

JASON MARINE GROUP LIMITED

(Company Registration No.: 200716601W)

(Incorporated in the Republic of Singapore)

VARIANCES BETWEEN THE UNAUDITED FULL YEAR FINANCIAL RESULTS ANNOUNCEMENT AND AUDITED FINANCIAL STATEMENTS IN RESPECT OF THE FINANCIAL YEAR ENDED 31 MARCH 2018

The board of directors (the “Board”) of Jason Marine Group Limited (the “Company” and together with its subsidiaries, the “Group”) refers to the Company’s unaudited full year financial results announcement for the financial year ended 31 March 2018 (“FY2018”) released by the Company on 30 May 2018 (the “Unaudited Full Year Financial Results”)

Pursuant to Rule 704(5) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Section B: Rules of Catalist (“Catalist Rules”), the Company wishes to announce that, subsequent to the release of the Unaudited Full Year Financial Results, certain items were adjusted and reclassified in the Consolidated Income Statement, Statements of Financial Position and Consolidated Statement of Cash Flows for FY2018.

Details and clarification of the variances are summarised below.

CONSOLIDATED INCOME STATEMENT

	Group		Variances	Notes
	Year ended 31 March	Unaudited		
	Audited	2018		
	2018	2018		
	S\$'000	S\$'000	S\$'000	
Revenue	31,646	31,646		
Cost of sales	(21,428)	(21,428)		
Gross profit	10,218	10,218		
<u>Other items of income</u>				
Interest income	126	126		
Other income	1,070	766	304	1
<u>Other items of expense</u>				
Distribution costs	(4,080)	(4,080)		
General and administrative expenses	(4,421)	(4,421)		
Other expenses	(1,842)	(1,894)	52	2
Share of results of associates, net of tax	(879)	(523)	(356)	3
Profit before income tax	192	192		
Income tax expense	(125)	(125)		
Profit for the financial year	67	67		
Profit attributable to:				
Owners of the parent	45	45		
Non-controlling interests	22	22		
Profit for the financial year	67	67		

STATEMENTS OF FINANCIAL POSITION

	Group			
	31.03.2018 Audited S\$'000	31.03.2018 Unaudited S\$'000	Variances S\$'000	Notes
Non-current assets				
Intangible asset	-	-		
Plant and equipment	1,138	1,138		
Investments in subsidiaries	-	-		
Investments in associates	488	844	(356)	3
Available-for-sale financial assets	23,537	23,537		
Trade receivables	57	57		
Deferred tax assets	1	1		
Total non-current assets	25,221	25,577		
Current assets				
Inventories	3,071	2,942	129	1 (d) & 2 (b)
Trade and other receivables	11,983	11,942	41	1 (b), 1 (c) & 4 (c)
Derivative financial instruments	955	955		
Prepayments	236	236		
Current income tax recoverable	2	2		
Cash and cash equivalents	17,881	17,881		
Total current assets	34,128	33,958		
Less:				
Current liabilities				
Trade and other payables	6,581	6,767	(186)	1 (a), 2 (a) & 4 (f)
Deferred revenue	6,128	6,128		
Current income tax payable	137	137		
Total current liabilities	12,846	13,032		
Net current assets	21,282	20,926		
Less:				
Non-current liabilities				
Deferred tax liabilities	51	51		
Total non-current liabilities	51	51		
Net assets	46,452	46,452		
Equity				
Share capital	17,967	17,967		
Treasury shares	(255)	(255)		
Fair value adjustment reserve	22,979	23,184	(205)	5
Foreign currency translation account	(143)	(143)		
Retained earnings	5,850	5,645	205	5
Equity attributable to the owners of the parent	46,398	46,398		
Non-controlling interests	54	54		
Total equity	46,452	46,452		

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group			
	Year ended 31 March			
	2018	2018	Variances	Notes
	Audited	Unaudited		
	S\$'000	S\$'000	S\$'000	
Operating activities				
Profit before income tax	192	192		
Adjustments for:				
Allowance for impairment loss on doubtful third parties trade and other receivables	207	207		
Impairment loss on available-for-sale financial asset	34	35	(1)	6 (b)
Write-back of allowance for inventory obsolescence	(83)	46	(129)	1 (d) & 2 (b)
Amortisation of intangible asset	6	6		
Fair value loss/(gain) on derivative financial instruments	663	663		
Depreciation of plant and equipment	395	395		
Dividend income	(25)	(25)		
Gain on disposal of plant and equipment	(55)	(55)		
Interest income	(126)	(126)		
Plant and equipment written off	6	6		
Share of results of associates	879	523	356	3
Write-back of trade payables	(22)	(22)		
Write-back of allowance for impairment loss on doubtful third parties trade and other receivables	(131)	(114)	(17)	1 (c)
Unrealised exchange loss	579	-	579	6 (e)
Operating cash flows before working capital changes	2,519	1,731		
Working capital changes:				
Inventories	1,364	1,364		
Trade and other receivables	(6,524)	(6,500)	(24)	1 (b) & 4 (c)
Prepayments	(24)	(24)		
Trade and other payables	(717)	(509)		1 (a), 2 (a),
Deferred revenue	(1,397)	(1,397)	(208)	4 (f) & 6 (d)
Cash generated (used in)/from operations	(4,779)	(5,335)		
Interest received	126	126		
Income tax (paid)/refunded	(484)	(484)		
Net cash (used in)/from operating activities	(5,137)	(5,693)		
Investing activities				
Acquisition of shares in an associate company	(200)	(200)		
Dividend received	25	25		
Proceeds from disposal of plant and equipment	189	188	1	6 (c)
Purchase of plant and equipment	(188)	(210)	22	6 (d)
Net cash used in investing activities	(174)	(197)		
Net change in cash and cash equivalents	(5,311)	(5,890)	579	6 (a) & 6 (e)
Cash and cash equivalents at beginning of financial year	23,874	23,874		
Effects of foreign exchange rate changes on cash and cash equivalents	(682)	(103)	(579)	6 (a)
Cash and cash equivalents at end of financial year	17,881	17,881		
Cash and cash equivalents comprise the following:				
Fixed deposits	12,840	12,840		
Cash and bank balances	5,041	5,041		
Cash and cash equivalents included in the consolidated statement of cash flows	17,881	17,881		

Notes of explanation on variances

CONSOLIDATED INCOME STATEMENT

		Group		Variances	Explanation
		Year ended 31 March Audited 2018 S\$'000	Unaudited 2018 S\$'000		
1	Other income (Extract)				
	Sundry income - others	419	215	204	Please refer (a) & (b)
(a)	Overstatement of other payables			202	To be read in conjunction with note 4 (b)
(b)	Understatement of other receivables			2	To be read in conjunction with note 4 (a)
(c)	Write-back of allowance for impairment loss on doubtful third parties trade and other receivables	131	114	17	Overstatement of allowance
(d)	Write-back of allowance for inventory obsolescence	83	-	83	Overstatement of allowance and to be read in conjunction with note 2 (b)
		<u>633</u>	<u>329</u>	<u>304</u>	
2	Other expenses (Extract)				
(a)	Foreign exchange loss	930	936	(6)	Overstatement of revaluation of unrealised loss
(b)	Allowance for inventory obsolescence	-	46	(46)	To be read in conjunction with note 1 (d)
		<u>930</u>	<u>982</u>	<u>(52)</u>	

3 Share of results of associates, net of tax

Increased in share of losses from an associate of S\$356,000 attributable to Sense Infosys Pte. Ltd.

STATEMENTS OF FINANCIAL POSITION

		Group		
		Audited	Unaudited	Variances
		31.03.2018	31.03.2018	
		S\$'000	S\$'000	S\$'000
4	Current assets			
	Trade and other receivables	11,983	11,942	41
(a)				2
(b)				17
(c)				22
				To be read in conjunction with note 1 (b)
				To be read in conjunction with note 1 (c)
				Reclassification from trade and other payables
	Current liabilities			
	Trade and other payables	6,581	6,767	(186)
(d)				(202)
(e)				(6)
(f)				22
				To be read in conjunction with note 1 (a)
				To be read in conjunction with note 2 (a)
				Reclassification to trade and other receivables
5	Equity			
		Group		
		Audited	Unaudited	Variances
		31.03.2018	31.03.2018	
		S\$'000	S\$'000	S\$'000
	Fair value adjustment reserve	22,979	23,184	(205)
	Retained earnings	5,850	5,645	205
				Reclassification of fair value adjustment reserve to retained earnings

6 CONSOLIDATED STATEMENT OF CASH FLOWS

	Group		Variances
	Year ended 31 March Audited S\$'000	Unaudited S\$'000	
			S\$'000
Operating activities			
(a) Unrealised exchange loss	579	-	579 Reclassification to effects of foreign exchange rate changes on cash and cash equivalents
(b) Impairment loss on available-for-sale financial asset	34	35	(1) Rounding adjustment
Investing activities			
(c) Proceeds from disposal of plant and equipment	189	188	1 Rounding adjustment
(d) Purchase of plant and equipment	(188)	(210)	22 Reclassification of trade and other payables
Cash and cash equivalents at end of financial year			
(e) Effects of foreign exchange rate changes on cash and cash equivalents	(682)	(103)	(579) Reclassification from unrealised exchange loss

By Order of the Board

Foo Chew Tuck
Executive Chairman and CEO
27 June 2018

This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") for compliance with the Catalist Rules. 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.