

JASPER INVESTMENTS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198700983H)

**RESPONSE TO SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES ON THE
COMPANY'S UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE
TWELVE MONTHS AND FOURTH QUARTER ENDED 31 MARCH 2021**

The board of directors (the "**Board**" or "**Directors**") of Jasper Investments Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to respond to comments received on 21 July 2021 from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in relation to the Company's unaudited financial statements and dividend announcement for the twelve months and fourth quarter ended 31 March 2021 (the "**FY2021 Financial Results Announcement**").

Capitalised terms used herein, unless otherwise defined, shall have the definitions ascribed to them in the FY2021 Financial Results Announcement.

SGX-ST Query (i)

Please disclose:

- (a) *A breakdown of the prepayments amounting to S\$19,000 and identify the nature of each of the material prepayments;*
- (b) *When the prepayments were made, and the terms of the prepayments, where applicable;*
- (c) *The identities of the suppliers and whether they are related parties of the Group;*
- (d) *How long have these suppliers been supplying goods to the Company;*
- (e) *The products they have been supplying to the Company; and*
- (f) *Whether the Group has made any impairment of the prepayments and whether the Group is still purchasing from them.*

Company's Response

- (a) The breakdown of the prepayments amounting to S\$19,000 is as follows:

S/no	Party	Nature	Amount
1	Sime Darby Insurance Brokers (Singapore) Pte Ltd (" Sime Darby ")	Director and Officer Insurance Premium	2,670.00
2	Singapore Exchange Limited (" Singapore Exchange ")	Listing Fees	9,360.00
3	Central Depository (Private) Limited (" CDP ")	Retainer Fees	2,406.00

S/no	Party	Nature	Amount
4	Zico-Stamford Corporate Services Pte. Ltd. ("Zico")	Secretarial Fees	4,815.00
		Total	19,251.00

- (b) Please refer to the following table for details on when the prepayments were made and term for which the prepayment relate to:

S/no	Party	When prepayments were made	Term
1	Sime Darby	October 2020	12 months
2	Singapore Exchange	January 2021	6 months
3	CDP	July 2020	12 months
4	Zico	January 2021	6 months

- (c) Please refer to the following table for the identities of the suppliers and whether they are related parties of the Group:

S/no	Party	Related Party
1	Sime Darby	No
2	Singapore Exchange	No
3	CDP	No
4	Zico	No

- (d) Please refer to the following table for the length of time the suppliers have been providing services:

S/no	Party	How long suppliers have supplied services
1	Sime Darby	Since November 2015
2	Singapore Exchange	Since commencement of listing
3	Central Depository	Since commencement of listing
4	Zico	Since October 2015

- (e) Please refer to the following table for the nature of the products supplied and services provided:

S/no	Party	Products / Services
1	Sime Darby	Director and Officer Liability Insurance
2	Singapore Exchange	SGX Listing Services
3	CDP	Share Depository Services
4	Zico	Corporate Secretarial Services

- (f) The Group has not made any impairments of the prepayments and will continue to procure the services of the above parties.

SGX-ST Query (ii)

Please disclose a breakdown of trade and other payables amounting to S\$573,000 as at 31 March 2021. For other payables, please disclose the aging and nature of these other payables and whether the counterparties are related parties.

Company's Response

Please refer to the tables below for the breakdown and ageing analysis:

Trade Payables		
S/No	Party	Amount (S\$)
1	B.A.C.S. Private Limited	6,687.50
2	The Central Depository (Pte) Ltd	11,327.45
3	Foo Kon Tan LLP	1,661.61
4	Gerbera Land Pte Ltd	2,909.26
5	Singapore Exchange Securities Trading Limited	18,725.00
6	Xuanz Media & Communications	1,480.00
7	Zico-Stamford Corporate Services Pte Ltd	19,753.50
	Sub-total (A)	62,544.32

Other Payables				
S/No	Party	Amount (S\$)	Nature	Ageing (as at 28 July 2021)
1	Accrued operating expenses	85,600.00	Accrual of Audit Fee	Fully Settled
		45,000.00	Accrual of AGM Expenses	> 300 days
		58,483.17	Accrual of Legal fees	Current to > 330 days
2	Amount due to Directors	235,125.00	Directors' Fees	> 365 days
3	Payroll payables	26,490.00	Employee Salary	Current to >180 days
4	CPF and other contributions	2,233.25	Employee CPF and other contributions	60 days
5	Other payables	46,666.67	Amounts owing to former Directors	> 365 days
6	Lease liability	15,858.21	Office lease payments	Current to 150 days
	Sub-total (B)	515,456.30		
	Total (A + B)	578,000.62		

Save for the amounts due to Directors, none of the counterparties are related parties.

SGX-ST Query (iii)

As at 31 March 2021, the Group has total liabilities of S\$784,000 with cash and bank balances of S\$9,000. Please disclose the pro-active actions which management plans to take to ensure that the Group's financial position remains strong.

- (a) *Please assess the Group's ability to operate as a going concern.*
- (b) *Please assess the Group's ability to meet its debt covenants (if any).*
- (c) *Please assess the Group's ability to meet its short-term obligations when they fall due.*

Company's Response

- (a) The Company has entered into a subscription agreement (as supplemented by the supplemental agreement dated 4 May 2021) with Riau Capital Resources Pte. Ltd. ("**Riau Capital Resources**") pursuant to which Riau Capital Resources has committed to subscribe for 811,111,111 new ordinary shares to be issued out of the capital of the Company at S\$0.0036 per share (the "**Subscription**"). The Subscription, when completed, will raise total gross proceeds of S\$2,920,000 and total net proceeds of S\$2,875,000. The completion of the Subscription is subject to the receipt of the approval in-principle from the Singapore Exchange Securities Trading Limited. Upon completion of the Subscription and with the raising of S\$2,875,000 in total net proceeds, the Group will be able to fully settle its total liabilities of S\$784,000 as at 31 March 2021 as well as the liabilities accrued to-date post-31 March 2021. Subject to the completion of the Subscription and in light of the Company's response to SGX-ST Query (iv) below, the Group will be able to operate as a going concern.
- (b) The Group presently does not have any borrowings or debts which require the Group to comply with or observe debt covenants.
- (c) As noted above, the Group would have raised total net proceeds of S\$2,875,000 with the completion of the Subscription, an amount which is more than adequate to meet its short-term obligations as and when they fall due.

SGX-ST Query (iv)

It is noted that the Group had no revenue for the 12 months and fourth quarter ended 31 March 2021. In addition, the Group has total assets of S\$52,000 as at 31 March 2021, out of which, S\$9,000 is cash and bank balances. In this regard, please clarify whether the Company is considered a cash company under Listing Rule 1018 and provide the base(s) for such views.

Company's Response

The Board is of the view that the Company ought not to be considered a cash company under Listing Rule 1018, taking into consideration the following:

- (a) The Group has an on-going business. The Group's business focus has been, as disclosed in the annual reports and past announcements, and continues to be in the provision of marine transportation services (including but not limited to related project and logistics management), specially catering to the infrastructure business and projects. The Group has also intended to

undertake fleet/vessel management and supply as part of its business, of course, to the extent that the Group is adequately funded to do so since such operations are capital intensive.

As previously disclosed in various announcements made by the Company, the Group has been looking at assignments involving logistics and transportation (including the marine transportation of aggregates) in connection with certain reclamation and engineering works for projects in the Pearl River Delta Region. Various arrangements and understandings were entered into by the Group in relation to marine transportation projects that the Group is expecting to be engaged to undertake. Whilst some initial works in respect of which the Group was contracted as project manager had commenced resulting in the generation of revenue in the second quarter of financial year ended 31 March 2020, further delays to the projects arising from a variety of circumstances and reasons including the onslaught of the global COVID-19 pandemic that resulted in the unexpected shutting down of borders in the North Asia region and affected the Group's ability to work on or secure further project management contracts. Massive travel restrictions and the limited resources that the Group had at that time also made it challenging for the Group to take on any projects or works that could expose the Group to significant financial commitments and risks. As also previously disclosed in the last quarter of 2020, while the Group continued to reach out to the contract principals to determine if the projects that the Group has been earlier slated to work on would commence or resume anytime soon, the Company had then started to concurrently look for other marine logistics and management contracts to work on.

The Company would like to note that the Group has not at any time ceased to look for alternative assignments and projects that are in line with its core business and commercial objectives. It should be noted that the Group intends to continue pursuing assignments and projects in the North Asia region especially when cross-border travelling restrictions are eased and when the Group is sufficiently funded to do so. In the meantime, the Company is of the view that setting its sights on assignments and projects nearer home (i.e., in the South East Asia region) would be more practical and realistic.

- (b) In the course of looking for alternative assignments and projects starting from the end of last year, the Company was introduced to Riau Capital Resources. Established to undertake businesses and investments into projects involving, among others, the trading, supply and transportation of construction materials and aggregates regionally, Riau Capital Resources had at the beginning of this year reached out for an introduction to the Company to discuss potential co-operation and referrals from Riau Capital Resources in the marine logistics and transportation sector after having noted the common commercial space that the Company and Riau Capital Resources are involved in (namely, in the infrastructure and resources sectors) and learning that the Company has been sourcing for assignments and projects as well as strategic partners. As noted in an announcement made by the Company in February 2021, the discussions led to the proposal by Riau Capital Resources to subscribe for new ordinary shares representing a significant stake in the Company, thereby providing the requisite funding for the Group to meet its working capital requirements and to continue as well as expand its core business and operations.

The Company views Riau Capital Resources as a strategic investor which would, in due course, pave the way for the Group to secure the much needed marine logistics and transportation assignments and contracts, among others. In this regard, the Company has entered into a binding Strategic Collaboration Framework Agreement with Riau Capital Resources earlier today pursuant to which Riau Capital Resources has committed to support the the Company to undertake its existing core business (namely, the provision of marine transportation services (including but not limited to

related project and logistics management, fleet management and supply)), specially catering to the infrastructure business sector and projects, as well as to expand and grow such existing core business, with primary focus on the South East Asia region. Please refer to the Company's announcement dated 28 July 2021 and entitled, "*Entry into Strategic Collaboration Framework Agreement with Riau Capital Resources Pte. Ltd.*" for further details on the terms of the strategic collaboration that the Company has entered into with Riau Capital Resources. Barring unforeseen circumstances, the Company is cautiously optimistic of the prospects of securing new assignments and contracts with the support of Riau Capital Resources, tapping on its business and commercial networks.

The Company is of the further view that it will benefit from the strategic collaboration and partnership with Riau Capital Resources as well as a focus on the South East Asia region especially in light of the recent news report on Singapore's plan to lift competitiveness of the marine and offshore engineering sector ("*S'pore updating plan to lift competitiveness of marine and offshore engineering sector amid Covid-19 and climate change*", The Straits Times article published on 27 July 2021).

- (c) In addition to the above and as announced earlier today, the Company has appointed a new Chief Executive Officer and a new Chief Operating Officer to shore up the bench-strength of the Company's management in response to the impending assignments and projects that the Company is expecting to be engaged for. Subject to the raising of adequate funding, the Company further intends to establish a strong technical team at the appropriate junctures to ensure that the Group is able and ready to meet the service level requirements for contracts and projects that it expects to be assigned to undertake.

BY ORDER OF THE BOARD

Michael Chan Wai Kwong
Independent Chairman

28 July 2021