



Jason Marine maintains strong financial position following 1H FY13 results

- ◆ Management of costs eases impact of lower revenue and reduced margins.
- ◆ Strong net cash position of S\$12.2m will enable the Group to ride out tough times and explore ways to build up revenue base.
- ◆ Taking steps to increase efforts in the offshore oil & gas sector.

SINGAPORE ◆ 7 November 2012

For immediate release

Jason Marine Group Limited (Jason Marine, the Group or 日升海事集团) announced today that it recorded a net loss attributable to owners of the parent of S\$1.9 million for the half-year ended 30 September 2012 (1H FY13) because of difficult operating conditions that affected both revenue and margins.

Sluggish demand across the industry decreased the Group's revenue by 43.6%, from S\$25.6 million in 1H FY12 to S\$14.4 million in 1H FY13. Meanwhile, price competition and rising costs caused the gross profit margin to shrink from 30.8% to 23.7%.

The Group is actively managing its costs. Distribution costs have decreased by 21.3% to S\$2.3 million, while general and administrative expenses have decreased by 14.2% to S\$2.8 million. These sustained Group-wide efforts helped contain the overall net loss for the financial period.

Jason Marine's Executive Chairman, Mr Joseph Foo, said: "It has been a difficult time for the Group as the shipping industry continues to face a supply glut and low charter rates. Across the Group, we have made concerted efforts to manage costs, as well as our inventories and receivables, in order to maintain a healthy financial position."

Even though profits were affected, the Group managed to keep its cash flow positive. Indeed, it was able to improve its financial position, ending the financial period with S\$12.2 million in net cash.



JASON MARINE GROUP LIMITED

194 Pandan Loop
#06-05 Pantech Business Hub
Singapore 128383

Tel: +65 6872 0211
Fax: +65 6872 1800

Looking ahead, Mr Foo said: “We do not expect conditions in the industry to turn around over the medium-term, so we are bracing ourselves for a difficult second half. While continuing our efforts in the marine sector, the Group is taking steps in response to increase our efforts in the offshore oil & gas sector. In addition, the Group is also working at streamlining its operating cost structure which will take time to take effect.”

Given such circumstances, unless the business conditions change positively for the Group, we do not expect to be profitable for the second half of FY2013. However, we maintain our confidence in the Group’s performance over the long term.

ABOUT THE COMPANY

www.jason.com.sg ♦ SGX Catalyst: October 2009

Jason Marine Group Limited (JMG or the Group) is a leading marine electronics systems integrator and support services provider with a global customer base. An expert in marine communication, navigation and automation systems, the Group offers one-stop solutions that span design, supply, integration, installation, testing, commissioning and maintenance. JMG also resells satellite airtime services to complement its communications business.

The Group carries a wide variety of supplies from renowned manufacturers, such as Raytheon Anschütz and Cobham Satcom. The Group’s track record of consistently delivering on schedule has anchored its position as one of the leading players in the industry.

Established in 1976, the Group has forged strong relationships with a global customer base from the marine and offshore oil and gas (O&G) industries. Headquartered in Singapore, JMG has since expanded into Indonesia, Malaysia, the PRC, Thailand and South Korea. Its growing presence in key shipbuilding markets in North Asia enables it to move in quickly to secure new business.

FOR FURTHER ENQUIRIES

MS. FOO HUI MIN

+65 6872 0211

JASON MARINE GROUP

huimin@jason.com.sg

MS. NORA CHENG

+65 9634 7450

OAKTREE ADVISERS

noracheng@oaktreadvisers.com

MS. JASMINE ZHAO

+65 9229 1719

OAKTREE ADVISERS

jasminezhao@oaktreadvisers.com

Other media releases on the company can be accessed at the Company’s website or at www.oaktreadvisers.com



JASON MARINE GROUP LIMITED

194 Pandan Loop
#06-05 Pantech Business Hub
Singapore 128383

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Fax: +65 6872 1800

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The contact person for the Sponsor is Mr Benjamin Choy, Director, Corporate Finance. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 63375115.