

**JASON MARINE GROUP LIMITED**

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

UNAUDITED HALF-YEAR FINANCIAL STATEMENT FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2014

This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst (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, Corporate Finance), CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone (65) 6337 5115.

- 1(a)(i) **An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

CONSOLIDATED INCOME STATEMENTS

	Group		Increase / (Decrease) %
	Six months ended 30.09.14 S\$'000	30.09.13 S\$'000	
Revenue	30,508	22,605	35.0
Cost of sales	(22,253)	(16,515)	34.7
Gross profit	8,255	6,090	35.6
<i>Other items of income</i>			
Other income	520	360	44.4
Interest income	86	49	75.5
<i>Other items of expense</i>			
Distribution costs	(3,032)	(2,522)	20.2
General and administrative expenses	(3,068)	(2,730)	12.4
Other expenses	(243)	-	NM
Share of results of associates, net of tax	(94)	73	NM
Profit before income tax	2,424	1,320	83.7
Income tax expense	(430)	(250)	72.0
Profit for the financial period	1,994	1,070	86.4
Profit attributable to:			
Owners of the parent	2,019	1,097	84.1
Non-controlling interests	(25)	(27)	(7.4)
Profit for the financial period	1,994	1,070	86.4

NM: Not Meaningful



1(a)(ii) Statement of comprehensive income for the six months ended 30 September 2014

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Group		
	Six months ended	Six months ended	Increase /
	30.09.14	30.09.13	(Decrease)
	S\$'000	S\$'000	%
Profit for the financial period	1,994	1,070	86.4
Other comprehensive loss :			
Foreign currency difference on translation of foreign operations	(50)	(91)	(45.1)
Income tax relating to components of other comprehensive income	-	-	-
Other comprehensive loss for the financial period, net of tax	(50)	(91)	(45.1)
Total comprehensive income for the financial period, net of tax	1,944	979	98.6
Total comprehensive income attributable to:			
Owners of the parent	1,874	1,006	86.3
Non-controlling interests	70	(27)	NM
	1,944	979	98.6

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

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

	Group		
	Six months ended	Six months ended	Increase /
	30.09.14	30.09.13	(Decrease)
	S\$'000	S\$'000	%
Allowance for doubtful third parties trade receivables	(22)	-	NM
Allowance for inventory obsolescence	(218)	-	NM
Amortisation of intangible asset	(11)	(93)	(88.4)
Changes in fair value of derivatives	38	(5)	NM
Depreciation of plant and equipment	(276)	(202)	36.4
Foreign exchange gain, net	250	135	85.5
Interest income	86	49	75.5
Write-back of allowance for doubtful third parties trade receivables no longer required	1	-	NM
Grants			
- capability development scheme (SAP system)	-	33	NM
- capability development scheme (human capital development)	-	43	NM
- others	101	46	120.4
Sundry income			
- sponsorships	11	88	(87.1)
- others	4	8	(45.7)

NM: Not Meaningful



JASON MARINE GROUP LIMITED

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

- 1(b)(i) A statement of financial position (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 30.09.14 S\$'000	As at 31.03.14 S\$'000	As at 30.09.14 S\$'000	As at 31.03.14 S\$'000
Non-current assets				
Intangible asset	64	39	-	-
Plant and equipment	1,044	1,017	-	-
Investments in subsidiaries	-	-	14,892	14,892
Investments in associates	220	314	-	-
Available-for-sale financial assets	1,482	1,482	-	-
Other receivables	380	548	-	-
Deferred tax asset	2	2	-	-
	<u>3,192</u>	<u>3,402</u>	<u>14,892</u>	<u>14,892</u>
Current assets				
Inventories	5,584	8,970	-	-
Trade and other receivables	13,919	18,587	71	72
Prepayments	233	156	14	23
Cash and cash equivalents	22,814	17,025	5,947	4,383
Assets of a disposal group held for sale	-	36	-	-
	<u>42,550</u>	<u>44,774</u>	<u>6,032</u>	<u>4,478</u>
Less:				
Current liabilities				
Trade and other payables	12,309	10,534	170	266
Advance billings	4,620	8,972	-	-
Derivative financial instruments	6	43	-	-
Current income tax payable	380	285	-	1
Liabilities of a disposal group held for sale	-	839	-	-
	<u>17,315</u>	<u>20,673</u>	<u>170</u>	<u>267</u>
Net current assets	<u>25,235</u>	<u>24,101</u>	<u>5,862</u>	<u>4,211</u>
Less:				
Non-current liabilities				
Deferred tax liabilities	132	129	-	-
	<u>132</u>	<u>129</u>	<u>-</u>	<u>-</u>
	<u>28,295</u>	<u>27,374</u>	<u>20,754</u>	<u>19,103</u>
Capital and reserves				
Share capital	17,967	17,967	17,967	17,967
Treasury shares	(60)	-	(60)	-
Foreign currency translation reserve	(136)	(86)	-	-
Retained earnings	10,516	9,555	2,847	1,136
	<u>28,287</u>	<u>27,436</u>	<u>20,754</u>	<u>19,103</u>
Equity attributable to the owners of the parent				
Non-controlling interests	8	(62)	-	-
Total equity	<u>28,295</u>	<u>27,374</u>	<u>20,754</u>	<u>19,103</u>

**JASON MARINE GROUP LIMITED**

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

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

Amount repayable in one year or less, or on demand

As at 30.09.14		As at 31.03.14	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Amount repayable after one year

As at 30.09.14		As at 31.03.14	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Details of any collateral

None as at 30 September 2014 and 31 March 2014


JASON MARINE GROUP LIMITED

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

- 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	
	Six months ended	
	30.09.14	30.09.13
	S\$'000	S\$'000
Operating activities		
Profit before income tax	2,424	1,320
Adjustments for:		
Provision for doubtful debts	22	-
Allowance for inventory obsolescence	218	-
Amortisation of intangibles asset	11	93
Changes in fair value of derivative financial instruments	(38)	5
Depreciation of plant and equipment	276	202
(Gain) / loss on disposal of property and equipment	(151)	1
Interest expenses	-	-
Interest income	(86)	(49)
Write-back of allowance for doubtful third parties trade receivables no longer required	(1)	-
Share of results of associates	94	(73)
Operating cash flows before working capital changes	2,769	1,499
Working capital changes:		
Inventories	3,167	(1,351)
Trade and other receivables	4,949	(2,540)
Prepayments	(80)	(16)
Trade and other payables	1,038	3,274
Advance billings	(4,352)	548
Cash generated from operations	7,491	1,414
Income tax paid	(332)	(29)
Net cash from operating activities	7,159	1,385
Investing activities		
Purchase of plant and equipment	(303)	(363)
Acquisition of intangible assets	(37)	-
Proceeds on sale of subsidiary	52	-
Interest received	86	49
Net cash generated used in investing activities	(202)	(314)
Financing activities		
Repayment of obligations under finance leases	-	(5)
Share buy-back held in treasury	(60)	-
Dividend paid	(1,058)	(212)
Net cash used in financing activities	(1,118)	(217)
Net change in cash and cash equivalents	5,839	854
Cash and cash equivalents at beginning of financial period	17,025	13,465
Effects of exchange rate changes on cash and cash equivalents	(50)	(88)
Cash and cash equivalents at end of financial period	22,814	14,231
Cash and cash equivalents comprise of the following:		
Fixed deposits	10,092	5,502
Cash and bank balances	12,722	8,729
Cash and cash equivalents included in the consolidated statement of cash flows	22,814	14,231


JASON MARINE GROUP LIMITED

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

- 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	Foreign currency translation reserve 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 2014	17,967	-	(86)	9,555	27,436	(62)	27,374
Profit for the financial period	-	-	-	2,019	2,019	70	2,089
Other comprehensive loss for the financial period							
Foreign currency differences on translation of foreign operations	-	-	(50)	-	(50)	-	(50)
Total comprehensive income for the financial period	-	-	(50)	2,019	1,969	70	2,039
Transactions with the owners of the parent							
Treasury shares acquired	-	(60)	-	-	(60)	-	(60)
Dividend paid	-	-	-	(1,058)	(1,058)	-	(1,058)
Total transactions with the owners of the parent	-	(60)	-	(1,058)	(1,118)	-	(1,118)
Balance at 30 September 2014	17,967	(60)	(136)	10,516	28,287	8	28,295
Balance at 1 April 2013	17,967	-	3	6,987	24,957	(93)	24,864
Profit for the financial period	-	-	-	1,097	1,097	(27)	1,070
Other comprehensive loss for the financial period							
Foreign currency differences on translation of foreign operations	-	-	(91)	-	(91)	-	(91)
Total comprehensive income for the financial period	-	-	(91)	1,097	1,006	(27)	979
Transactions with the owners of the parent							
Dividend paid	-	-	-	(212)	(212)	-	(212)
Total transactions with the owners of the parent	-	-	-	(212)	(212)	-	(212)
Total transactions with the non-controlling interests	-	-	-	-	-	-	-
Balance at 30 September 2013	17,967	-	(88)	7,872	25,751	(120)	25,631


JASON MARINE GROUP LIMITED

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Company	Share capital S\$'000	Treasury shares	Foreign currency translation reserve 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 2014	17,967	-	-	1,136	19,103	-	19,103
Profit for the financial period	-	-	-	2,769	2,769	-	2,769
Total comprehensive income for the financial period	-	-	-	2,769	2,769	-	2,769
Transactions with the owners of the parent							
Treasury shares acquired	-	(60)	-	-	(60)	-	(60)
Dividend paid	-	-	-	(1,058)	(1,058)	-	(1,058)
Total transactions with the owners of the parent	-	(60)	-	(1,058)	(1,118)	-	(1,118)
Balance at 30 September 2014	17,967	(60)	-	2,847	20,754	-	20,754
Balance at 1 April 2013	17,967	-	-	840	18,807	-	18,807
Loss for the financial period	-	-	-	(215)	(215)	-	(215)
Total comprehensive loss for the financial period	-	-	-	(215)	(215)	-	(215)
Transactions with the owners of the parent							
Dividend paid	-	-	-	(212)	(212)	-	(212)
Total transactions with the owners of the parent	-	-	-	(212)	(212)	-	(212)
Balance at 30 September 2014	17,967	-	-	413	18,380	-	18,380

**JASON MARINE GROUP LIMITED**

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

- 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.**

On 10 June 2014, the Company purchased 250,000 ordinary shares in the capital of the company ("Shares") by way of market acquisition. As at 30 September 2014, the Company held 250,000 treasury shares and the total number of Shares excluding treasury shares was 105,750,000 Shares.

As at 30 September 2014 and 31 March 2014, 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 30.09.14	As at 31.03.14
Total number of Shares excluding treasury shares	105,750,000	106,000,000

- 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.**

	Six months ended 30.09.14	30.09.13
Treasury shares:		
Balance at beginning of period	-	-
Share buy-back	250,000	-
Balance at end of period	<u>250,000</u>	<u>-</u>

- 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.

- 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 for the financial year ended 31 March 2014.

- 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.**

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 did not result in any substantive changes to the Group's accounting policies or any significant impact on the Group's financial statements for the six months ended 30 September 2014.

**JASON MARINE GROUP LIMITED**

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

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")

	Group	
	Six months ended 30.09.14	30.09.13
Profit for the financial period attributable to owners of the parent (S\$'000)	2,019	1,097
Weighted average number of Shares used in the computation of EPS ('000)	105,846	106,000
EPS (cents) (Basic and diluted) ⁽¹⁾	1.91	1.03

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 30.09.14	As at 31.03.14	As at 30.09.14	As at 31.03.14
NAV per Share (cents)	26.76	25.82	19.63	18.02
Number of Shares used in computation of NAV per ordinary share ('000)	105,750	106,000	105,750	106,000

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.**

(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**Six months ended 30 September 2014 ("HY2015") vs six months ended 30 September 2013 ("HY2014")**

The Group's revenue increased by approximately S\$7.9 million or 35.0% from approximately S\$22.6 million in HY2014 to approximately S\$30.5 million in HY2015. The main contributor to this increase came from the sale of goods segment, which recorded a year-on-year increase of S\$8.0 million on the back of higher value of project deliveries in China during HY2015. In HY2015, rendering of services segment decreased by S\$0.4 million and airtime revenue segment increased by S\$0.3 million year-on-year.

The Group's gross profit increased by approximately S\$2.2 million or 35.6% from approximately S\$6.1 million in HY2014 to approximately S\$8.3 million in HY2015, in line with the increase in revenue. Gross profit margin maintained at 27.1% in HY2015 as compared to 26.9% in HY2014.

Other items of income increased by approximately S\$0.2 million from approximately S\$0.4 million in HY2014 to approximately S\$0.6 million in HY2015 mainly due to a gain on disposal of a subsidiary (namely, Baze Marine & Offshore Pte Ltd) of S\$0.2 million recorded in HY2015.



JASON MARINE GROUP LIMITED

(Company Registration No. 200716601W)
(Incorporated in the Republic of Singapore)

The Group's distribution costs increased by approximately S\$0.5 million or 20.2% from approximately S\$2.5 million in HY2014 to approximately S\$3.0 million in HY2015. This was due mainly to the increase in salaries and bonuses for sales, marketing and support staff.

The Group's general and administrative expenses for HY2015 increased by S\$0.3 million or 12.4% from approximately S\$2.7 million in HY2014 to approximately S\$3.1 million in HY2015. This was due to the increase in salaries and bonuses for general and administrative staff including executive directors by S\$0.2 million and an increase in staff training expense by S\$0.1 million.

The Group's other expenses for HY2015 increased by S\$0.2 million as compared to HY2014 due to a provision for stock obsolescence of S\$0.2 million recorded.

Income tax expense increased by approximately S\$180,000 from S\$250,000 in HY2014 to S\$430,000 in HY2015 as the Group recorded a higher profit for HY2015.

As a result of the foregoing, the Group recorded a profit of approximately S\$2.0 million in HY2015.

REVIEW OF FINANCIAL POSITION OF THE GROUP

Total non-current assets decreased by approximately S\$0.21 million, from approximately S\$3.4 million as at 31 March 2014 to approximately S\$3.2 million as at 30 September 2014. This was due mainly to the decrease in investments in associates of S\$0.1 million and other receivables of S\$0.1 million.

Total current assets decreased by approximately S\$2.2 million, from approximately S\$44.8 million as at 31 March 2014 to approximately S\$42.6 million as at 30 September 2014. This was due mainly to a decrease in inventories of S\$3.4 million and trade and other receivables of S\$4.6 million, offset by an increase in cash and cash equivalents of S\$5.8 million.

Total current liabilities decreased by approximately S\$3.4 million, from approximately S\$20.7 million as at 31 March 2014 to approximately S\$17.3 million as at 30 September 2014. This was due mainly to a decrease in advance billings of S\$4.3 million and the absence of liabilities relating to Baze Marine & Offshore Pte Ltd which the Group disposed during HY2015 of S\$0.8 million, offset by an increase in trade and other payables of S\$1.7 million.

As at 30 September 2014, our capital and reserves amounted to approximately S\$28.3 million comprising mainly share capital of S\$18.0 million and retained earnings of S\$10.5 million, reduced by treasury shares held of S\$0.1 million and foreign currency translation reserve of S\$0.1 million.

REVIEW OF STATEMENT OF CASH FLOWS OF THE GROUP

In HY2015, we generated net cash from operating activities before working capital changes of approximately S\$2.8 million. Net cash generated for working capital amounted to approximately S\$4.7 million which was due to a decrease in inventories of approximately S\$3.2 million, a decrease in trade and other receivables of approximately S\$4.9 million and an increase in trade and other payables of approximately S\$1.0 million, which were offset by decrease in advance billings of approximately S\$4.4 million and an increase in prepayments of approximately S\$0.1 million. After payment of income tax of approximately S\$0.3 million, the net cash generated from operating activities amounted to approximately S\$7.2 million for HY2015 as compared to net cash generated from operating activities of approximately S\$1.4 million for HY2014.

Net cash used in investing activities in HY2015 was approximately S\$0.2 million compared to net cash used in investing activities of approximately S\$0.3 million in HY2014. The net cash used in investing activities in HY2015 was due mainly to the purchase of plant and equipment of approximately S\$0.3 million which was partially offset by interest received of approximately S\$0.1 million.

Net cash used in financing activities in HY2015 was approximately S\$1.1 million as compared to S\$0.2 million in HY2014. This was due to the dividend paid of S\$1.0 million and share buy-back of S\$0.1 million.

**JASON MARINE GROUP LIMITED**

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

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.**

The market condition remains challenging and is very competitive. The Group will constantly look for opportunities for new markets and new products while focusing on creating more value to our existing customers by leveraging on modern technology.

The Group is cautious over the outlook as weaker oil prices could soften demand. However, the Group will continue to be focused on strengthening its existing business in the marine and offshore oil & gas industries.

11. **Dividend**

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

Name of dividend	Interim
Dividend type	Cash
Dividend rate	0.5 cent per Share
Tax rate	Tax-exempt (One-tier)

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

None.

- (c) **Date payable**

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.

**JASON MARINE GROUP LIMITED**

(Company Registration No. 200716601W)

(Incorporated in the Republic of Singapore)

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

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	113	
(ii) Unity Consultancy Pte. Ltd.	8	
(iii) Jason Harvest Pte Ltd	24	
Total:	145	Not applicable

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

14. **Negative confirmation pursuant to Rule 705(5)**

We confirm, on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial statement of the Group for the six months ended 30 September 2014 to be false or misleading in any material aspect.

On behalf of the Board

Foo Chew Tuck
Executive Chairman

Tan Lian Huat
Chief Executive Officer

BY ORDER OF THE BOARD

Foo Chew Tuck
Executive Chairman
6 November 2014