair value (gain)/loss on derivative financial instrument, net	(972)	677
Depreciation of plant and equipment	632	347
Dividend income	(63)	-
Gain on disposal of property and equipment	(20)	(5)
(Write-back of)/Allowance for impairment loss on financial assets	(801)	936
Inventory written off	8	-
Interest income	(147)	(219)
Interest expenses	26	-
Plant and equipment written off	1	4
Share of results of associates	(13)	411
Unrealised exchange gain	(196)	(174)
Write-back of allowance for inventory obsolescence	(84)	(66)
Write-back of trade payables	(110)	(6)
Operating cash flows before working capital changes	501	2,517
Working capital changes:		
Inventories	677	(1,132)
Trade and other receivables	(626)	2,811
Contract assets	2,997	(3,703)
Prepayments	51	2
Trade and other payables	(949)	(1,008)
Contract liabilities	(873)	(2,675)
Cash generated from/(used in) operations	1,778	(3,188)
Interest received	147	183
Income tax paid	(510)	(127)
Net cash generated from/(used in) operating activities	1,415	(3,132)
Investing activities		
Dividend received	63	-
Purchase of plant and equipment	(300)	(347)
Proceeds from disposal of plant and equipment	20	5
Net cash used in investing activities	(217)	(342)
Financing activities		
Dividend paid	(525)	(525)
Interest paid	(26)	-
Payment of lease liabilities	(340)	-
Net cash used in financing activities	(891)	(525)
Net change in cash and cash equivalents	307	(3,999)
Cash and cash equivalents at beginning of financial year	14,165	17,881
Effects of foreign exchange rate changes on cash and cash equivalents	171	283
Cash and cash equivalents at end of financial period	14,643	14,165
Cash and cash equivalents comprise of the following:		
Fixed deposits	9,055	9,844
Cash and bank balances	5,588	4,321
Cash and cash equivalents included in the consolidated statement of cash flows	14,643	14,165


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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	-	-	-	-	2,195	2,195	1	2,196
Other comprehensive income for the financial year								
Net change in fair value of equity investment at FVOCI	-	-	(3,081)	-	-	(3,081)	-	(3,081)
Foreign currency differences on translation of foreign operations	-	-	-	(35)	-	(35)	1	(34)
Total comprehensive income for the financial year	-	-	(3,081)	(35)	2,195	(921)	2	(919)
Distributions to owners of the parent								
Dividend paid	-	-	-	-	(525)	(525)	-	(525)
Total transactions with the owners of the parent	-	-	-	-	(525)	(525)	-	(525)
Balance at 31 March 2020	17,967	(255)	221	(95)	7,106	24,944	70	25,014
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
Profit for the financial year	-	-	-	-	191	191	12	203
Other comprehensive income for the financial year								
Net change in fair value of equity investment at FVOCI	-	-	(19,643)	-	-	(19,643)	-	(19,643)
Foreign currency differences on translation of foreign operations	-	-	-	83	-	83	2	85
Total comprehensive income for the financial year	-	-	(19,643)	83	191	(19,369)	14	(19,355)
Distributions to owners of the parent								
Dividends	-	-	-	-	(525)	(525)	-	(525)
Total transactions with the owners of the parent	-	-	-	-	(525)	(525)	-	(525)
Balance at 31 March 2019	17,967	(255)	3,302	(60)	5,436	26,390	68	26,458


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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 1 April 2019	17,967	(255)	5,068	22,780
Profit for the financial year	-	-	192	192
Total comprehensive income for the financial year	-	-	192	192
Transactions with the owners of the parent				
Dividend paid	-	-	(525)	(525)
Total transactions with the owners of the parent	-	-	(525)	(525)
Balance at 31 March 2020	17,967	(255)	4,735	22,447
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
Profit for the financial year	-	-	331	331
Total comprehensive income for the financial year	-	-	331	331
Transactions with the owners of the parent				
Dividends	-	-	(525)	(525)
Total transactions with the owners of the parent	-	-	(525)	(525)
Balance at 31 March 2019	17,967	(255)	5,068	22,780



- 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 were no changes in the Company's share capital since the end of the previous period reported on, being the period between 1 October 2019 and 31 March 2020.

The Company held 1,000,000 treasury shares as at 31 March 2020 (31 March 2019: 1,000,000). There were no subsidiary holdings as at 31 March 2020 (31 March 2019: 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 31 March 2020 was approximately 0.9% (31 March 2019: 0.9%).

As at 31 March 2020 and 31 March 2019, 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 31.03.20	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>105,000,000</u>	<u>105,000,000</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.**

	Financial Year ended 31.03.20
Treasury shares:	
Balance at beginning and end of period	1,000,000

- 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.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

- (a) Updates on effort taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable as the Company's financial statements are not subject to any adverse opinion, qualified opinion or disclaimer of opinion.

- 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 amortises the ROU assets over its lease term and recognise interest expenses on lease liabilities.

The ROU assets as at 31 March 2020 were mainly related to leases of the vehicle, office equipment and offices occupied by the Group.



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")

	Financial year ended 31 March	
	2020	2019
Profit for the financial period attributable to owners of the parent (S\$'000)	2,195	191
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⁾	2.09	0.18

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 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19
NAV per Share (cents)	23.82	25.20	21.38	21.70
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**Financial year ended 31 March 2020 ("FY2020") versus financial year ended 31 March 2019 ("FY2019")**

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\$1.2 million or 4.1% from approximately S\$29.0 million in FY2019 to approximately S\$30.2 million in FY2020. The increase was attributable to the sale of goods segment and airtime revenue segment, which recorded increases of approximately S\$1.6 million and S\$0.1 million respectively, which were offset by a decrease in rendering of services revenue of approximately S\$0.5 million. The increase in the sale of goods segment was largely attributable to more projects undertaken by the Group in Singapore in FY2020.

The Group's cost of sales increased by approximately S\$3.7 million or 19.6% from S\$18.8 million in FY2019 to S\$22.5 million in FY2020, more than the increase in total revenue mainly due to a decrease in overall gross profit margin.

The Group's gross profit decreased by approximately S\$2.5 million or 24.4% from S\$10.2 million in FY2019 to S\$7.7 million in FY2020. The overall gross profit margin decreased from 35.1% in FY2019 to 25.5% in FY2020. This was due to intense market competition which resulted in tighter overall margin as well as the absence of a major Singapore-based contract from the information communication technology space under the sale of goods business segment which contributed to the higher gross profit margin in FY2019.

Other items of income (including interest income) increased by approximately S\$1.3 million or 114% from approximately S\$1.2 million in FY2019 to approximately S\$2.5 million in FY2020. This was due to (i) an increase in fair value gain on derivative financial instruments of approximately S\$1.0 million, mainly arising from the investment in eMarine Global Inc. ("eMarine"), (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 trade payables of approximately S\$0.1 million. These were offset by a decrease in foreign exchange gain of approximately S\$0.3 million.

The Group's distribution costs increased by approximately S\$0.2 million or 3.6% from approximately S\$4.9 million in FY2019 to approximately S\$5.1 million in FY2020. This was due mainly to the increase in manpower cost for sales, marketing and support staff of approximately S\$0.2 million.

The Group's general and administrative expenses decreased by approximately S\$0.1 million or 3.1% from approximately S\$3.7 million in FY2019 to approximately S\$3.6 million in FY2020, mainly attributable to the decrease in legal and professional fees of S\$0.1 million.

The Group's other expenses decreased by approximately S\$0.7 million or 98.3% from approximately S\$0.7 million in FY2019 to approximately S\$12,000 in FY2020. This was due to the absence of fair value loss on derivative financial instruments of approximately S\$0.7 million mainly in relation to the loss in fair value of profit guarantee arising from the investment in Sense Infosys Pte Ltd ("SIS") recognised in FY2019.

The Group's write-back of impairment loss on financial assets was approximately S\$0.8 million in FY2020 as compared to an allowance for impairment on financial assets of approximately S\$1.0 million in FY2019. This was mainly due to the write-back of allowance for impairment loss on doubtful trade and other receivables of approximately S\$0.9 million in FY2020 mainly arising from the recovery of a loan extended to SIS, as compared to an allowance for impairment loss of approximately S\$0.9 million in FY2019.¹

The Group's share of results of associates amounted to a profit of approximately S\$13,000 in FY2020, as compared to a loss of S\$411,000 in FY2019. This was mainly due the absence of share of results of SIS, which is currently undergoing creditors' voluntary liquidation as previously announced in April 2019.

¹ Please refer to the Company's announcements dated 23 April 2019, 26 July 2019, 28 August 2019 and 7 January 2020 in relation to the convertible loan from Jason Venture Pte Ltd to SIS.



The Group's income tax expense decreased by approximately S\$368,000 or 90.0% from approximately S\$409,000 in FY2019 to approximately S\$41,000 in FY2020, mainly due to the lower taxable profits in FY2020.

As a result of the foregoing, profit after income tax attributable to owners of the parent increased by approximately S\$2.0 million from approximately S\$0.2 million in FY2019 to approximately S\$2.2 million in FY2020. Excluding the foreign exchange gain/loss, write-back/allowance for impairment of other receivables as well as fair value gain/loss in relation to the Group's investment in and/or loans to SIS and eMarine, as the case may be, net profit would have been S\$0.2 million for FY2020 as compared to S\$1.2 million for FY2019.

	Group		Increase / (Decrease) %
	Year ended 31 March 2020 S\$'000	2019 S\$'000	
Profit for the financial year	2,196	203	981.8
Adjustments:			
(Write-back of)/Allowance for impairment loss of other receivables in SIS	(851)	851	NM
Fair value gain on derivative financial instruments, put option in eMarine	(1,144)	(249)	359.4
Fair value loss on derivative financial instruments, profit guarantee in SIS	-	931	NM
Fair value loss/(gain) on derivative financial instruments, others	172	(5)	NM
Foreign exchange gain, net	(195)	(504)	(61.3)
	178	1,227	(85.5)

REVIEW OF FINANCIAL POSITION OF THE GROUP

Total non-current assets decreased by approximately S\$2.6 million, from approximately S\$4.7 million as at 31 March 2019 to approximately S\$2.1 million as at 31 March 2020. This was mainly due to a decrease in financial assets, at FVOCI of approximately S\$3.1 million which was offset by an increase in ROU assets of approximately S\$0.4 million net of amortisation 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 31 March 2020, the fair value of the investment in eMarine amounted to S\$0.5 million based on the closing quoted market price on the last market trading day of FY2020 of US\$0.25. Accordingly, the Group had recognised a net fair value loss of approximately S\$3.1 million which was accounted for in the Group's consolidated statement of comprehensive income for FY2020. The remaining value of the Group's financial assets at FVOCI of approximately S\$0.3 million relates to the Group's unquoted equity securities of 10% interest in Cosco Shipping Electronics (Guangzhou) Co., Ltd.

Total current assets decreased by approximately S\$0.6 million, from approximately S\$31.2 million as at 31 March 2019 to approximately S\$30.6 million as at 31 March 2020. This was due mainly to the decrease in contract assets by approximately S\$3.0 million and the decrease in inventories of approximately S\$0.5 million, which were offset by an increase in trade and other receivables of S\$1.4 million, increase in derivative financial instrument relating to the Group's investment in eMarine of approximately S\$1.1 million, as well as an increase in cash and cash equivalents of approximately S\$0.5 million. As announced by the Company on 18 January 2019, the Group holds a put option to sell its entire investment in eMarine for KRW 759 per share plus accrued interest and the exercise period of the put option has been extended from 31 December 2019 to 31 December 2022. As at 31 March 2020, the fair value of the put option was S\$1.4 million (as compared to S\$249,000 as at 31 March 2019), which was based on a valuation performed by an independent valuation firm.



Total current liabilities decreased by approximately S\$1.9 million, from approximately S\$9.5 million as at 31 March 2019 to approximately S\$7.6 million as at 31 March 2020. This was due mainly to a decrease in trade and other payables of approximately S\$1.1 million, decrease in contract liabilities of approximately S\$0.9 million, decrease in income tax payable of approximately S\$0.5 million, offset by an increase in lease liabilities of approximately S\$0.4 million following the adoption of SFRS(I) 16 as well as an increase in derivative financial instruments arising from the foreign currency forward contracts.

Total non-current liabilities increased by approximately S\$62,000, from approximately S\$3,000 as at 31 March 2019 to approximately S\$65,000 as at 31 March 2020. This was due to the increase in lease liabilities following the adoption of SFRS(I) 16.

As at 31 March 2020, capital and reserves amounted to approximately S\$24.9 million comprising mainly share capital of approximately S\$18.0 million, retained earnings of approximately S\$7.1 million and fair value adjustment reserve of approximately S\$0.2 million, which were partially offset by treasury shares held of approximately S\$0.3 million.

REVIEW OF STATEMENT OF CASH FLOWS OF THE GROUP

In FY2020, net cash inflow from operating activities before working capital changes was approximately S\$0.5 million. Net cash generated from working capital amounted to approximately S\$1.3 million which was due mainly to a decrease in contract assets of approximately S\$3.0 million, decrease in inventories of approximately S\$0.7 million, increase in trade and other receivables of approximately S\$0.6 million, decrease in trade and other payables of approximately S\$0.9 million, and a decrease in contract liabilities of approximately S\$0.9 million. After payment of income tax expenses of approximately S\$0.5 million, offset by interest received of approximately S\$0.1 million, the net cash generated from operating activities amounted to approximately S\$1.4 million in FY2020 as compared to net cash used in operating activities amounted to approximately S\$3.1 million in FY2019.

Net cash used in investing activities in FY2020 was approximately S\$0.2 million, mainly attributable to the purchase of plant and equipment of approximately S\$0.3 million, offset by dividend received of approximately S\$0.1 million.

Net cash used in financing activities in FY2020 was approximately S\$0.9 million, due to payment of dividend of approximately S\$0.5 million and payment of lease liabilities of approximately S\$0.3 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 full year results for FY2020 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.

Although the Group's business activities in Singapore² have remained largely operational thus far, the impact of COVID-19 on economies and businesses is expected to be broad and significant. The Group expects market conditions to remain challenging and its financial performance will continue to be affected by the uncertainties and developments in the marine and offshore oil and gas industry, especially with the evolving COVID-19 situation as well as the recent drop in oil prices. The Group believes that oil prices will have an impact on investments in the marine and oil and gas sectors in the near to medium term, and hence also the demand for the Group's services.

The Group has taken steps to mitigate the impact of COVID-19, including monitoring and communicating with key suppliers closely on the impact on their productions, as well as working with relevant regulatory bodies on safety measures.

The Group will focus on strengthening its existing business and look for opportunities to increase the customer base as well as business activities by creating value for customers and leveraging on technology. At the same time, the Group will continue to monitor closely on the evolving situation and actively exercise prudence in managing operational costs.

Considering the strong balance sheet of the Group as at 31 March 2020, the Board is proposing that the first and final dividend amount in respect of FY2020 be maintained at S\$0.005 per share, at the same level as that paid in FY2019. As there is no certainty as to how the COVID-19 situation may evolve and on the extent of the economic fallout, the Board is cognizant that the Group may need to conserve cash going forward and the Company may have to reduce the amount of dividends in future depending on the Group's financial performance and financial condition, business prospects and capital requirements in midst of the COVID-19 pandemic.

11. Dividend

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

Yes. The first and final dividend in respect of FY2020, as proposed below, is subject to the approval of shareholders at the Company's annual general meeting to be held in August 2020.

Name of dividend	First and Final Dividend
Dividend type	Cash
Dividend rate	0.5 cent per share
Tax rate	Tax exempt (One-tier)
Total annual dividend	S\$525,000

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of dividend	First and Final Dividend
Dividend type	Cash
Dividend rate	0.5 cent per share
Tax rate	Tax exempt (One-tier)
Total annual dividend	S\$525,000

² Please refer to the Company's announcement dated 13 April 2020.



- (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)**

Tax exempt (one-tier).

- (d) Date payable**

To be announced at a later date.

- (e) Book closure date**

To be announced at a later date.

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

Not applicable. The Company's board of directors is recommending to declare a first and final dividend in respect of FY2020.


PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Business Segments

The Group is primarily engaged in three business segments namely:

- (i) Sale of marine communication, navigation and automation systems (sale of goods);
- (ii) Provision of maintenance and support services (rendering of services); and
- (iii) Resale of airtime services (airtime revenue).

The Group adopts these three business segments for its primary segment information.

Financial year ended 31 March 2020

Group	Sale of goods	Rendering of services	Airtime revenue	Unallocated	Eliminations	Total
Revenue						
External revenue	22,476	5,626	2,102	-	-	30,204
Inter-segment revenue	995	837	1	1,621	(3,454)	-
	<u>23,471</u>	<u>6,463</u>	<u>2,103</u>	<u>1,621</u>	<u>(3,454)</u>	<u>30,204</u>
Results						
Fair value gain on derivative financial instruments, net	-	-	-	972	-	972
Gain on disposal of plant and equipment	20	-	-	-	-	20
Write-back of/(Allowance for) impairment loss on doubtful trade and other receivables	-	(10)	(31)	842	-	801
Write-back of allowance for inventory obsolescence	84	-	-	-	-	84
Interest income	-	-	-	147	-	147
Depreciation of plant and equipment	(226)	(242)	(16)	(148)	-	(632)
Share of result of associates	-	-	-	13	-	13
Segment profit/(loss)	<u>153</u>	<u>293</u>	<u>(67)</u>	<u>3,479</u>	<u>(1,621)</u>	<u>2,237</u>
Capital expenditure						
Plant and equipment	<u>55</u>	<u>188</u>	<u>1</u>	<u>56</u>	<u>-</u>	<u>300</u>
Assets and liabilities						
Segment assets	14,082	1,881	524	33,465	(18,151)	31,801
Financial assets, at FVOCI	-	-	-	812	-	812
Investments in associates	-	-	-	89	-	89
						<u>32,702</u>
Segment liabilities	7,401	4,178	617	5,669	(10,179)	7,686
Current income tax payable	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>
						<u>7,688</u>


JASON MARINE GROUP LIMITED

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

Financial year ended 31 March 2019

Group	Sale of goods	Rendering of services	Airtime revenue	Unallocated	Eliminations	Total
Revenue						
External revenue	20,860	6,151	1,991	-	-	29,002
Inter-segment revenue	887	898	1	-	(1,786)	-
	<u>21,747</u>	<u>7,049</u>	<u>1,992</u>	<u>-</u>	<u>(1,786)</u>	<u>29,002</u>
Results						
Fair value loss on derivative financial instruments, net	-	-	-	(677)	-	(677)
Gain on disposal of plant and equipment	-	5	-	-	-	5
Write-back of/(Allowance for) impairment loss on doubtful third parties	(7)	(72)	(27)	(830)	-	(936)
Write-back of allowance for inventory obsolescence	66	-	-	-	-	66
Interest income	-	-	-	219	-	219
Depreciation of plant and equipment	(57)	(244)	(6)	(40)	-	(347)
Share of loss of associates	-	-	-	(411)	-	(411)
Segment profit/(loss)	<u>2,695</u>	<u>248</u>	<u>(315)</u>	<u>(1,564)</u>	<u>(452)</u>	<u>612</u>
Capital expenditure						
Plant and equipment	<u>189</u>	<u>75</u>	<u>39</u>	<u>44</u>	<u>-</u>	<u>347</u>
Assets and liabilities						
Segment assets	14,521	3,020	802	30,575	(16,944)	31,974
Financial assets, at FVOCI	-	-	-	3,894	-	3,894
Investments in associates	-	-	-	77	-	77
						<u>35,945</u>
Segment liabilities	7,231	4,458	691	6,050	(9,407)	9,023
Current income tax payable	<u>341</u>	<u>92</u>	<u>27</u>	<u>4</u>	<u>-</u>	<u>464</u>
						<u>9,487</u>

Geographical Segments

The Group's three business segments operate in six main geographical areas. Revenue is based on the country in which the customer is located.

	FY2020	FY2019
	\$'000	\$'000
Revenue from external customers		
Singapore	17,227	11,328
Indonesia	2,803	2,648
People's Republic of China	2,214	5,506
Malaysia	1,475	1,060
Germany	749	1,127
Denmark	470	690
Others	5,266	6,643
	30,204	29,002
Non-current assets		
Singapore	1,100	760
People's Republic of China	13	10
Others	105	78
	1,218	848

Non-current assets information presented above excludes financial assets, at FVOCI, deferred tax assets, trade and other receivables and investments in associates.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 8 of this announcement.

Overall increase in revenue of approximately S\$1.2 million was mainly due to increase in revenue in Singapore, Indonesia and Malaysia of approximately S\$5.9 million, S\$0.4 million and S\$0.2 million respectively, partially offset by decrease in revenue in China as well as other geographical segments of approximately S\$3.3 million and S\$2.0 million respectively.

15. A breakdown of sales

	Group		Increase /
	FY2020	FY2019	(Decrease)
	S\$'000	S\$'000	%
Sales reported for first half-year	13,966	10,920	27.9
Profit/(Loss) for first half-year	983	(3,205)	NM
Sales reported for second half-year	16,238	18,082	(10.2)
Profit for second half-year	1,213	3,408	(64.4)

**16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total annual ordinary dividend	Latest Full Year (FY2020) (S\$)	Previous Full Year (FY2019) (S\$)
Interim (Tax exempt one-tier)	-	-
Final (Tax exempt one-tier)	525,000	525,000
Total	525,000	525,000

17. 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	162	
(ii) Unity Consultancy Pte. Ltd.	13	
(iii) Jason Harvest Pte Ltd	45	
Total:	220	Not applicable

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

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such persons, the issuer must make an appropriate negative statement

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that there were no persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

19. 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
1 July 2020



JASON MARINE GROUP LIMITED

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

*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.*