



F A I T H

Jason Marine Group Limited

FY2019

Results Presentation

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*This presentation has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "**Sponsor**") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"). This presentation has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this presentation, including the correctness of any of the statements or opinions made or reports contained in this presentation. 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.*



FY2019 Financials

Jason Marine stays profitable amid challenging market conditions



(S\$'000)	FY2019	FY2018	Increase / (Decrease) %
Revenue	29,002	31,646	(8.4)
Gross Profit	10,178	10,218	(0.4)
Distribution Costs	(4,883)	(4,080)	19.7
General and Administrative Expenses	(3,758)	(4,421)	(15.0)
Share of loss of associates, net of tax	(411)	(879)	(53.2)
Profit Before Income Tax	612	192	218.8
Profit After Income Tax	203	67	203.0
Net Attributable Profit	191	45	324.4

- **Revenue:** The Group's revenue from all three segments decreased mainly due to soft demand for goods and services in the marine and offshore oil and gas industry during FY2019.
- **Gross profit:** Maintained at S\$10.2 million due to its continued efforts at improving cost and operational efficiency.
- **Distribution costs:** S\$0.8 million rise due mainly to higher manpower cost for sales, marketing and support staff.
- **General and administrative expenses:** S\$0.7 million decline mainly because of lower remuneration following the retirement of our previous CEO.
- **Share of loss of associates, net of tax:** Decrease mainly due to the Group not recognising the excess losses over its carrying amount of investment in iPromar Pte. Ltd. and Sense Infosys Pte. Ltd. ("SIS") in FY2019. The Group's share of loss from associates of approximately S\$0.4 million in FY2019 relates to its share of SIS's losses such that the Group's interest in SIS was reduced to nil.
- Excluding the foreign exchange gains and losses, allowance for impairment of other receivables as well as fair value loss on derivative financial instruments in relation to the Group's investment in SIS, net profit would have been S\$1.2 million for FY2019 as compared to S\$1.7 million for FY2018, representing a decrease of 26.2%.

Still Healthy Balance Sheet



(S\$'000)	As at 31 March 2019	As at 31 March 2018
Non-current assets	4,741	25,221
Current assets:		
- Cash and cash equivalents	14,165	17,881
Total Current Assets	31,204	34,128
Non-current & current liabilities	9,487	12,897
Equity attributable to owners of the parent	26,390	46,398

- Group's operations are largely funded by its working capital and cash. There are no bank borrowings
- Shareholders' funds of S\$26.4 million is well-supported by net cash of S\$14.2 million
- Total non-current assets fell by S\$20.5 million, mainly due to a decrease in fair value of financial assets at FVOCI ⁽¹⁾ of S\$19.6 million, a decrease in investment in associates of S\$0.4 million, a decrease in plant and equipment of S\$0.4 million as well as a decrease in trade receivables of S\$0.1 million.
 - ✓ The change in fair value of financial assets at FVOCI mainly relates to the Group's equity interest of 6.0% in eMarine Global Inc ("eMarine").⁽²⁾
 - ✓ As at 31 March 2019, the fair value of the investment in eMarine amounted to S\$3.5 million based on the market price of eMarine of US\$1.90 on the last market trading day of FY2019 and the Group recognised a net fair value loss of S\$19.7 million which was accounted for in the Group's consolidated statement of comprehensive income for FY2019.

(1) FVOCI stands for Fair Value Through Other Comprehensive Income.

(2) eMarine Global Inc.'s shares are quoted on the OTC Market in the United States of America.

Cash Flow



(S\$'000)	FY2019	FY2018
Net cash used in operating activities	(3,506)	(5,137)
Net cash used in investing activities	(342)	(174)
Net cash used in financing activities	(525)	—
Net changes in cash & cash equivalents	(4,373)	(5,311)
Cash at beginning of financial period	17,881	23,874
Cash at end of financial period	14,165	17,881

- **Net cash used in operating activities** was largely due to net cash used in working capital of S\$5.7 million, which resulted mainly from:
 - ✓ Decrease in trade and other payables of S\$3.6 million, an increase in inventory of S\$1.1 million, an increase in trade and other receivables of S\$0.9 million and a decrease in deferred revenue of S\$0.1 million.
- **Net cash used in investing activities** was due mainly to purchase of plant and equipment of S\$0.3 million.
- **Net cash used in financing activities** was due to payment of dividend during the current reporting period



Outlook & Strategy

Continued Challenging Outlook



- Expects market conditions to remain challenging and its financial performance to continue to be affected by uncertainties and developments in the marine and offshore oil & gas industry
- Soft demand for goods and services coupled by intense market competition to continue to exert pressure on margins
- The Group will focus on strengthening and growing its existing business by creating value for customers and leveraging on technology
- The Group will continue to monitor the current US and China trade tensions which may have a potential impact on the business and actively exercise prudence in managing operational costs



Thank You