



Jason Marine Group Limited
FY2020
Results Presentation

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This document 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 document has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. 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.



FY2020 Financials

Jason Marine stays profitable amid challenging market conditions



(S\$'000)	FY2020	FY2019	Increase / (Decrease) %
Revenue	30,204	29,002	4.1
Gross Profit	7,693	10,178	(24.4)
Other income	2,465	1,150	114
Other expenses	(12)	(687)	(98.3)
Write back of/(Allowance for) Impairment loss on financial assets	801	(977)	NM
Profit/(Loss) Before Income Tax	2,237	612	265.5
Net Attributable Profit/(Loss)	2,195	191	NM

NM: Not Meaningful

- **Revenue:** Revenue increase came from the sale of goods segment of approximately S\$1.6 million and the airtime segment of approximately S\$0.1 million, offset by a decrease in the rendering of services segment of approximately S\$0.5 million.
- **Gross profit:** Decreased by approximately S\$2.5 million due to intense market competition which resulted in tighter overall margins 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 income:** Increased by approximately S\$1.3 million 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., (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.
- **Other expenses:** Decreased due to the absence of fair value loss on derivative financial instrument of approximately S\$0.7 million, mainly in relation to the fair value of profit guarantee arising from investment in Sense Infosys Pte. Ltd. ("SIS").
- **Write back of/(Allowance for) Impairment loss on financial assets:** 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.

Still Healthy Balance Sheet



(S\$'000)	As at 31 March 2020	As at 31 March 2019
Non-current assets	2,093	4,742
Current assets:		
- Cash and cash equivalents	14,643	14,165
Total Current Assets	30,609	31,203
Non-current & current liabilities	7,688	9,487
Equity attributable to owners of the parent	24,944	26,390

- Group's operations are largely funded by its working capital and cash. There are no bank borrowings
- Shareholders' funds of S\$24.9 million is well-supported by net cash of S\$14.6 million
- The fall in non-current assets of approximately S\$2.6 million includes a decrease in fair value of financial assets at FVOCI ⁽¹⁾ of S\$3.1 million offset by an increase in Right Of Use assets of approximately S\$0.4 million net of amortisation following the adoption of SFRS(I) 16.
 - ✓ The change in fair value of financial assets at FVOCI mainly relates to the Group's equity interest of 6.0% in eMarine Global Inc ("eMarine").⁽²⁾

(1) FVOCI stands for Fair Value Through Other Comprehensive Income.

(2) eMarine Global Inc.'s shares are quoted on the OTC Market in the United States of America.

Cash Flow



(S\$'000)	FY2020	FY2019
Net cash generated from/(used in) operating activities	1,415	(3,132)
Net cash used in investing activities	(217)	(342)
Net cash used in financing activities	(891)	(525)
Net changes in cash & cash equivalents	307	(3,999)
Cash at beginning of financial period	14,165	17,881
Cash at end of financial period	14,643	14,165

- **Net cash generated from/(used in) operating activities** was largely due to net cash generated from working capital of S\$1.3 million, which resulted mainly from:
 - ✓ Decrease in contract assets of approximately S\$3.0 million, decrease in inventories of approximately S\$0.7 million, offset by increase in trade and other receivables of approximately S\$0.6 million, decrease in trade and other payables of approximately S\$1.3 million, as well as decrease in contract liabilities of approximately S\$0.5 million.
- **Net cash used in investing activities** was mainly due to purchase of plant and equipment of S\$0.3 million, offset by dividend received of approximately S\$0.1 million.
- **Net cash used in financing activities** was mainly due to payment of dividend of approximately S\$0.5 million and payment of lease liabilities as well as interest of approximately S\$0.4 million during the current reporting period.



Outlook & Strategy

Continued Challenging Outlook



- Although the Group's business activities in Singapore 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
- The evolving COVID-19 situation as well as the recent drop in 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
- The Group will continue to monitor closely on the evolving situation and actively exercise prudence in managing operational costs



Thank You