

**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 2011**

This announcement has been prepared by the Company and its content 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 (the "SGX-ST"), this being the 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 persons for the Sponsor are Mr Yee Chia Hsing, Head, Catalyst / Mr Benjamin Choy, Director, Corporate Finance. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 6337 5115.

**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 STATEMENT**

	Group		Increase / (Decrease) %
	Year ended 31 March		
	2011 S\$'000	2010 S\$'000 Restated *	
Revenue	45,169	51,522	(12.3)
Cost of sales	(34,366)	(36,638)	(6.2)
Gross profit	10,803	14,884	(27.4)
<u>Other items of income</u>			
Other income	669	512	30.7
Interest income	37	35	5.7
<u>Other items of expense</u>			
Distribution costs	(3,941)	(3,577)	10.2
General and administrative expenses	(5,533)	(5,136)	7.7
Other expenses	(598)	(1,233)	(51.5)
Finance costs	(16)	(67)	(76.1)
Share of results of associates	(35)	(24)	45.8
Profit before income tax	1,386	5,394	(74.3)
Income tax expense	(185)	(1,041)	(82.2)
Profit for the financial year	1,201	4,353	(72.4)
<b>Profit attributable to:</b>			
Owners of the parent	1,234	4,353	
Non-controlling interests	(33)	-	
<b>Profit for the financial year</b>	1,201	4,353	

\* The restatement is due to the change in the Group's costing method for inventories from "first-in, first-out" basis to "weighted average" basis.



**1(a)(ii) Statement of comprehensive income for the financial year ended 31 March 2011**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Group</b>		
	<b>Year ended 31 March</b>	<b>2010</b>	<b>Increase /</b>
	<b>2011</b>	<b>2010</b>	<b>(Decrease)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
		<b>Restated *</b>	
<b>Profit for the financial year</b>	1,201	4,353	(72.4)
<b>Other comprehensive income :</b>			
Foreign currency difference on translation of foreign operations	(20)	56	NM
Income tax relating to components of other comprehensive income	-	-	NM
<b>Total comprehensive income for the financial year, net of tax</b>	<b>1,181</b>	<b>4,409</b>	<b>(73.2)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	1,216	4,409	
Non-controlling interests	(35)	-	
	<b>1,181</b>	<b>4,409</b>	

**1(a)(iii) Notes to consolidated income statement**

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

	<b>Group</b>		
	<b>Year ended 31 March</b>	<b>2010</b>	<b>Increase /</b>
	<b>2011</b>	<b>2010</b>	<b>(Decrease)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Allowance for doubtful third parties trade receivables	(99)	(236)	(58.1)
Allowance for inventory obsolescence	-	(219)	NM
Amortisation of intangible asset	(76)	-	NM
Depreciation of plant and equipment	(237)	(228)	3.9
Net foreign exchange loss	(498)	(778)	(36.0)
Interest expense on trust receipts	(16)	(67)	(76.1)
Gain/(Loss) on disposal of plant and equipment	24	(3)	NM
Interest income	37	35	5.7
<b>Grants</b>			
- capability development scheme	65	-	NM
- jobs credit scheme	29	384	(92.4)
- others	60	70	(14.3)
Sundry income	60	14	NM
Initial public offering ("IPO") expenses	-	(865)	NM
Write-back of allowance for doubtful third parties trade receivables no longer required	37	44	(15.9)
Write-back of allowance for inventory obsolescence no longer required	374	-	NM

NM: Not Meaningful

\* The restatement is due to the change in the Group's costing method for inventories from "first-in, first-out" basis to "weighted average" basis.



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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 March		As at 1 April	As at 31 March	
	2011	2010	2009	2011	2010
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
		Restated *	Restated *		
<b>Non-current assets</b>					
Intangible asset	474	-	-	-	-
Plant and equipment	699	504	615	-	-
Investments in subsidiaries	-	-	-	15,000	15,000
Investments in associates	132	110	134	-	-
Available-for-sale financial assets	1,227	1,058	643	-	-
Other receivables	153	184	218	-	-
	<u>2,685</u>	<u>1,856</u>	<u>1,610</u>	<u>15,000</u>	<u>15,000</u>
<b>Current assets</b>					
Inventories	7,262	7,030	9,986	-	-
Trade and other receivables	19,390	10,340	16,143	238	1
Prepayments	328	566	173	20	34
Derivative financial instruments	7	-	-	-	-
Cash and cash equivalents	9,401	13,504	8,209	4,226	2,525
	<u>36,388</u>	<u>31,440</u>	<u>34,511</u>	<u>4,484</u>	<u>2,560</u>
Less:					
<b>Current liabilities</b>					
Trade and other payables	12,918	9,715	15,410	206	829
Finance lease payables	25	73	72	-	-
Bank borrowings	2,218	-	4,284	-	-
Current income tax payable	403	1,248	1,411	-	-
	<u>15,564</u>	<u>11,036</u>	<u>21,177</u>	<u>206</u>	<u>829</u>
<b>Net current assets</b>	<u>20,824</u>	<u>20,404</u>	<u>13,334</u>	<u>4,278</u>	<u>1,731</u>
Less:					
<b>Non-current liabilities</b>					
Finance lease payables	19	16	89	-	-
Deferred tax liabilities	61	58	45	-	-
	<u>80</u>	<u>74</u>	<u>134</u>	<u>-</u>	<u>-</u>
	<u>23,429</u>	<u>22,186</u>	<u>14,810</u>	<u>19,278</u>	<u>16,731</u>
<b>Capital and reserves</b>					
Share capital	17,967	17,967	1,040	17,967	17,967
Foreign currency translation reserve / (account)	36	54	(2)	-	-
Accumulated profits / (losses)	5,399	4,165	13,772	1,311	(1,236)
	<u>23,402</u>	<u>22,186</u>	<u>14,810</u>	<u>19,278</u>	<u>16,731</u>
Equity attributable to the owners of the parent					
Non-controlling interests	27	-	-	-	-
<b>Total equity</b>	<u>23,429</u>	<u>22,186</u>	<u>14,810</u>	<u>19,278</u>	<u>16,731</u>

\* The restatement is due to the change in the Group's costing method for inventories from "first-in, first-out" basis to "weighted average" basis.

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**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

Amount repayable in one year or less, or on demand

As at 31.03.11		As at 31.03.10	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
2,243	-	73	-

Amount repayable after one year

As at 31.03.11		As at 31.03.10	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
19	-	16	-

**Details of any collateral**

As of 31 March 2011, our total secured short term borrowings amounted to approximately S\$2.2 million in aggregate, comprising trust receipts of approximately S\$2.2 million and the current portion of finance lease payables of approximately S\$25,000, while our total secured long term borrowings comprising non-current portion of finance lease payables amounted to approximately S\$19,000. Obligations under finance leases are secured by the lessors' title to the leased assets, which will revert to the lessors in the event of default by us. Trust receipts are secured by corporate guarantees by the Company and personal guarantees given by our executive director.


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- 1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Group</b>	
	<b>Year ended 31 March</b>	
	<b>2011</b>	<b>2010</b>
	<b>S\$'000</b>	<b>S\$'000</b>
		<b>Restated *</b>
<b>Operating activities</b>		
Profit before income tax	1,386	5,394
Adjustments for:		
Allowance for doubtful third parties trade receivables	99	236
Allowance for inventory obsolescence	-	219
Amortisation of intangibles asset	76	-
Depreciation of plant and equipment	237	228
Changes in fair value of derivative financial instruments	7	-
Interest expenses	16	67
Interest income	(37)	(35)
Dividend income	(19)	-
Write-back of allowance for doubtful third parties trade receivables no longer required	(37)	(44)
Write-back of allowance for inventory obsolescence no longer required	(374)	-
(Gain)/Loss on disposal of plant and equipment	(24)	3
Share of results of associates	35	24
Operating cash flows before working capital changes	1,365	6,092
Working capital changes:		
Inventories	142	2,737
Trade and other receivables	(9,095)	5,645
Prepayments	238	(393)
Trade and other payables	3,204	(5,695)
Cash (absorbed by)/generated from operations	(4,146)	8,386
Income tax paid	(1,028)	(1,190)
Net cash (used in)/from operating activities	(5,174)	7,196
<b>Investing activities</b>		
Purchase of plant and equipment	(408)	(121)
Acquisition of intangible asset	(550)	-
Acquisition of available-for-sale financial assets	(168)	(416)
Investment in an associate	(75)	-
Issue of shares to non-controlling interests	62	-
Proceeds from disposal of an associate	18	-
Proceeds from disposals of plant and equipment	30	1
Dividend received	19	-
Interest received	37	35
Net cash used in investing activities	(1,035)	(501)
<b>Financing activities</b>		
Repayments of obligations under finance leases	(76)	(72)
Proceeds from borrowings	2,218	(4,284)
Proceeds from issuance of new shares	-	3,360
Share issue expenses	-	(393)
Reversal of fixed deposits	-	20
Interest paid	(16)	(67)
Net cash from/(used in) financing activities	2,126	(1,436)
Net change in cash and cash equivalents	(4,083)	5,259
Cash and cash equivalents at beginning of financial year	12,732	7,417
Effects of exchange rate changes on cash and cash equivalents	(20)	56
<b>Cash and cash equivalents at end of financial year</b>	<b>8,629</b>	<b>12,732</b>
Cash and cash equivalents comprise of the following:		
Fixed deposits	5,565	10,435
Cash and bank balances	3,836	3,069
Cash and cash equivalents on statement of financial position	9,401	13,504
Less: Fixed deposits pledged	(772)	(772)
Cash and cash equivalents as per consolidated statement of cash flows	8,629	12,732

\* The restatement is due to the change in the Group's costing method for inventories from "first-in, first-out" basis to "weighted average" basis.


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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	Foreign currency translation reserve S\$'000	Accumulated profits / (losses) S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 April 2010	17,967	54	4,165	22,186	-	22,186
<b>Profit for the financial year</b>	-	-	1,234	1,234	(33)	1,201
<b>Other comprehensive income for the financial year</b>						
Foreign currency differences on translation of foreign operations	-	(18)	-	(18)	(2)	(20)
<b>Total comprehensive income for the financial year</b>	-	(18)	1,234	1,216	(35)	1,181
<b>Transactions with the non-controlling interests</b>						
Issue of shares to non-controlling interests	-	-	-	-	62	62
<b>Total transactions with the non-controlling interests</b>	-	-	-	-	62	62
Balance at 31 March 2011	17,967	36	5,399	23,402	27	23,429
Balance at 1 April 2009	1,040	(2)	13,817	14,855	-	14,855
- restatement due to change in costing method	-	-	(45)	(45)	-	(45)
- as restated	1,040	(2)	13,772	14,810	-	14,810
<b>Profit for the financial year (restated)</b>	-	-	4,353	4,353	-	4,353
<b>Other comprehensive income for the financial year</b>						
Foreign currency differences on translation of foreign operations	-	56	-	56	-	56
<b>Total comprehensive income for the financial year</b>	-	56	4,353	4,409	-	4,409
<b>Transactions with owners of the parent</b>						
Share swap pursuant to the Restructuring exercise	(1,040)	-	-	(1,040)	-	(1,040)
Issuance of ordinary shares pursuant to the restructuring exercise	15,000	-	-	15,000	-	15,000
Merger reserve account pursuant to the restructuring exercise	-	-	(13,960)	(13,960)	-	(13,960)
Issuance of ordinary shares pursuant to IPO exercise	3,360	-	-	3,360	-	3,360
Share issue expense	(393)	-	-	(393)	-	(393)
<b>Total transactions with owners of the parent</b>	16,927	-	(13,960)	2,967	-	2,967
Balance at 31 March 2010	17,967	54	4,165	22,186	-	22,186



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## STATEMENTS OF CHANGES IN EQUITY

Company	Share capital S\$'000	Foreign currency translation reserve S\$'000	Accumulated profits / (losses) S\$'000	Equity attributable to owners of the parent S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
Balance at 1 April 2010	17,967	-	(1,236)	16,731	-	16,731
<b>Profit for the financial year</b>	-	-	2,547	2,547	-	2,547
<b>Total comprehensive income for the financial year</b>	-	-	2,547	2,547	-	2,547
Balance at 31 March 2011	17,967	-	1,311	19,278	-	19,278
Balance at 1 April 2009	- *	-	(19)	(19)	-	(19)
<b>Profit for the financial year</b>	-	-	(1,217)	(1,217)	-	(1,217)
<b>Total comprehensive income for the financial year</b>	-	-	(1,217)	(1,217)	-	(1,217)
<b>Transactions with the owners of the parent</b>						
Issuance of ordinary shares pursuant to the restructuring exercise	15,000	-	-	15,000	-	15,000
Issuance of ordinary shares pursuant to IPO exercise	3,360	-	-	3,360	-	3,360
Share issue expense	(393)	-	-	(393)	-	(393)
<b>Total transactions with owners of the parent</b>	17,967	-	-	17,967	-	17,967
Balance at 31 March 2010	17,967	-	(1,236)	16,731	-	16,731

\* Denotes share capital comprising of two Singapore Dollars

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- 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 also the number of shares that may be issued on conversion of all the outstanding convertibles 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 year reported on and there were no outstanding convertibles or treasury shares held as at 31 March 2011.

- 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.**

	<b>As at 31.03.11</b>	<b>As at 31.03.10</b>
Total number of issued shares excluding treasury shares	106,000,000	106,000,000

The Company has no treasury shares outstanding as at 31 March 2011 and 31 March 2010.

- 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.**

Not applicable.

- 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.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.



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**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 has 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 as at 31 March 2010.

**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 changed its accounting policy for inventories, which was applied retrospectively and accordingly, a restatement was made at the earliest period presented.

In the current reporting period, the Group has adopted all of the new or revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are relevant to its operations which became effective during the current period. The adoption of these new and revised FRS and INT FRS has no material effect on the amounts reported for the current or prior reporting periods.

**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")**

	<b>Group</b>	
	<b>Year ended 31 March 2011</b>	<b>2010 Restated *</b>
Profit for the financial year attributable to owners of the parent (S\$'000)	1,234	4,353
Number of ordinary shares outstanding for computation of EPS ('000)	106,000	106,000
EPS (cents) (Basic and diluted)	1.16	4.11

**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")**

	<b>Group</b>		<b>Company</b>	
	<b>As at 31.03.11</b>	<b>As at 31.03.10 Restated *</b>	<b>As at 31.03.11</b>	<b>As at 31.03.10</b>
NAV per ordinary share (cents)	22.10	20.93	18.19	15.78
Number of ordinary shares used in computation of NAV per ordinary share ('000)	106,000	106,000	106,000	106,000

\* The restatement is due to the change in the Group's costing method for inventories from "first-in, first-out" basis to "weighted average" basis.



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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.

(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 INCOME STATEMENT OF THE GROUP

Year ended 31 March 2011 ("FY2011") versus year ended 31 March 2010 ("FY2010")

#### Revenue

The Group's revenue decreased by approximately S\$6.3 million or 12.3% from S\$51.5 million in FY2010 to S\$45.2 million in FY2011.

Revenue from sale of goods decreased by approximately S\$6.0 million or 15.2% from S\$39.5 million for FY2010 to S\$33.5 million for FY2011. This was mainly due to a decrease in the number of projects delivered during the financial year as the demand for new vessels softened following the global economic downturn.

Revenue from rendering of services increased marginally by approximately S\$0.1 million or 1.0% from S\$9.9 million for FY2010 to S\$10.0 million for FY2011 on the back of a stable level of vessel maintenance services undertaken during the financial year.

Airtime revenue decreased by approximately S\$0.6 million or 27.3% from S\$2.2 million for FY2010 to S\$1.6 million for FY2011 as a result of a decrease in airtime usage by our customers.

#### Gross profit

The Group's gross profit decreased by approximately S\$4.1 million or 27.4% from S\$14.9 million in FY2010 to S\$10.8 million in FY2011 in line with the decrease in Group revenue. The overall gross profit margin decreased from 28.9% in FY2010 to 23.9% in FY2011, reflecting the competitiveness of the market during the financial year.

Gross profit from sale of goods decreased by approximately S\$3.7 million or 31.1% from S\$11.9 million for FY2010 as compared to S\$8.2 million for FY2011. Gross profit margin of this segment decreased from 30.2% in FY2010 to 24.6% in FY2011.

Gross profit from rendering of services decreased by approximately S\$0.3 million or 13.6% from S\$2.2 million for FY2010 as compared to S\$1.9 million for FY2011. Gross profit margin of this segment decreased from 22.0% in FY2010 to 18.9% in FY2011.

Gross profit from airtime revenue decreased by approximately S\$0.1 million or 12.5% from S\$0.8 million for FY2010 to S\$0.7 million in FY2011. Gross profit margin of this segment increased from 36.6% in FY2010 to 41.7% in FY2011.

#### Other income

Other income for FY2011 increased by approximately S\$0.2 million or 40.0% from S\$0.5 million in FY2010 to S\$0.7 million in FY2011. This was due mainly to the write back of provision for inventory obsolescence of S\$0.4 million and the increase in sundry and dividend income totalling S\$0.1 million, which was offset by the decrease in grants by S\$0.3 million.

#### Distribution costs

The Group's distribution costs increased by approximately S\$0.3 million or 10.2% from S\$3.6 million in FY2010 to S\$3.9 million in FY2011 due mainly to higher employee cost for sales, marketing and support staff.



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### General and administrative expenses

The Group's general and administrative expenses for FY2011 increased by approximately S\$0.4 million or 7.7% from S\$5.1 million in FY2010 to S\$5.5 million in FY2011. This was due mainly to increase in employee cost for administrative and accounts staff of S\$0.5 million and increase in some general expenses of S\$0.5 million, such as rental of office, travelling and transport, telephone and postage and depreciation and amortisation charges. The increase was offset by a decrease in legal and professional charges of S\$0.6 million, which was due mainly to the absence of one-time expenses incurred in connection with the initial public offering ("IPO") of the Company recorded in FY2010.

### Other expenses

Other expenses for FY2011 decreased by approximately S\$0.6 million or 51.5% from S\$1.2 million in FY2010 to S\$0.6 million in FY2011. This was due to the decrease in foreign exchange loss of S\$0.3 million, decrease in allowance for inventory obsolescence of S\$0.2 million and decrease in allowance for doubtful receivables of S\$0.1 million.

### Finance costs

Finance costs of approximately S\$16,000 was incurred on interest on finance lease and trust receipts during FY2011.

### Income tax

Income tax expense decreased by approximately S\$0.8 million or 82.2% from S\$1.0 million in FY2010 to S\$0.2 million in FY2011. This was due mainly to the decrease in the Group's profitability for the financial year and tax benefits applied, such as the Productivity and Innovation Credit Scheme.

### Profit after income tax attributable to owners of the parent

As a result of the foregoing, profit after income tax attributable to owners of the parent decreased by approximately S\$3.1 million or 72.4% from S\$4.3 million in FY2010 to S\$1.2 million in FY2011. Net profit margin decreased from 8.4% in FY2010 to 2.7% in FY2011.

## **REVIEW OF FINANCIAL POSITION OF THE GROUP**

The Group's current assets comprise inventories, trade and other receivables, prepayments, derivative financial instruments and cash and cash equivalents. Total current assets increased by approximately S\$5.0 million, from S\$31.4 million as at 31 March 2010 to S\$36.4 million as at 31 March 2011. This was due mainly to an increase in trade and other receivables of S\$9.1 million and inventories S\$0.2 million, which was offset by the decrease in prepayments of \$0.2 million and cash and cash equivalents by S\$4.1 million.

The Group's current liabilities comprise trade and other payables, current portion of finance lease payables, bank borrowings and current income tax payable. Total current liabilities increased by approximately S\$4.6 million, from S\$11.0 million as at 31 March 2010 to S\$15.6 million as at 31 March 2011. This was due mainly to the increase in trade and other payables and bank borrowings by S\$3.2 million and S\$2.2 million respectively which was offset by decrease in current income tax payable by S\$0.8 million.

The Group's capital and reserves comprise mainly share capital, foreign currency translation reserve and accumulated profits. As at 31 March 2011, the Group's capital and reserves amounted to approximately S\$23.4 million, comprising mainly share capital of S\$18.0 million and accumulated profits of S\$5.4 million.

## **REVIEW OF STATEMENT OF CASH FLOWS OF THE GROUP**

In FY2011, the Group generated net cash from operating activities before working capital changes of approximately S\$1.4 million. Net cash used in working capital amounted to S\$5.5 million which was mainly due to the increase in trade and other receivables of S\$9.1 million, offset by increase in trade and other payables of S\$3.2 million, decrease in prepayments of S\$0.2 million and decrease in inventories of S\$0.1 million. After payment of income tax of S\$1.0 million, the net cash used in operating activities amounted to S\$5.2 million for FY2011.

Net cash used in investing activities in FY2011 was approximately S\$1.0 million. The net cash used in investing activities in FY2011 was due mainly to the purchase of plant and equipment, and intangible assets of S\$1.0 million as the Group had invested in a new enterprise resource planning (ERP) system. Cash used in the acquisition of available-for-sale financial asset and investment in associates totalling approximately S\$0.2 million relates to the acquisition of 9% interest in Rockson Automation GmbH in January 2011 and share capital increase in iProMar (Pte.) Ltd. The share capital increase in iProMar (Pte.) Ltd. is to fund the Group's share of investment in iMaster Pte. Ltd. (please refer to the Company's announcement dated 08 July 2010). Cash generated from investing activities totalling S\$0.2 million was due to issue of shares to non-controlling interests, proceeds from sale of assets, and receipt of dividends and interest during the financial year.

Net cash generated from financing activities in FY2011 was approximately S\$2.1 million. The net cash generated from financing activities in FY2011 was due to proceeds from borrowings which was offset by repayments of obligations under finance lease and interest paid.

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9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

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.**

There are signs of a recovery in the marine and offshore sectors but this is expected to have a lagged impact on the Group because of the nature of our business. Normally, there is a time lag from contract to project execution because the equipment and services we supply are normally fitted to the vessel at the final stage of a new-built project.

The financial year had been a challenging year and the Group expects the marine and offshore environment to remain competitive. However, the Group remains positive over the long term prospects of the marine electronics supply, maintenance and support services sector.

11. **Dividend**

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

Yes

Name of dividend	First and Final Dividend
Divident type	Cash
Dividend rate	0.1 cent per share
Tax rate	Tax exempt (One-tier)

- (b) **Corresponding Period of the Immediately Preceding Financial Year**

No

- (c) **Date payable**

Subject to shareholders' approval and to be announced at a later date.

- (d) **Books closure date**

To be announced at a later date.

12. **If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.



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## 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 2011

Group	Sale of goods	Rendering of services	Airtime revenue	Unallocated	Adjustments and Eliminations	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue</b>						
External revenue	33,521	10,037	1,611	-	-	45,169
Inter-segment revenue	232	671	5	-	(908)	-
	<u>33,753</u>	<u>10,708</u>	<u>1,616</u>	<u>-</u>	<u>(908)</u>	<u>45,169</u>
<b>Results</b>						
Interest income	8	3	1	25	-	37
Interest expense	(15)	(1)	-	(41)	41	(16)
Depreciation of plant and equipment	(116)	(84)	(2)	(35)	-	(237)
Amortisation of intangible asset	-	-	-	(76)	-	(76)
Share of results of associates	-	-	-	2	(37)	(35)
Other non-cash expenses:						
- allowance for doubtful third parties trade receivables	(86)	(13)	-	-	-	(99)
- allowance for inventory obsolescence	-	-	-	-	-	-
Segment profit	<u>934</u>	<u>354</u>	<u>367</u>	<u>2,473</u>	<u>(2,742)</u>	<u>1,386</u>
<b>Capital expenditure</b>						
Plant and equipment	297	23	-	120	-	440
Intangible asset	-	-	-	550	-	550
<b>Assets and liabilities</b>						
Segment assets	26,951	8,343	1,001	5,589	(4,170)	37,714
Available-for-sale financial assets	-	-	-	1,231	(4)	1,227
Investments in associates	-	-	-	186	(54)	132
Segment liabilities	<u>12,072</u>	<u>4,273</u>	<u>564</u>	<u>2,876</u>	<u>(4,141)</u>	<u>15,644</u>



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## Financial year ended 31 March 2010

Group	Sale of goods	Rendering of services	Airtime revenue	Unallocated	Adjustments and Eliminations	Total
	S\$'000 Restated *	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000 Restated *
<b>Revenue</b>						
External revenue	39,463	9,898	2,161	-	-	51,522
Inter-segment revenue	215	389	2	-	(606)	-
	<u>39,678</u>	<u>10,287</u>	<u>2,163</u>	<u>-</u>	<u>(606)</u>	<u>51,522</u>
<b>Results</b>						
Interest income	6	2	1	52	(26)	35
Interest expense	(66)	(1)	-	(26)	26	(67)
Depreciation of plant and equipment	(105)	(88)	-	(35)	-	(228)
Share of results of associates	-	-	-	(8)	(16)	(24)
Other non-cash expenses:						
- allowance for doubtful third parties trade receivables	(101)	(133)	(2)	-	-	(236)
- allowance for inventory obsolescence	(177)	(42)	-	-	-	(219)
Segment profit	<u>4,573</u>	<u>580</u>	<u>564</u>	<u>(582)</u>	<u>259</u>	<u>5,394</u>
<b>Capital expenditure</b>						
Plant and equipment	<u>46</u>	<u>50</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>121</u>
<b>Assets and liabilities</b>						
Segment assets	24,704	7,021	1,025	2,787	(3,409)	32,128
Available-for-sale financial assets	-	-	-	1,062	(4)	1,058
Investments in associates	-	-	-	127	(17)	110
Segment liabilities	<u>9,043</u>	<u>2,218</u>	<u>477</u>	<u>2,779</u>	<u>(3,407)</u>	<u>11,110</u>

## Geographical information

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

	2011 \$'000	2010 \$'000
<b>Revenue from external customers</b>		
Singapore	22,208	24,327
People's Republic of China	11,137	13,825
Southeast Asia other than Singapore	4,205	7,455
Others	7,619	5,915
	<u>45,169</u>	<u>51,522</u>
<b>Non-current assets</b>		
Singapore	1,180	475
People's Republic of China	192	235
Southeast Asia other than Singapore	80	88
Others	6	-
	<u>1,458</u>	<u>798</u>

Non-current assets information presented above excludes available-for-sale financial assets.

\* The restatement is due to the change in the Group's costing method for inventories from "first-in, first-out" basis to "weighted average" basis.



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## 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 Section 8 of this announcement.

## 15. A breakdown of sales

	Group		Increase / (Decrease) %
	FY2011 S\$'000	FY2010 S\$'000 Restated *	
Sales reported for first half-year	22,987	29,445	(21.9)
Profit for first half-year	501	2,454	(79.6)
Sales reported for second half-year	22,182	22,077	0.5
Profit for second half-year	700	1,899	(63.1)

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

Not applicable.

## 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	179	
(ii) Unity Consultancy Pte Ltd	13	
(iii) Jason Harvest Pte Ltd	42	
Total:	234	Not applicable

In addition to the above, Mr. Foo Chew Tuck, Mr. Tan Lian Huat and Mr. Foo Chew Yin (sibling of Mr. Foo Chew Tuck) had provided guarantees and/or indemnities to secure our Group's obligations under certain credit facilities, details of which are set out in pages 120 and 121 of the Offer Document. No fee was paid to the guarantors for the provision of the above guarantees.

\* The restatement is due to the change in the Group's costing method for inventories from "first-in, first-out" basis to "weighted average" basis.

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**18. Use of Proceeds Update**

Use of IPO Proceeds	Amount allocated	Amount used as at 31 March 2011
	S\$'000	S\$'000
Investments and/or joint ventures	1,500	308
General working capital	602	602

**BY ORDER OF THE BOARD**

Foo Chew Tuck  
Executive Chairman  
25 May 2011