



# GAINING NEW GROUND

**Jason**

**JASON MARINE GROUP LIMITED**  
Annual Report 2022

# JASON MARINE GROUP LIMITED

The outlook for the beleaguered marine and offshore energy sector has improved significantly with the recovery in global consumption demand since 2021 – freight rates in the containership segment remain buoyant while other shipping segments look promising, and the pipeline of oil & gas projects have become increasingly visible.

However, near to medium term threats could challenge this upturn. For one, global economic growth is still vulnerable to COVID-19 pandemic-related risks, including fresh supply-chain disruptions, as well as geopolitical and security risks, especially in Europe. There is also the prospect of tighter monetary policies and rising interest rates to curb inflation. These will weigh on the various cost and skilled labour pressures the sector is already experiencing.

As the Jason Marine Group (“**Jason Marine**” or the “**Group**”) has responded so many times before in the face of challenging times in our industry, we shall remain steadfast, focused on our core values of character, competence and commitment to navigate the Group safely through and emerge even stronger once again.

What this means is that we will continue to provide a high level of quality service as well as acquire new skills and know-how to develop innovative Information Communication Technology (“**ICT**”) solutions that will enable our clients to stay ahead, and sharpen Jason Marine’s competitive edge as a telecom systems integrator for the global maritime industry.

We will also continue to fulfil our aspiration to become a global company with service centres around the world – the recent opening of our office in Spain has given the Group an important foothold in Europe, and allows us to strengthen the “Jason Marine” brand.

“Difficulties mastered are opportunities won”, British statesman Sir Winston Churchill once said. For the Group, we are committed to move ahead to secure our future by Gaining New Ground and delivering sustainable value to stakeholders.

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# CORPORATE PROFILE

Jason Marine Group Limited (“Jason Marine” or the “Company”) is a leading marine electronics systems integrator and support services provider for the marine and offshore oil & gas industries. The Company and its subsidiaries (the “Group”) have established a track record of delivering quality results safely and efficiently, enabling it to become one of the industry’s key players in Singapore and forge lasting relationships with a global customer base.

Established in 1976 with its headquarters in Singapore, Jason Marine has expanded to Indonesia, Malaysia, Thailand, China and Europe, where it is in the process of establishing a full-service operational centre in Spain. It carries an extensive range of supplies from renowned manufacturers and continues to add products chosen to meet customers’ exacting requirements.

Backed by its proven expertise in marine communication, navigation and automation systems, the Group is able to offer one-stop solutions that span design, supply, integration, installation, testing, commissioning and maintenance. Jason Marine also provides certification services and sells satellite airtime services to complement its communications business.

## VISION

To be a Global World Class  
Company in Marine Electronics

## MISSION

Enhancing the well-being of the  
marine community by providing  
unparalleled solutions and  
services on communications and  
navigational safety

## VALUES

### Character

Integrity and honesty  
Positive attitude  
Excellent teamwork

### Competence

Excellent quality work  
Deliver expected results  
Innovation and creativity

### Commitment

Passion and drive  
Walk the extra mile  
Seek opportunities





A dramatic mountain landscape at sunset or sunrise, with the text "ELEVATING GROWTH STRATEGIES" overlaid in white serif font. The scene features a vast range of rugged, dark mountains under a sky transitioning from deep blue to warm orange and yellow near the horizon. The text is centered in the upper half of the image, with "ELEVATING" on the top line, "GROWTH" on the middle line, and "STRATEGIES" on the bottom line. The mountains in the foreground are dark and silhouetted, while the background shows a hazy, layered mountain range.

# ELEVATING GROWTH STRATEGIES



## **Paving the Way Forward with Strong Leadership and Innovation**

Led by a visionary and capable team of leaders, we are ever focused on growth – deepening our capabilities and leveraging on technology that drive innovation and productivity in the ICT solutions we provide to customers.





EXPANDING  
GLOBAL  
PRESENCE





**Investing in opportunities that  
strengthen the 'Jason Marine' brand**


We are ever exploring investment opportunities to expand our geographical reach - building on our long and solid reputation in Asia to globalise the 'Jason Marine' brand.





ENHANCING  
SUSTAINABLE  
VALUE





## **Embracing Change, Engaging Stakeholders**

We are ever engaging with stakeholders to understand their challenges and aspirations – always improving on our processes and ICT services to deliver sustainable value to our customers, people and partners in a cost efficient yet safe, healthy and inclusive environment.

# CHAIRMAN'S STATEMENT

## DEAR VALUED SHAREHOLDERS,

Prospects for the beleaguered marine and offshore energy sector have brightened significantly with the pick up in global consumption demand in 2021 – freight rates in the containership segment remain buoyant, helping to lift business sentiment in other shipping segments, and projects in the oil & gas sector have begun to materialise. In addition, business opportunities in the renewal energy segment have also picked up.

However, we are living in a volatile and fast-changing global economy, and even as we welcome the long awaited recovery of the maritime sector and rising prospects in renewal energy, clouds of uncertainty have quickly gathered at the horizon.

The near to medium term threats from heightened inflationary pressures on commodities and energy, rising interest rates, tense geopolitics, continued COVID-related pandemic risks and supply bottlenecks could challenge the sector's upturn and slow economic growth further. In fact, the International Monetary Fund ("IMF") has recently cut its 2022 global growth projection from 4.4% in January to 3.6% in April

this year (world economic growth is estimated at 6.1% in 2021)<sup>1</sup>. In addition, economists have highlighted the possibility of either a global recession or stagflation, aggravated by the climate crisis as extreme weather conditions wipe out acres of food crops.

Although the world may experience periods of turbulence due to the confluence of these challenges, we hold the view that "in the midst of chaos, there is also opportunity", quoting the Chinese general and philosopher Sun Tzu from his influential work on military strategy entitled "The Art of War"<sup>2</sup>. Therefore as we have done so many times before to bravely overcome past adversities, we will remain steadfast, focused on our core



"The COVID-19 pandemic may have crippled global transportation and cramped mobility, but the Group stayed nimble and alert, pushing ahead with its ongoing transformation journey,"

**Mr Foo Chew Tuck**

*Executive Chairman and Chief Executive Officer*



values of character, competence and commitment to pave our way forward through this 'storm' into a brighter and profitable future for the Group.

### GAINING NEW GROUND

The COVID-19 pandemic may have crippled global transportation and cramped mobility, but the Group has stayed nimble and alert, pushing ahead with its ongoing transformation journey, upheld by three strategic pillars – **Internationalisation, Digitalisation and Skills Enhancement**.

In undertaking these initiatives, we are ever adding to our competitive strengths, driven by our spirit of excellence to deliver sustainable value to all stakeholders and fortify the 'Jason Marine' reputation as a world-class marine electronics systems integrator.

#### Capitalising on Opportunities, Expanding Reach

Constantly on the lookout for opportunities to *internationalise* our operations, the Group was quick to secure a strategic site in continental Europe to expand its reach outside Asia in spite of the various COVID-19 related restrictions in global trade and travel which continued into 2021.

The Spanish city of Algeciras, where our office is located, is well positioned near the mouth of the Strait of Gibraltar, the gateway into Europe, north Africa and parts of the Middle East via the Mediterranean Sea, and its port is one of Europe's largest for container and transshipment cargoes.

The office was set up in September last year and our team of experienced engineers have already begun to provide repair/maintenance services for various electronic telecoms and communications systems onboard vessels owned or managed by both new and existing customers. We plan to establish other satellite points in different strategic locations in Europe so we can serve clients more effectively.

At the same time, the Group will also strengthen its footprint in Asia, where the outlook for our services is positive, particularly in our two largest markets of Singapore and Indonesia. Singapore as a global maritime hub has been a chief beneficiary of the upturn we are experiencing in the shipping and energy sectors and this has also spilled over to Indonesia, a producer of petroleum and natural gas. A key market for the Group, Indonesia, which comprises some 17,500 islands<sup>3</sup>, boasts a large merchant fleet of nearly 12,000 ships and almost all of its domestic shipping is served by Indonesian-registered vessels<sup>4</sup>.

#### Acquiring Capabilities, Driving Productivity

We believe in life-long learning and there is no change in the priority and importance we place on listening to and understanding the challenges and aspirations of our customers and our people. This has stood as the cornerstone of our marine telecoms and communications systems integration business since we began operations in 1976.

We therefore continually add to our skillsets and deepen our core capabilities while leveraging on technology that drive both innovation and productivity in ICT solutions we provide customers. This is especially crucial today in the face of rising labour and energy costs.

In FY2022, our people, including our senior management, attended various in-house and external professional training and enrichment programmes. These keep us abreast of the latest developments in the ICT industry as well as in enterprise leadership, enabling us to differentiate Jason Marine from its competitors, build a strong standing with our customers, and create rewarding careers for our people.

Adding to these training initiatives are our ongoing investments in technologies that can enhance our productivity and strengthen our already prudent cost management practices. This is because the work we do – from repair/maintenance and systems integration to the various essential support services such as finance and logistics – is highly dependent on human capital.

#### Notes:

- 1 International Monetary Fund: "World Economic Outlook – War Sets Back the Global Recovery, April 2022;
- 2 Sun Tzu was a Chinese general, military strategist, writer and philosopher who lived in the Eastern Zhou period of ancient China and is traditionally credited as the author of "The Art of War";
- 3 <https://www.britannica.com/place/Indonesia>;
- 4 Marine Environment Protection of the South-East Asia Seas, a project of the International Maritime Organisation, <https://mepseas.imo.org>;

# CHAIRMAN'S STATEMENT

This year, the implementation completion of our new Enterprise Resource Planning system that is hosted on the cloud, which seamlessly 'merges' the flow of real-time information between departments, is well-timed for the Group to benefit from the further easing of border and travel restrictions. With this system up and running, our engineers and support staff are able to easily access relevant data to facilitate their work and efficiency wherever they are, be it in Asia or Europe. Our faster response times and improved delivery schedules will help raise our service levels and sharpen our competitive edge.

We also conscientiously keep our ears to the ground and this enables us to pivot quickly to take hold of demand shifts caused by emerging trends and remain relevant to our customers and partners. Besides the move towards renewable energy, one other rising trend today is people's expectation of uninterrupted high speed wifi network connectivity wherever they are, whether onboard ships approaching or leaving the port, or in various corners of shipyards. The Group is presently working to add this 'ship to shore' capability to our range of services and expand our market reach.

All these investments the Group has undertaken to enhance our capabilities, effectiveness and productivity are in line with our digital transformation objectives and we only embark on each after careful cost-benefit analysis.

## FY2022 FINANCIAL REVIEW

With the gradual reopening of the Singapore economy and the recovery in shipping in the financial year ended 31 March 2022 ("FY2022"), the Group reported a marginally higher revenue of S\$30.9 million due mainly to contributions from the rendering of services segment. This segment's improved performance also helped the Group to remain profitable with a net profit after tax attributable to shareholders of S\$0.2 million compared to S\$0.3 million reported in FY2021.

Jason Marine's financial position continues to be healthy and its shareholders' funds of S\$23.5 million is well backed by a net cash of S\$14.7 million as at 31 March 2022, and its prudent capital management practices.

## PROPOSED DIVIDEND

As an appreciation of the support and loyalty of our shareholders, the Board has proposed a first and final dividend of 0.75 S¢ per share, as well as a special dividend of 0.25 S¢ per share for FY2022. The special dividend proposed is to show the Company's appreciation towards its loyal and supportive shareholders for their confidence and trust in the Company through all these years. If approved by shareholders at the Annual General Meeting to be held on 26 July 2022, the total dividend payout will be S\$1,050,000 (FY2021: S\$787,500).

## ACKNOWLEDGEMENTS AND APPRECIATION

Mr Colin Low Tock Cheong has been an Independent Non-Executive Director since 27 July 2021 and his invaluable experience in investment, management and advisory work in a wide spectrum of industries has strengthened the Board's diversity and competency.

I am also pleased to announce that the Board's Non-Independent Non-Executive Director, Mr Eugene Wong Hin Sun has been redesignated as the Deputy Non-Executive Chairman of the Group from 1 June 2022 after a review of his qualifications and long experience in business and investments.

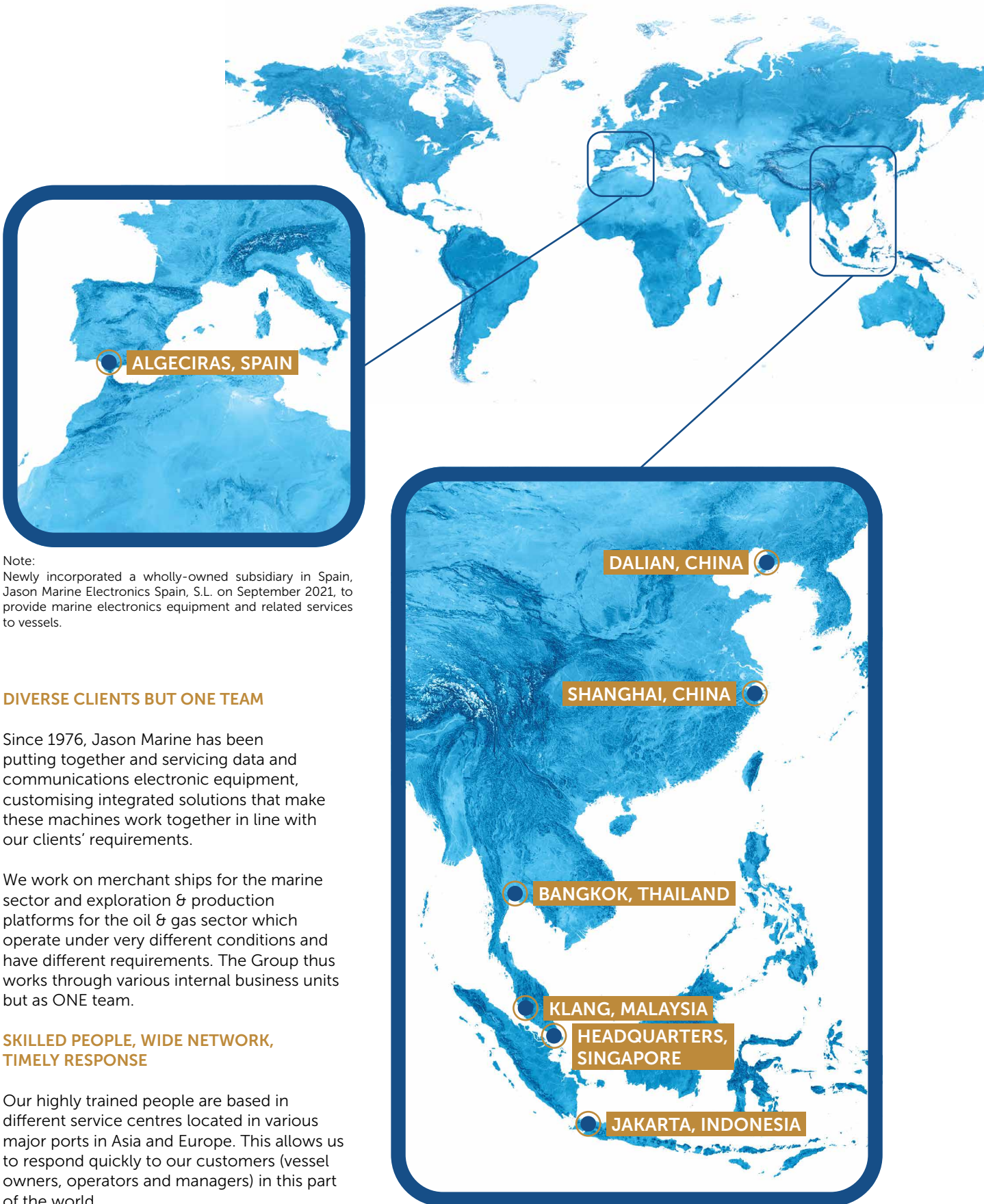
On behalf of the Board, I thank our staff for their hard work, perseverance and good teamwork. Your wholehearted commitment to excellence and trust in us and the management to take the Group to its next stage of development is deeply appreciated.

We also thank our shareholders and business partners for their ever encouraging support and faith in Jason Marine as we endeavour to *gain new ground* in our geographical and client reach, innovation and skillsets, as well as in excelling client servicing standards to build a better tomorrow for all stakeholders.

**Mr Foo Chew Tuck**  
Executive Chairman and Chief  
Executive Officer



# GEOGRAPHIC REACH



Note:  
Newly incorporated a wholly-owned subsidiary in Spain, Jason Marine Electronics Spain, S.L. on September 2021, to provide marine electronics equipment and related services to vessels.

## DIVERSE CLIENTS BUT ONE TEAM

Since 1976, Jason Marine has been putting together and servicing data and communications electronic equipment, customising integrated solutions that make these machines work together in line with our clients' requirements.

We work on merchant ships for the marine sector and exploration & production platforms for the oil & gas sector which operate under very different conditions and have different requirements. The Group thus works through various internal business units but as ONE team.

## SKILLED PEOPLE, WIDE NETWORK, TIMELY RESPONSE

Our highly trained people are based in different service centres located in various major ports in Asia and Europe. This allows us to respond quickly to our customers (vessel owners, operators and managers) in this part of the world.

# BOARD OF DIRECTORS



**Mr Foo Chew Tuck**  
*Executive Chairman and  
Chief Executive Officer*



**Mr Eugene Wong Hin Sun**  
*Deputy Non-Executive Chairman*



**Mrs Eileen Tay-Tan Bee Kiew**  
*Lead Independent Director*



**Mr Sin Hang Boon**  
*Independent Director*



**Mr Colin Low Tock Cheong**  
*Independent Director*



**Mr Foo Chew Tuck**  
*Executive Chairman and  
 Chief Executive Officer*

Since its inception in 1976, Jason Marine's growth and aspirations have been shaped by our founder, Mr Foo Chew Tuck ("**Mr Foo**"), whose vision for the Group has enabled it to become a leading comprehensive solutions provider of marine electronics systems. As a leader of the management team, he has demanded the highest standards of quality and service throughout the Group, helping it build strong ties with customers and partners alike that have stood the test of time, even in the most challenging of environments.

Mr Foo has fostered strong bonds within Jason Marine, where his emphasis on character, competence and commitment has nurtured a robust work ethic within the workplace, inspiring the team to aim for excellence and expand its capabilities to ride on emerging industry trends. The people at Jason Marine work hard to create a brighter future for the Company, which in turn makes their welfare a top priority by championing their individual development and working to enrich their lives with knowledge, skills and experience.

He is also a firm believer in giving back to society, devoting his personal time to community services. A veteran in the marine electronics business, Mr Foo is a full member of the Singapore Institute of Directors. He earned his bachelor's degree in science at Oklahoma City University in 1988 and a master's degree in business administration in 1992. In addition, he has a diploma in marketing from The Chartered Institute of Marketing in the UK in 1987.

**Mr Eugene Wong Hin Sun**  
*Deputy Non-Executive Chairman*

Mr Eugene Wong Hin Sun ("**Mr Wong**"), who served as a Non-Independent, Non-Executive Director of the Group since his appointment to the Board on 15 September 2009, has been redesignated as the Deputy Non-Executive Chairman with effect from 1 June 2022.

He founded Sirius venture Capital Pte Ltd, a venture investment company, in September 2002, and has been its managing director since its incorporation. He is currently the non-executive deputy chairman of NTUC Learninghub Pte Ltd and the non-executive vice-chairman of Japan Foods Holding Ltd. He is also the lead independent director of Alliance Healthcare Group Limited and independent director of APAC Realty Limited, and non-executive director of Singapore Cruise Centre Pte Ltd.

Mr Wong graduated from the National University of Singapore with a Bachelor of Business Administration (first-class Honours) in 1992, and obtained a master of business administration from the Imperial College of Science, Technology and Medicine at the University of London in 1998. In 2011, Mr Wong completed the Owners President Management Program from the Harvard Business School. He has been qualified as a Chartered Financial Analyst (CFA) since 2001 and a Chartered Director (CDir) in 2014. He is a Fellow of the UK Institute of Directors (IoD), Australia Institute of Company Directors (AICD) and Singapore Institute of Directors (SID).

**Mrs Eileen Tay-Tan Bee Kiew**  
*Lead Independent Director*

Mrs Eileen Tay-Tan Bee Kiew ("**Mrs Tay**") is the Lead Independent Non-Executive Director of the Group, having been appointed to the Board on 15 September 2009. She has more than 40 years of experience in areas such as accounting, auditing, taxation, public listings, due diligence, mergers and acquisitions, and business advisory. She was a partner at KPMG and served as a director of several companies, both private and publicly listed, in Singapore and Australia.

Mrs Tay graduated from the University of Singapore in 1974 with a Bachelor of Accountancy (Honours). She is a fellow member of the Institute of Singapore Chartered Accountants (ISCA), the Chartered Institute of Management Accountants (CIMA) in the UK and CPA Australia, as well as a Licentiate of Trinity College London.

# BOARD OF DIRECTORS

## Mr Sin Hang Boon *Independent Director*

Mr Sin Hang Boon @ Sin Han Bun ("**Mr Sin**") is an Independent Non-Executive Director of the Group, having been appointed to the Board on 15 September 2009. He has more than 40 years of experience in the telecommunications industry. He began his career in 1960 as a trainee engineer with the Singapore Telephone Board (which was eventually reorganised into today's SingTel) under a localisation programme to replace the expatriate officers on loan from the then British Post Office.

During his term of service, Mr Sin has undertaken executive responsibilities ranging from frontline operation, to engineering planning & support, and business development, including a posting as senior executive to Belgacom S.A. in Belgium for 3 years. He returned to SingTel in 1999 and served as CEO of SingTel International, the company's strategic investment arm overseeing merger and acquisition projects, until his retirement in 2002. After he retired, he continued to serve on the boards of some of SingTel's overseas joint-venture firms until 2004.

Mr Sin graduated from Nanyang University in 1959 with a Bachelor of Science in physics. He also obtained a diploma in business administration from the University of Singapore in 1973, and attended the Advanced Management Program at the Harvard Graduate School of Business Administration in 1993.

## Mr Colin Low Tock Cheong *Independent Director*

Mr Colin Low Tock Cheong ("**Mr Low**") is the Chairman of the Remuneration Committee and an Independent Non-Executive Director of the Group, having been appointed to the Board on 27 July 2021. He has investment, management and advisory experience working with global MNCs (GE) across a wide spectrum of industries, including infrastructure energy and renewables, maritime transportation, oil & gas, aviation, healthcare, industrials, capital & consumer finance, and private equity sectors.

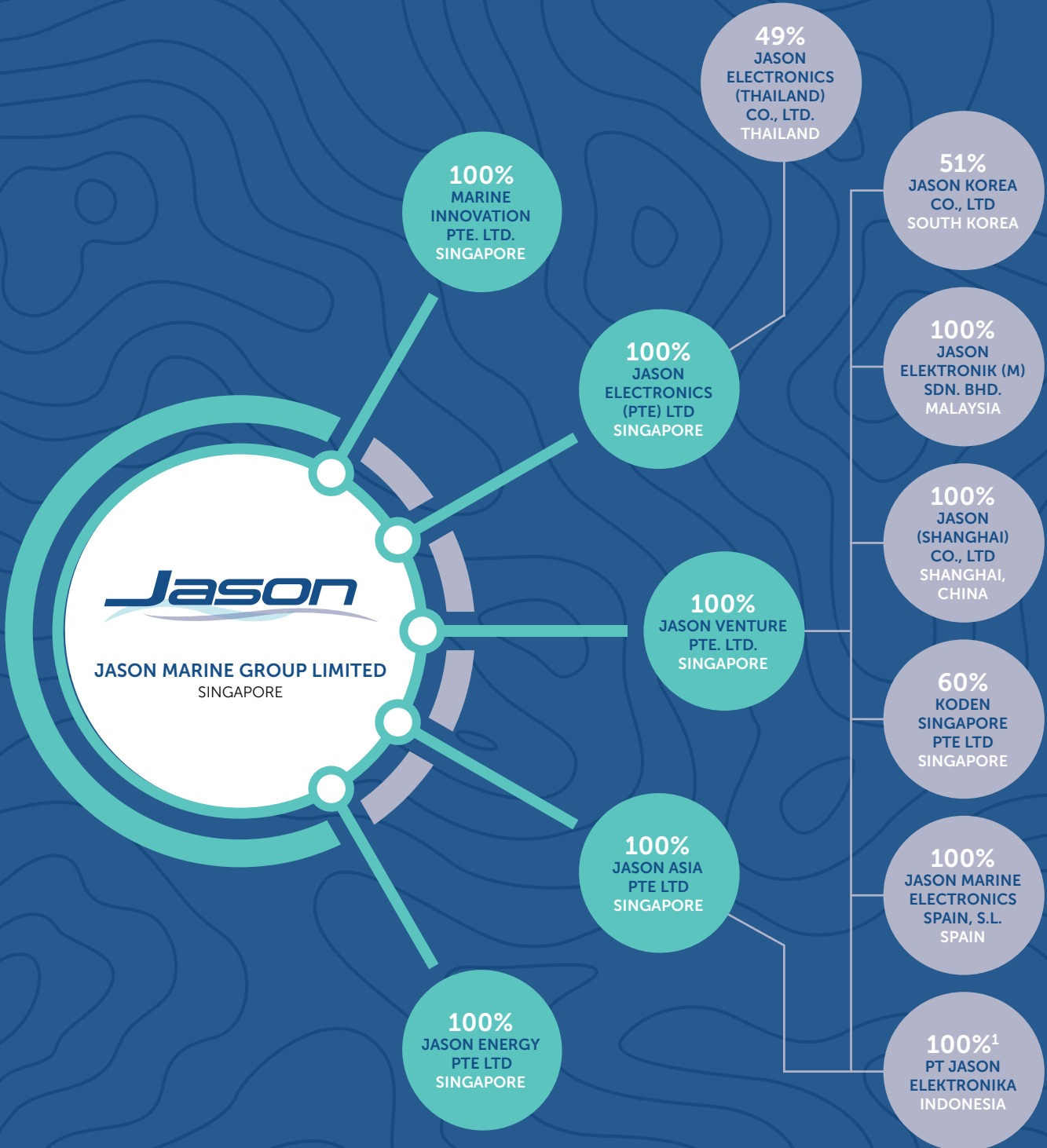
Mr Low is currently the Chairman of the Audit and Risk Management Committee and the global independent director of AET Tankers Pte Ltd, a maritime petroleum tanker leasing and energy logistics group. He is also a director of private equity firm BLG Capital Advisors Asia Pte Ltd. In January 2022, the Diligent Institute, a global corporate governance research arm and think tank of Diligent Corporation, which is the largest SaaS software company in the Governance, Risk and Compliance space<sup>1</sup>, appointed Mr Low as a member of the Advisory Board. Mr Low was also certified in April 2022 by the Diligent Institute on the Climate Change Leadership program, the world's first structured board program to enable leaders to oversee climate change risks and strategies.

He graduated from Southern Illinois University Carbondale, USA, with a Bachelor of Science in Management (Honours), a Bachelor of Science in Marketing (Honours), as well as a Master of Business Administration. He is a Lifetime Fellow of the Singapore Institute of Directors, Fellow of the Hong Kong Institute of Directors, and a Certified International Director of INSEAD University.

1 <https://www.diligentinstitute.com/about/>



# CORPORATE STRUCTURE



Note:  
 1 1% owned by Jason Asia Pte Ltd and 99% owned by Jason Venture Pte. Ltd.

# MANAGEMENT TEAM



**Mr Foo Chew Tuck**  
*Executive Chairman and  
Chief Executive Officer*

**Mr Derrick Chan Kwok Yuan**  
*Financial Controller*



**Mr Shaun Teo**  
*Head of Energy*

**Mr Keith Lim**  
*Head of Marine*



**Mr Foo Chew Tuck**  
Executive Chairman and  
Chief Executive Officer

The full profile of Mr Foo Chew Tuck, our Executive Chairman and Chief Executive Officer can be found on page 13 of the Annual Report.

**Mr Derrick Chan Kwok Yuan**  
Financial Controller

Mr Derrick Chan Kwok Yuan ("**Mr Chan**") joined the Group in September 2018 and was appointed to the position of Financial Controller on 26 November 2018. He is responsible for overseeing all accounting and financial matters of the Group.

He has more than 10 years of experience in accounting and finance, and was the finance manager of other SGX-ST Catalist listed companies such as Pan Asian Holdings Limited and Healthway Medical Corporation Limited.

Mr Chan graduated from the University of London in 2011 with a Bachelor of Accounting and Finance (First Class Honours) and is a Chartered Accountant of Singapore with the Institute of Singapore Chartered Accountants (ISCA).

**Mr Shaun Teo**  
Head of Energy

Mr Shaun Teo ("**Mr Teo**") joined the Group in July 2000 and was appointed to the position of Head of Energy on 29 April 2019. As the Head of Energy, he is responsible for driving the overall business strategy, operations and marketing activities of the Group's Energy Segment globally. He sets the growth strategy and spearheads focused initiatives to expand the Energy Segment's profitability and resources, as well as develop new markets. He also oversees recruitment and performance coaching.

He is an industry veteran with more than two decades of experience in the marine and offshore oil & gas industries and has held several key positions within the Group.

Mr Teo graduated from the University of Manchester Institute Science and Technology (UMIST) in 2000 with a Bachelor of Engineering (Honours) in Electrical Engineering and Electronics, and earned his Executive Master of Business Administration (EMBA) degree from Nanyang Technological University in 2015. He obtained the Excellence in Leadership award from The Wharton School, University of Pennsylvania in 2014. Mr Teo has also completed the Advanced Management Program from the UC Berkeley – Nanyang, and the "Leading High Impact Teams" course from the Berkeley Executive Coaching Institute in 2014. He is also qualified as a business continuity certified planner from the Business Continuity Management Institute in 2009 and obtained his Executive Diploma in Directorship under the SID-SMU Directorship Programme in 2019.

**Mr Keith Lim**  
Head of Marine

Mr Keith Lim ("**Mr Lim**") joined the Group in April 2008 and was appointed to the position of Head of Marine on 29 April 2019. As Head of Marine, Mr Lim is responsible for the overall business strategy, operations and marketing activities of the Group's Marine Segment. He is also the country manager for the Group's Jakarta branch office of PT Jason Elektronika.

Starting as an engineer in the production line, Mr Lim moved on to sales in various industries before entering the marine sector more than a decade ago. During this time, he helped to develop a number of important partners and a key team of professionals for the Group. In spite of his many work responsibilities, Mr Lim believes in giving back to the society and making time to volunteer in various charity activities.

Mr Lim has a Master of Business Administration from the University of Hull and is an active member of the Lions Club of Singapore Central (Charity Club) and Club-100 @ North West.

Mr Lim is a director of Koden Singapore, PT Jason Elektronika and Jason Electronics (Thailand) Co. Ltd..

# FINANCIAL & OPERATIONS REVIEW

## FY2022 FINANCIAL REVIEW

The gradual easing of community and border measures, as well as the uptick in shipping, especially in the containership segment, helped to lift overall business sentiment and also demand for repair and maintenance services provided by the Jason Marine Group Limited (“**Jason Marine**” and together with its subsidiaries, the “**Group**”) during the financial year ended 31 March 2022 (“**FY2022**”). The performance of the Group’s sale of goods business unit, however, was impacted by the delay of project awards.

In spite of the differing operating conditions for its products and services, the Group was unwavering in its transformation journey, achieving good progress in expanding its service centre network, adding new clients, further digitalising its processes and operations, and strengthening its capabilities to serve customers better.

### Revenue

The Group reported revenue of S\$30.9 million FY2022, 2.6% above the S\$30.1 million achieved in the financial year ended 31 March 2021 (“**FY2021**”) as the increase in revenue

from the rendering of services business segment more than offset lower contributions from the sale of goods and airtime segments.

### Earnings

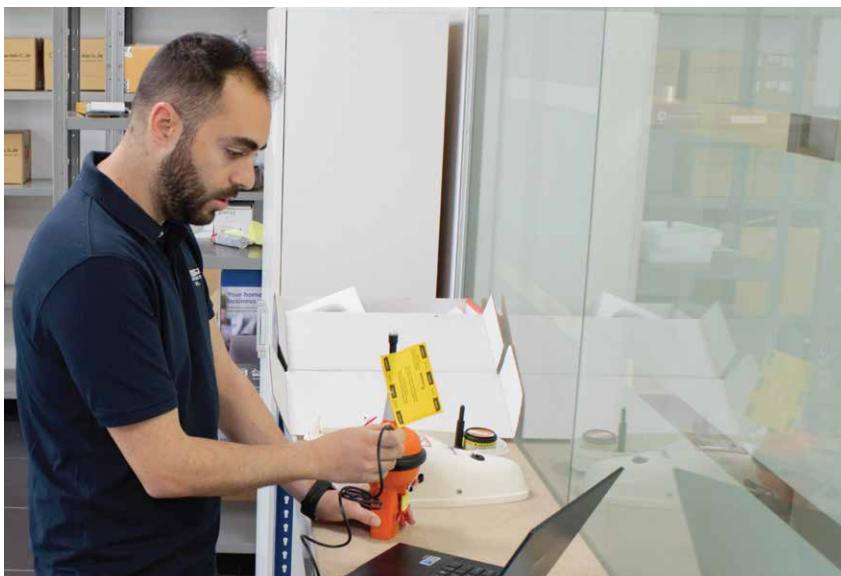
As a result of the higher proportion of sales from the higher margin rendering of services business and the marginal rise in the cost of sales, Group gross profit came to S\$9.1 million in FY2022 compared with S\$8.5 million in FY2021, an increase of 7.3%. The overall gross profit margin of 29.6% in FY2022 is 1.3 percentage points above FY2021’s 28.3%.

Other items of income (including interest income), on the other hand, declined by 64.4% to S\$0.8 million due largely to the S\$1.2 million or 77.2% decrease in government grants to S\$0.4 million, mainly relating to the Jobs Support Scheme introduced by the Singapore Government as part of the COVID-19 support measures. There was also a S\$0.5 million drop in sundry income due to the absence of a one-off contract termination payment in FY2021. These were partially offset by an increase in foreign exchange gain as well as the write-back of trade and other payables totalling S\$0.2 million.



As a result of increased business activities during the year, travelling, marketing and entertainment expenses rose by S\$0.1 million but this was offset by lower manpower cost for sales, marketing and support staff of S\$0.1 million. Hence the Group’s distribution costs held at S\$5.1 million in FY2022.

General and administrative expenses were marginally down at S\$3.9 million, mainly on lower manpower cost for general administrative staff and repair and maintenance expenses, offset by an increase in legal and professional fees as well as depreciation charges.



The Group’s other expenses fell by S\$0.6 million or 49.1% to S\$0.6 million in FY2022. This is due to a decrease in fair value loss on derivative financial instruments of S\$1.0 million mainly arising from the investment in relation to eMarine Global Inc. and a decrease in foreign exchange loss of S\$0.2 million, offset by the increase in allowance for inventory obsolescence of S\$0.5 million as well as inventory written off of S\$0.1 million.

The Group’s income tax expense was S\$14,000 higher at S\$43,000 in FY2022.



As a result, the Group's profit after income tax attributable to shareholders was S\$0.1 million lower at S\$0.2 million in FY2022.

## SEGMENT REVENUE AND PROFIT

### Sale of Goods

The sale of goods segment consist of direct equipment sales and project-based sales, which relates to the supply of equipment as well as the design, supply, integration and installation of a comprehensive range of radio and satellite communication, navigation and marine automation systems.

The sale of goods segment was significantly affected by delays in project awards during the year but this was partially offset by equipment sales from the pick up in the rendering of services segment as well as regular distribution business. As a result, the segment revenue declined 6.8% to S\$20.9 million.

The business however reported a segment loss of S\$0.6 million compared with a profit of nearly S\$1.0 million in FY2021.

### Rendering of Services

The Group's growing range of services covers equipment leasing and the provision of maintenance and support services including repair works, troubleshooting, commissioning, radio survey and annual performance tests.

The bustling container shipping segment helped to lift prospects of the whole shipping sector. This and the gradual resumption of business activities in phases over the past months helped push up demand for repair and maintenance. The rendering of services business segment therefore reported a 47.2% jump in revenue, from S\$5.4 million in FY2021 to S\$8.0 million in FY2022.



Segment profit rose 46.0% to S\$1.4 million from S\$1.0 million in FY2021.

### Airtime Services

Airtime revenue relates to the provision of airtime for satellite communication systems.

Demand for airtime packages softened, resulting in a drop in revenue by S\$0.3 million to S\$2.1 million in FY2022. The segment reported a marginal loss of S\$76,000 against a profit of S\$64,000 in FY2021.

## HIGHLIGHTS OF FINANCIAL POSITION AND CASHFLOW

As at 31 March 2022, the Group's capital and reserves amounted to S\$23.5 million comprising share capital of S\$18.0 million and retained earnings of S\$6.3 million, partially offset by treasury shares held of S\$0.3 million and other reserves of S\$0.5 million.

The shareholders' funds continued to be well-supported by the Group's strong net cash position which stood at S\$14.7 million as at 31 March 2022, and its prudent capital management practices.

### Operating Activities

In FY2022, the Group's net cash inflow from operating activities before working capital changes was S\$1.3 million. The net cash used in working capital of S\$0.1 million was mainly due to the increase in inventories and trade and other receivables of S\$1.8 million, a decrease in contract liabilities of S\$0.3 million and an increase in prepayments of S\$0.1 million. These were offset by an increase in trade and other payables of S\$1.5 million, as well as a decrease in contract assets of S\$0.6 million. After payment of income tax expenses of S\$41,000, offset by interest received of S\$45,000, the net cash generated from operating activities came to S\$1.2 million in FY2022.

### Investing Activities

Net cash used in investing activities of S\$0.4 million in FY2022 was largely due to the purchase of plant and equipment.

### Financing Activities

The Group drew down S\$5.0 million in bank loans and after payments of dividend, interest, bank borrowings and lease liabilities, the net cash generated from financing activities was S\$3.0 million in FY2022.

# FINANCIAL & OPERATIONS REVIEW

## OPERATIONS REVIEW

In FY2022, the Group achieved key milestones in the internationalisation and digitalisation of its operations, and made good progress in skills training and development.

Last September, the Group extended its network of service centres to the European continent with the opening of its first branch office in the busy container and transshipment cargo port city of Algeciras in Spain. Strategically located at the mouth of the Strait of Gibraltar, the gateway into Europe, North Africa and parts of the Middle East via the Mediterranean Sea, this latest centre will enable the Group to tap on new business opportunities in the region as well as provide faster service to both new and existing customers.

Our office in Algeciras currently repairs and maintains sea navigation & communication equipment and automation systems and will be adding on other services such as annual performance tests for voyage data recorders and radio surveys in the coming months to better meet the requirements of our clients in the region.

While we are able to quickly service vessels in waters around China, Southeast Asia, the United Arab Emirates, West Africa and Europe today, we will continue to widen and deepen our servicing network coverage through the setting up of new branch offices and service partnerships. This will enable us to further shorten our response time without compromising on quality, in line with our commitment to keep improving our standards in client service and satisfaction.

Another strategic focus is the Group's ongoing digitalisation of its processes and operations where our investments in technology are centered on improving our productivity and the support services we provide customers.

During the year, our team was busy with testing and getting our new Enterprise Resource Planning ("ERP") system off the ground. The ERP is a scalable business management IT software solution which is hosted on the cloud, that enables a seamless and timely flow of information between staff from different departments wherever they are, so we can be more productive and cost efficient. This real-time communication platform is especially important as we continue to expand our network of service centres across the world amidst rising manpower and other product and distribution costs.

The implementation of the ERP was completed in April this year and will help our teams in the bid, project coordination, purchasing, engineering, logistics and finance departments to cut response times, unnecessary paperwork and wastage, in line with the Group's in-house 'green' strategy.

We also continued to invest in our people through various external specialised training courses and in-house programmes to sharpen and expand our skills and capabilities that will differentiate Jason Marine from the competition. These include the Enterprise Leadership for Transformation programme for senior management and our ongoing in-house training sessions in areas such as IT network fundamentals, server virtualisation and cybersecurity (like firewall). We also held specialised training sessions for products like PAGA (public address and general alarm), portable radio, mobile radio and repeaters during the year.

## OUTLOOK

The global supply chain disruption has driven up the cost of doing business and the manpower shortage, largely in Singapore, is an ongoing issue. As such, the Group expects market conditions to remain highly challenging and its financial performance will continue to be affected by uncertainties and developments in the marine and offshore oil & gas industry as well as the global economy.

However, the Group has seen improved business activities, especially with the global increase in shipping and port traffic, and oil prices. Business opportunities in the renewable energy segment have risen as well and the Group will remain alert and work actively to secure a share of this market.

At the same time, the Group will continue with its efforts to expand its overseas presence, making inroads into new related markets as it broadens its network of service centres.



# SERVICE CENTRES

## SINGAPORE

### Jason Electronics (Pte) Ltd

194 Pandan Loop  
#06-05 Pantech Business Hub  
Singapore 128383  
Tel : +65-6477 7700  
Fax : +65-6872 1800  
Email : service@jason.com.sg

## PEOPLE'S REPUBLIC OF CHINA

### Jason (Shanghai) Co., Ltd

16H New Shanghai City Building  
33 He Nan Road (S)  
Shanghai 200002  
People's Republic of China  
Tel : +86-21-6337 5966 / 67 / 68  
Fax : +86-21-6337 5969  
Email : chinasales@jason.com.sg

## SPAIN

### Jason Marine Electronics Spain, S.L.

Juan Perez Arriete S/N, Edificio Nexus  
Oficina B1.1 11024  
Algeciras (Cádiz), Spain  
Tel : +34-856 034 035  
HP : +34-680 957 750  
Email : aleksandar@jason europe.com,  
service@jason.com.sg

## INDONESIA

### PT Jason Elektronika

Jl. Gunung Sahari Raya No. 2  
Kompleks Marinatama Mangga Dua Blok A No. 3A  
Jakarta Utara 14420 Indonesia  
Tel : +62-21-640 4400 / 647 17582  
Fax : +62-21-647 17612  
Email : sales@jason.com.sg

## THAILAND

### Jason Electronics (Thailand) Co. Ltd.

113/6 Soi Latplakhao  
24, Kaset-Nawamin Road  
Jorakhae-bua, Latphrao  
Bangkok 10230  
Thailand  
Tel : +66-2553 2290 / 91  
Fax : +66-2553 2292  
Email : sachja@jasonthai.com

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Foo Chew Tuck**  
(Executive Chairman and Chief Executive Officer)

**Wong Hin Sun Eugene**  
(Deputy Non-Executive Chairman)

**Eileen Tay-Tan Bee Kiew**  
(Lead Independent Director)

**Sin Hang Boon @ Sin Han Bun**  
(Independent Director)

**Colin Low Tock Cheong**  
(Independent Director)

## AUDIT AND RISK COMMITTEE

**Eileen Tay-Tan Bee Kiew**  
(Chairperson)

**Colin Low Tock Cheong**  
**Sin Hang Boon @ Sin Han Bun**  
**Wong Hin Sun Eugene**

## NOMINATING COMMITTEE

**Sin Hang Boon @ Sin Han Bun**  
(Chairman)

**Colin Low Tock Cheong**  
**Eileen Tay-Tan Bee Kiew**  
**Wong Hin Sun Eugene**

## REMUNERATION COMMITTEE

**Colin Low Tock Cheong**  
(Chairman)

**Eileen Tay-Tan Bee Kiew**  
**Sin Hang Boon @ Sin Han Bun**  
**Wong Hin Sun Eugene**

## COMPANY SECRETARIES

**Wong Sien Ting**  
**Pan Mi Keay**

## REGISTERED OFFICE

194 Pandan Loop  
#06-05 Pantech Business Hub  
Singapore 128383  
Tel: +65-6477 7700  
Fax: +65-6872 1800  
Website: [www.jason.com.sg](http://www.jason.com.sg)  
Email: [jmg@jason.com.sg](mailto:jmg@jason.com.sg)

## SHARE REGISTRAR

B.A.C.S. Private Limited  
77 Robinson Road  
#06-03 Robinson 77  
Singapore 068896

## INDEPENDENT AUDITORS

BDO LLP  
Public Accountants and Chartered Accountants  
600 North Bridge Road  
#23-01 Parkview Square  
Singapore 188778

Partner-in-charge: Adrian Lee  
(Appointed since financial year ended 31 March 2019)

## PRINCIPAL BANKERS

CIMB Bank Berhad, Singapore Branch  
United Overseas Bank limited  
The Hongkong and Shanghai Banking Corporation Limited, Singapore Office

## SPONSOR

SAC Capital Private Limited  
(with effect from 11 August 2021)  
1 Robinson Road  
#21-00 AIA Tower  
Singapore 048542

# SUSTAINABILITY REPORT

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# SUSTAINABILITY REPORT

## BOARD STATEMENT ON SUSTAINABILITY

Sustainability is a part of Jason Marine's wider strategy to create long term value for all its stakeholders. We were an early adopter of sustainability and have been embedding environmental, social and governance considerations ("ESG") into our operations since 2010. We have always placed a high level of importance on integrating sustainability into our business operations. Jason Marine's Executive Chairman and CEO, Mr Foo Chew Tuck is instrumental in spearheading Jason Marine's focus on sustainability. The Board of Directors ("**Board**") oversees the management and monitoring of ESG at Jason Marine, and takes ESG into consideration in the determination of the Group's strategic direction and policies.

Our key material environmental, social and governance issues have been identified and reviewed by the Executive Chairman and CEO. He works closely with the heads of business units including finance, human resources, health and safety, and procurement, who together make up Jason Marine's Sustainability Committee. This Committee governs the implementation of sustainability across our operations. Our policies, underpinned by our values: "Character, Competence, Commitment", provide the framework for managing economic, environmental, social and governance issues in a responsible manner, enabling long-term value creation. At Jason Marine, we believe that good governance is the foundation to delivering sustainable value for all stakeholders.

In the 2022 Global Risk Report by the World Economic Forum, climate action failure and extreme weather have been cited as the top risks that are likely to occur over the next 10 years.

The Board and Executive Chairman are cognisant of the importance of developing climate resilience across our business in order to ensure long-term operability and value creation. We have been integrating sustainability risks into our business operations for many years, and we recognize the importance of ensuring that potential climate related risks and opportunities across our supply chain are identified and managed accordingly. We will report our findings in the coming years to our stakeholders.

The diagram below shows stages of Jason Marine's Value Chain and the key activities in each stage. Our material issues apply through the value chain. For more information, please refer to <https://www.jason.com.sg/sustainability>

## JASON MARINE'S VALUE CHAIN



### PROCUREMENT

We procure high-quality materials and parts from reliable suppliers, which are based mainly in Asia. We also procure from Europe, USA, Korea, Denmark, Japan and Norway.



### SALES & SERVICING

We assemble procured materials into value-added products that meet customers' exacting requirements. We also provide repair and ICT services in shipyards and onboard vessels in Asia.



### REUSE & DISPOSAL

We minimise waste by reusing materials as much as possible, and manage the disposal of waste responsibly.

## GROUP 3-YEAR SUSTAINABILITY PERFORMANCE SUMMARY

Jason Marine's Material Issues (Priority Level 1)	Performance Indicator	FY2020	FY2021	FY2022
<b>Business Ethics, Anti-corruption and Compliance</b>	No. of non-compliance with laws and regulations	0	0	0
	No. of reported incidents of corruption	0	0	0
<b>Economic Performance and Productivity</b>	Sales Per Employee in SGD	243,571	241,195	245,429
<b>Occupational Health and Safety*</b>	No. of injuries	0	0	2
	Recordable work-related injury rate (per 1,000,000 hours worked)	0	0	8.72
	Lost day rate (per 1,000,000 hours worked)	0	0	183
<b>People Development, Labour Relations and Standards</b>	Turnover rate	15.0%	13.8%	22.8%
	Average training hours per employee	14.8	15.2	13.0
<b>Product Responsibility</b>	No. of complaints on product safety	0	0	0

\* Occupational Health and Safety figures pertain to Singapore operations only. More than 75% of our operations in FY2022 are based in Singapore.

## OUR MATERIAL ISSUES FOR SUSTAINABILITY

### FOCUSING ON ISSUES THAT MATTER TO OUR STAKEHOLDERS

Since 2016 we have been taking a materiality approach to our sustainability strategy. We focus on the issues that matter most, driving performance improvements across each of these key ESG issues through short and long term targets. Our Senior Management sets targets for all our material ESG issues regardless of their priority level. These targets reflect our commitment to continuously improve our sustainability performance and create value for our stakeholders. We have been reporting on sustainability issues since our first annual report in 2010. In FY2017, we furthered our efforts by aligning our reporting with the GRI framework. In FY2020, we identified SDGs that we can most meaningfully contribute to, based on our material issues and sustainability efforts.

To further embed sustainability across our operations, we have run a number of workshops, building internal capacity and commitment to our sustainability goals. These workshops have involved representatives from across our business operations.

To identify our key material issues we have engaged both internal and external stakeholders, including customers, investor analysts,

suppliers, employees and Board Directors.

Our approach to materiality is based on the Global Reporting Initiative ("GRI") Standards and AA1000AS five-part materiality test.

The materiality matrix below reflects the issues of greatest importance to both our internal and external stakeholders, categorised according to priority level:



# SUSTAINABILITY REPORT

## CONTRIBUTING TO THE SUSTAINABLE DEVELOPMENT GOALS

Jason Marine supports the United Nations' Sustainable Development Goals ("SDGs"). We have mapped the SDGs to our material issues and identified eight SDGs that we can meaningfully contribute to:



## ABOUT THIS SUSTAINABILITY REPORT

We are pleased to present Jason Marine's sixth annual Sustainability Report for FY2022. The report is structured around the material issues. We have detailed the Company's policies, practices, performance and targets for Priority level 1 issues. For the material issue 'Economic Performance and Productivity', please refer to 'Financial & Operations Review' on page 18 to 20.

The scope of policies and data covered in this report pertains to operations in Singapore (which represents more than 75% of the Group's operations), unless otherwise stated. We aim to further expand the scope of the report to our overseas operations in future reports.

This report has been prepared in accordance with the GRI Standards: Core Option, and is set out on a "comply or explain" basis in accordance with Rule 711B and Practice Note 7F of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. Jason Marine has chosen the GRI framework as it is the most established international sustainability reporting standard. We are transitioning our reporting to the updated GRI 2021 Standards, and will report against these standards for our financial year ending 31 March 2023.

Whilst we have internal controls and sign off procedures in place for all data disclosed in this report, we have not as yet sought independent assurance on our sustainability reporting.

We value your opinion on how we can improve our sustainability performance and this report. We welcome any suggestions and feedback at [csr@jason.com.sg](mailto:csr@jason.com.sg).



## BUSINESS ETHICS, ANTI-CORRUPTION AND COMPLIANCE

Corruption, non-compliance and violation of human rights represent significant risks to Jason Marine's business and reputation.

We adopt a zero-tolerance stance towards corruption. This is communicated during meetings to all our employees, major suppliers and business partners. Any form of corruption is escalated to the Executive Chairman and CEO.

In our hiring processes, we look out for possible conflicts of interest. Our code of conduct sets out Jason Marine's expectations of employee conduct, the consequences of violation of the code, and grievance procedures. It is made available on our intranet for all employees across the Jason Marine Group. Reminders and updates on business ethics are regularly communicated to the regional heads of our different business units.

As a business with global operations, we ensure we operate in compliance with all applicable rules and regulations. We keep ourselves up to date with changing laws,

both locally and internationally. For example, different ports in different countries have varying levels of security and laws regarding cargo, and bringing controlled equipment to embargoed destinations can be a challenge. We take extra care to comply with such regulations, in addition to those on the environment, anti-competitive behavior, and health and safety.

Operating in the information communications and technology industry means that data privacy and cyber-security are important aspects of business ethics and compliance. Jason Marine safeguards against these risks by implementing policies such as the Personal Data Protection Act Policy, which apply to both internal and external stakeholders.

The policy applies to our employment and tender process,

for example, where data privacy of applicants is respected. Access to personal data is restricted to authorised persons such as managers or Senior Management on an as-needed basis.

It is Jason Marine's goal to maintain zero incidents of corruption. We review policies on whistle blowing, anti-corruption and business gifts annually. In FY2021, we have updated our guidelines on Code of Conduct and rolled out an anti-bribery and corruption policy. All of our local employees have been trained on the policy and revised Code of Conduct. Plans are currently underway to train our regional employees. All of our major vendors have signed agreement to these policies, enabling us to bring influence across our wider supply chain on our strong stance towards anti-bribery and anti-corruption.

**For FY2022, there were no significant fines for non-compliance with laws and regulations. There have also been no reported incidents of corruption during the reporting period.**

## OCCUPATIONAL HEALTH AND SAFETY

The health and safety of our workforce is of utmost importance to us. A safe working environment is not just a fundamental right; employee wellbeing has a positive impact on productivity, enabling us to deliver the best to our customers.

Our Safety and Health Policy, which focuses on prevention and compliance, is publicly available on our website and applies to all employees and contractors. We follow Ministry of Manpower ("MOM")'s Workplace Safety and Health Guidelines to manage safety and health of our employees in shipyards and ships. Our Risk Assessment teams conduct safety

risk assessments at all levels and across all operating locations. We also pay attention to the safety of visitors to our sites of operation. In FY2022, 100% of visitors to assembly and integration workshops attended safety and evacuation briefings. This is in line with our goal for all visitors to our assembly and integration workshop to undergo safety and evacuation briefings. Moving forward, we will set up a monitoring matrix to ongoingly capture this data.

Our Safety Committee oversees the promotion of safety culture and practices in the workplace. Led by a member of our Management,

the Committee includes a few representatives from each functional department. Monthly meetings are held to discuss safety related matters, including reviews of changes in regulatory requirements, outcomes of monthly safety inspection, results from regular risk assessments and the necessary preventive measures. The information is then disseminated by Committee members to their peers during their respective department meetings. All our employees are represented by the joint management-worker Safety Committee.

# SUSTAINABILITY REPORT

All our operations in Singapore, which represent more than 75% of the Group's operations, have safety management systems in place. Our safety management systems are certified to legal requirements and recognised management standards, bizSAFE STAR and ISO 45001:2018 respectively. All employees are covered under our safety management systems, which are audited both internally, by trained internal auditors, and externally, by DNV GL.

All staff undergo health and safety training according to their job requirements, covering aspects such as risk assessment, fire safety and first aid. Both workshop-based and field staff are sent for relevant risk management training sessions throughout the year and are made familiar with the latest safety frameworks, as well as provided with the relevant personal protective equipment. High-risk site engineers undergo specific programmes, where they are trained to work safely at heights and in confined spaces. Employees nominated as First-Aiders are given CPR+AED training. To promote overall health and wellbeing, we also regularly conduct health talks and activities for all our employees.

One significant hazard that our field service engineers at shipyard or on-board vessels may be exposed to is high noise levels. To prevent noise-induced deafness ("NID"), all engineers are required to use appropriate personal protection equipment at work. All engineers are required to go through audiometric tests when they first join the company, and undergo subsequent follow-up tests annually to monitor their hearing and detect any symptoms of NID.

In the event of a workplace accident, we conduct investigations to determine the root cause and update our risk assessment procedures to prevent similar accidents in the future. Results of the investigation and the revised risk assessment procedures are also disseminated to all field staff to ensure all staff are aware of and learn from the incident. All staff are able to report work-related hazards or hazardous situations through our incident reporting channel and whistle blowing channel.

We are pleased to report we had no fatal injuries in our Singapore operations during the reporting period. However, 2 non-fatal work-related injuries were recorded in

FY2022 and we will continue to stress the importance of workplace safety and aim for an injury-free work year. Both employees are still in employment with the Company; one of them has fully recovered while the other is recovering. Following each incident, an investigation was conducted by our internal risk assessment team to determine the causes and identify preventive measures that could be put in place. A briefing was then conducted to all the relevant employees on the changes to the risk assessment and lessons learnt from the incident.

We intend to gradually extend the Risk Assessment and reporting of safety performance to overseas operations. We are currently in the process of setting up the safety management systems for our global operations which is expected to be implemented by FY2023. In FY2022, safety briefings were conducted for all of our 28 new hires. This is in line with our goal which was to ensure that all new hires are briefed on safety issues during orientation.

In FY2022, our employees in Singapore worked a total of 229,410 manhours (FY2021: 233,986 hours).

Safety Performance <sup>3</sup>	Employees	Contractors
	FY2022: 8.72	FY2022: 0
Recordable work-related injury rate per million man hours <sup>4</sup>	FY2021: 0	FY2021: 0
	FY2020: 0	FY2020: 0
	<b>FY2022: 191.2</b>	<b>FY2022: 0</b>
Lost day rate per million man hours <sup>5</sup>	FY2021: 0	FY2021: 0
	FY2020: 0	FY2020: 0
	<b>FY2022: 2</b>	<b>FY2022: 0</b>
Number of Injuries	FY2021: 0	FY2021: 0
	FY2020: 0	FY2020: 0
	<b>FY2022: 2</b>	<b>FY2022: 0</b>

3 Safety performance pertains to Singapore operations only. We are working towards expanding our scope across the Group.

4 Formula for rate of recordable work-related injury per million-man hours is given by: (number of recordable work-related injuries / number of man hours worked) x 1,000,000.

5 Formula for lost day rate per million-man hours is given by: (number of lost days / numbers of man hours worked) x 1,000,000. Lost days are defined as days that could not be worked as a consequence of a worker or workers being unable to perform their usual work because of an occupational accident or disease. Lost days are based on calendar days of medical leave.

## PEOPLE DEVELOPMENT, LABOUR RELATIONS AND STANDARDS

### GLOBAL EMPLOYEE PROFILE



equal value for all employees. For our progressive employment practices, Jason Marine was conferred a Human Capital Partner ("HCPartner") status by TAFEP in September 2017. In FY2021, we renewed our HCPartner status, which is valid till 31st December 2023.

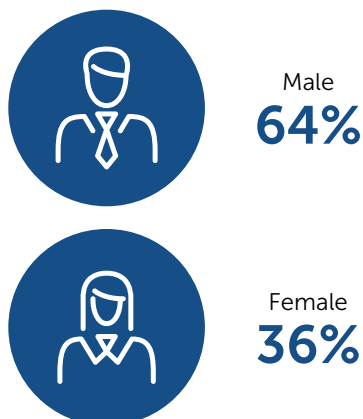
While our employees are not covered by collective bargaining agreements, they are given the right to exercise freedom of association. Employees are given a minimum of one month's notice prior to any implementation of significant operational changes that could substantially affect them.

Our global workforce remains at 123 employees as at 31 March 2022. All our employees hold permanent contracts and work full-time. We seldom rely on workers who are not employees.

Data on new hires and turnover, as well as training hours, with considerations for diversity such as gender and age are reviewed by our Management regularly. In FY2022, our Group's total turnover rate (voluntary and non-voluntary) was 22.8%. Total turnover rate for our Singapore operations was 22.9%, compared to national resignation rate in 2021 of 19.2%<sup>6</sup>.

As part of our talent attraction and retention efforts, we provide more career advancement opportunities and reach out to the younger generation by offering internship programmes and sponsorships to polytechnic students. We also make working at Jason Marine more attractive by increasing employee well-being with the adoption of more family-friendly and quality work-life policies, such as flexible working hours and telecommuting.

### EMPLOYEE GENDER DIVERSITY



At Jason Marine, we want to be the preferred employer of our people. We endorse the values of non-discrimination and diversity, and uphold principles on human rights and good labour practices. Jason Marine has been a signatory of the Tripartite Alliance for Fair and Progressive Employment Practices ("TAFEP") for more than 8 years. We endorse TAFEP's guidelines to implement fair and merit-based employment practices, and continue to ensure equal pay for work of

### GROUP NEW HIRES AND TURNOVER IN FY2022 BY GENDER, AGE GROUP AND REGION

	By Gender		Total*
	Male	Female	
Rate of new hire	14.6%	8.1%	22.8%
Rate of turnover (total)	13.0%	9.8%	22.8%
Rate of turnover (voluntary)	8.9%	8.1%	17.1%

	By Age Group			Total*
	< 30 years	30-50 years	>50 years	
Rate of new hire	8.1%	9.8%	4.9%	22.8%
Rate of turnover (total)	2.4%	15.4%	4.9%	22.8%
Rate of turnover (voluntary)	1.6%	13.0%	2.4%	17.1%

	By Region			
	Singapore	China	Indonesia	Spain
Rate of new hire	18.8%	0.0%	50.0%	100.0%
Rate of turnover (total)	22.9%	11.1%	35.7%	0.0%
Rate of turnover (voluntary)	17.7%	11.1%	21.4%	0.0%

\* Figures may not add up due to rounding.



# SUSTAINABILITY REPORT

Jason Marine adheres to the TAFEP guidelines on re-employment of older employees. Although the current statutory retirement age is 62, eligible employees will be offered a re-employment contract on a yearly renewable basis, up to age 67.

We engage our employees through townhall meetings twice a year, as well as celebratory gatherings during festive seasons. However, due to COVID-19, we have instead conducted our townhall meetings and other events over online platforms in FY2022. Our Q&A sessions at these events serve as a platform for staff to provide their feedback and raise queries. Compared to our employee engagement survey that we used to conduct in previous years, we discovered that our townhall meetings and festive gatherings have resulted in greater engagement with employees and yield better responses. We continue to look for ways to improve our levels of engagement with employees.

## PEOPLE DEVELOPMENT

At Jason Marine, we believe that our people play a vital role in our success, and we are committed to developing them to realise their potential. Talent attraction

and development are thus crucial for Jason Marine, and we have policies and processes in place to ensure that our employees receive sufficient training and that their personal development goals are met. Our target is to conduct an average of 20 hours of training per employee by 2023. In FY2022, the overall average training hours per employee was 13 hours.

Our engineers are required to attend training at least twice a year, including refresher courses, training on new products and updates on system changes. Our sales support, finance, procurement and human resource departments do not have fixed training requirements but undergo training as and when there are regulation updates or relevant courses. Due to the nature of our business, most of our employees are engineers, and most of our engineers are male. As a result, male employees clock a higher average number of training hours.

Employees are also trained on using online platforms for internal and external communication, enabling us to conduct virtual meetings and share documents with ease. This has come in particularly useful during the COVID-19 pandemic. Employees are encouraged to leverage on e-learning platforms to enhance

their personal and professional development.

In FY2022, our employees attended the Enterprise Leadership for Transformation program, a one-year program to develop capabilities for small and medium enterprise to grow their businesses. We also conducted in-house training and sharing sessions on topics such as code of conduct, ethics, as well as technical skills to emphasize on the company's core values and enhance the competencies of our employees.

The evaluation of an employee's performance against their targets aids their personal development. To this end, we ensure that all our employees receive regular performance reviews at least once a year under our Performance Management and Appraisal Policy.

We aim to evaluate the effectiveness of our training programs and ensure that our staff's training needs are met. In FY2022, 0.4% of our total distribution, general and administrative expenses was invested in training programmes. By 2023, our goal is to have 1.5% of our total distribution, general and administrative expenses invested in training programmes annually.

## GROUP-LEVEL AVERAGE NO. OF TRAINING HOURS PER EMPLOYEE

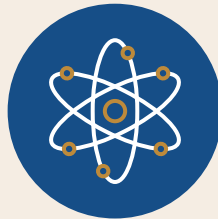
	Group average	By gender		By employee category		
		Male	Female	Executives	Non-Executive	Senior Management
<b>FY2022</b>	13.0	15.9	7.9	8.0	10.2	59.1
<b>FY2021</b>	15.2	16.1	13.6	16.3	12.5	46.4
<b>FY2020</b>	14.8	21.1	3.8	10.7	12.8	49.9

PRODUCT RESPONSIBILITY

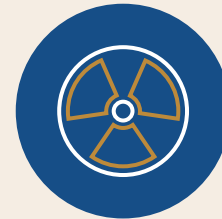
PRODUCT RESPONSIBILITY



**Lithium Batteries** power many of the electronic equipment and systems we supply. However, because they can overheat and combust easily, they are risky to transport and are classified as dangerous goods by the United Nations. To manage this risk, we use tested lithium batteries from original manufacturers or their approved sources that meet regulatory requirements, and engage qualified companies to dispose of the batteries responsibly.



**Asbestos** is a material that may be used in the manufacture of electronic devices. Heavy exposure to asbestos can result in lung disease and cancer. We ensure that all of our equipment are asbestos-free or fulfill regulatory standards on asbestos, to safeguard our customers from asbestos-related health issues.



**Radiation** from radio devices can reach unsafe levels, if radiation power density is not controlled. We ensure that our communication technologies are designed and deployed in ways that minimise operators' exposure to radiation – both during the installation process and also during the use of the platforms on board the ships.

Jason Marine's solutions enable our customers to operate safely onboard. We provide navigational, communication as well as search and rescue solutions and pride ourselves in on-time maintenance of our customers' equipment before their vessels leave the port.

We ensure that we supply our customers with products that are safe. We identify potential impacts that may arise from the use of our equipment and systems, and put in place measures to prevent any negative effects. We review manufacturers' test reports to ensure that products are compliant to the relevant standards including

Restriction of Hazardous Substances ("RoHS"), Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH"), EN60945 for Maritime Navigation and Radiocommunication Equipment and Systems, and the International Electrotechnical Commission.

Our engineers are trained by equipment manufacturers on safe handling of equipment. End-user training is also provided to customers according to the manufacturer's operation manual to ensure safe operations.

We comply with the Shipper's Declaration for Dangerous Goods

set out by the International Air Transport Association. There have been no incidents of non-compliance with regulations and voluntary codes concerning the health and safety impact of our products and services, and zero complaints regarding the safety of our products.

We target to maintain zero complaints on product safety. By 2023, we aim to have due diligence conducted on 100% of major materials and products for compliance with safety and environmental performance standards.

Product Responsibility Performance Indicator	FY2020	FY2021	FY2022
No. of customer complaints on product safety or environmental performance	0	0	0

# SUSTAINABILITY REPORT

## COMMUNITY ENGAGEMENT

At Jason Marine, we aim to be our society's preferred corporate citizen. The nature of our operations means that the main community we are in contact with is the maritime community at the shipyards and vessels where we operate. Through our stringent safety standards and responsible use of products as discussed in previous chapters, we ensure that the negative impact to the maritime community is minimal. We target to organise one event annually to raise awareness on safety at sea for casual mariners.

We also aim to positively impact local communities beyond the maritime community, and we have been doing so through community development and engagement programmes. We have remained committed to meeting local communities' needs and enabling vulnerable groups of the society. In these COVID-19 times, many Singaporeans are facing hardships. Building on Jason Marine's efforts and contributions in the Adopt-a-Precinct ("AAP") scheme of South



West Community Development Council since 2012, we strongly felt that we could do more to help and share, to let our fellow Singaporeans know that they are not alone and to unite as a community. To this end, we have expanded our contributions by further collaborating with the People's Association (PA) to join the "Adopt-a-Family" programme in September 2021.

Since then, Jason Marine had adopted two families and supported them through the tough times. We have supported the two families in a multitude of ways, such as buying and delivering daily groceries, book vouchers and ART kits to the families, amounting to S\$6,000. In addition, Jason Marine has also proactively partnered with PA and other companies to provide support to the two families to receive additional donations in terms of vouchers and educational books that are suitable for these two families.

In FY2023, we will be extending our help to the two families. Apart from helping them with the basic financial needs, we will also be planning various leisure activities such as a movie day out that can engage the families and their young children so that they can have a share of experience in enjoying the (simple) fun in life.

Our goal is to continue to support the Telok Blangah community (under AAP) and the two adopted families. We will continue to encourage a culture of service to the community among our employees and target to achieve 2 volunteer hours annually per employee in FY2023 and beyond. We will also continue to support the two families financially and in areas of their well-being. In FY2022, as community engagement was limited due to the pandemic, we recorded 1.35 volunteer hours per employee.





SUSTAINABLE PROCUREMENT



● Local  
● Overseas



● Direct  
● Indirect

We procure from partners who provide high quality equipment, systems and solutions, in order to achieve the highest quality in our products and services. In line with our material issues of Business Ethics, Product Responsibility and Occupational Health and Safety, it is important to us to procure from suppliers with sound social and environmental practices. In the manufacturing stage, human rights issues and forced or child labour practices have potential negative impacts, together with the use of contentious materials such as rare earth metals in the production of the equipment. Jason Marine is able to indirectly influence our supply chain positively through our supplier selection process. For example, we take into consideration environmental factors such as ISO14001 certification when selecting suppliers. In FY2022, at least 40% of our key suppliers had sustainability policies in place. Examples of such policies would include procurement from safe and reliable sources with no human rights infringements, use of green

products and commitments to reduce waste, emissions and other environmental impacts. We aim to purchase directly from global suppliers to ensure better support and value to end users. A large proportion of our systems and equipment are sourced from Asia, USA and Scandinavia. In FY2022, 43% of our products and services were purchased locally (i.e., from Singapore).

All key suppliers are to agree to Jason Marine’s business ethics and anti-bribery clauses included in all supplier agreements. We have clear documentation procedures for our vendor pre-qualification process and also conduct continuous evaluation of our vendors’ performance.

Read more about our latest partners at <https://www.jason.com.sg/partners>.

# SUSTAINABILITY REPORT

## SAFEGUARDING THE ENVIRONMENT

Responsible business is also about being ethical in the way we treat the environment. Companies have the responsibility to safeguard natural resources for future generations. Jason Marine supports the precautionary principle and aims to avoid negative impacts on the natural environment where feasible.

Jason Marine aims to incorporate environmental conservation measures at all stages of our production and operations right from the design stage, improve the energy efficiency of our products and minimise waste. We aim to recycle and reuse equipment that can still be used, where feasible.

Jason Marine's business model and solutions empower our customers to reduce waste and energy use while optimising efficiency. They include:

### MAINTENANCE SERVICES FOR ELECTRONIC EQUIPMENT ONBOARD

Jason Marine is committed to taking care of our customers' total equipment lifecycle. Our comprehensive warranty coverage on our systems includes repairs and replacements of faulty parts. By prolonging product lifespans, we enable our customers to use resources more efficiently and reduce waste. We also collect used lithium batteries and help our customers to dispose of them safely.

### SHIP HEALTH MONITORING SOFTWARE

A real-time, on-board diagnostic and prognostic technology that provides early warning alerts when equipment problems start to occur, avoiding expensive repairs and failures. Beyond its maintenance benefits, our ship health monitoring software will also help keep operating expenses for energy consumption to a minimum by ensuring that your equipment is operating at top health and efficiency.

We continue to meet our goal of having zero waste disposed at sea. Minimal waste is generated during offshore assignments and any waste generated, including equipment at their end of life, is treated and disposed of appropriately onshore. We do not use any hazardous chemical or materials in our operations. All electronic waste is sent for recycling.

Reduction of material inputs and waste also reduce operational costs. For example, we reuse discarded paper boxes as our packaging material, hence saving costs on packaging. As part of our aim to reduce paper usage through digitisation, we have gone electronic with most of our billing processes, eliminating requirements for hardcopy customers' statements, payment vouchers and other supporting documents to reduce paper consumption and cost. In FY2022, we recycled 200 kg of paper.

Due to the mobile nature of our operations, a significant portion of our energy and greenhouse gas emissions are consumed and generated during the transport of equipment and during business travel. To mitigate environmental impact and reduce costs of transportation, we implement several measures. Sea freight is our preferred choice for transportation of goods. We minimise travelling by consolidating shipment of goods and Return-To-Vendor ("RTV") items and ensuring effectiveness of each travel assignment. As much as possible, video conferences instead of face-to-face meetings are conducted.

Even though the environmental impact of our office activities is relatively immaterial, we believe it is important to instill values of environmental stewardship in our people. Recycling bins for paper, stationery and computers are provided at various locations in

the office to encourage our staff to reuse and recycle materials wherever feasible. We also stress the importance of proper disposal of office equipment, especially with items such as laptops and printer cartridges, to reduce the negative impact of electronic waste. We aim to raise awareness on waste reduction through training and monthly cross-departmental inspections. By regularly engaging our staff on environmental issues, we hope to be environmentally conscious in whatever we do.

Our electricity consumption decreased in FY2022 compared to FY2021 due to telecommuting working arrangements that were implemented since the start of the COVID-19 pandemic. By leveraging on technology, we were also able to improve efficiency of our operations while reducing their environmental impact. We aim to improve our data collection and measurement for energy usage, in

order to better manage and reduce our energy consumption across the organisation.

In FY2022, our total Greenhouse Gas (GHG) emissions<sup>7</sup> was 83,925 kg of CO<sub>2</sub>e. Scope 1 (direct) and Scope 2 (energy indirect) emissions were 10,061 kg CO<sub>2</sub>e and 73,864 kg CO<sub>2</sub>e respectively.

Region: Singapore	FY2020	FY2021	FY2022
Electricity consumption (kWh)	222,828	192,380	181,038
Petrol (litres)	2,791	2,468	1,889
Diesel (litres)	3,458	3,410	3,759

## PRODUCTIVITY AND DIGITALISATION

Along with sustainability, technology is a major disruptor of traditional markets in this digital age. Jason Marine recognizes that digital transformation is critical for us to achieve and maintain productivity and profitability, particularly during challenging times.

In April 2022, the Group completed the implementation of a Group-wide ERP system. The system integrates the functions within our organization, allowing us to better manage day-to-day business activities such as accounting, procurement, project management, risk management

and compliance, and supply chain operations. By streamlining end-to-end workflow for all core functions, this enables us to improve productivity and efficiency in meeting our customer's needs. Beyond enhancing productivity, it also aligns with the Group's in-house green strategy by reducing unnecessary paper waste.

With cyber-attacks being more prevalent and complex, the Group has engaged our internal auditors, PriceWaterhouseCoopers, to conduct a network security review. This establishes a robust foundation

to protect our critical assets, by enabling us to promptly detect and respond to threats.

We also conducted a review on Bring your own device ("BYOD") to assess security in 3 domains covering governance, data storage and security controls. This was done with the objective of identifying any potential gaps in the network security architecture and BYOD system.

Moving forward, we target to roll out more technology initiatives to improve collaboration.



<sup>7</sup> GHG conversion is based on the Greenhouse Gas Protocol. Emission factors for electricity generation are sourced from the Energy Market Authority (EMA), 2021. Greenhouse Gas Protocol Emission Factors from Cross Sector Tools, March 2017 were used for diesel and petrol conversions. Gases included in the calculations are CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O.



# SUSTAINABILITY REPORT

## GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure Title	Location, Direct Responses or Reasons for Omission
<b>GRI 101: Foundation 2016</b>			
<b>General Disclosures</b>			
GRI 102: General Disclosures 2016	102-1	Name of the organisation	Cover page
	102-2	Activities, brands, products, and services	Corporate Profile pg 1
	102-3	Location of headquarters	Corporate Profile pg 1
	102-4	Location of operations	Geographic Reach pg 11; Corporate Structure pg 15
	102-5	Ownership and legal form	Corporate Profile pg 1; Notes to the Financial Statements pg 44
	102-6	Markets served	Geographic Reach pg 11
	102-7	Scale of the organisation	Financial & Operations Review pg 18-20; People Development, Labour Relations and Standards 29-30; Corporate Governance and Financial Report pg 39
	102-8	Information on employees and other workers	People Development, Labour Relations and Standards pg 29  Data on employees and other workers is compiled by our HR department.
	102-9	Supply chain	Sustainable Procurement pg 33
	102-10	Significant changes to the organisation and its supply chain	There were no significant changes to the organization and its supply chain in FY2022.
	102-11	Precautionary Principle or approach	Safeguarding the Environment pg 34-35 Jason Marine supports the precautionary principle and assesses potential environmental risk of operations, including where scientific research is not yet conclusive on the potential negative impacts
	102-12	External initiatives	People Development, Labour Relations and Standards pg 29
	102-13	Membership of associations	<a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	102-14	Statement from senior decision-maker	Chairman's statement pg 8-10
	102-16	Values, principles, standards, and norms of behavior	Corporate Profile pg 1
	102-18	Governance structure	Board of Directors pg 12-14, Management Team pg 16-17; Board statement on sustainability pg 24
	102-40	List of stakeholder groups	Our Material Issues for Sustainability pg 25 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	102-41	Collective bargaining agreements	People Development, Labour Relations and Standards pg 29
	102-42	Identifying and selecting stakeholders	Our Material Issues for Sustainability pg 25 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	102-43	Approach to stakeholder engagement	Our Material Issues for Sustainability pg 25 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	102-44	Key topics and concerns raised	Our Material Issues for Sustainability pg 25 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	102-45	Entities included in the consolidated financial statements	Corporate Structure pg 15; Corporate Governance and Financial Report pg 65-66

GRI Standard	Disclosure Number	Disclosure Title	Location, Direct Responses or Reasons for Omission
GRI 102: General Disclosures 2016	102-46	Defining report content and topic Boundaries	Our Material Issues for Sustainability pg 25
	102-47	List of material topics	Our Material Issues for Sustainability pg 25
	102-48	Restatements of information	None
	102-49	Changes in reporting	None
	102-50	Reporting period	About this Sustainability Report pg 26
	102-51	Date of most recent report	11 July 2021
	102-52	Reporting cycle	About this Sustainability Report pg 26
	102-53	Contact point for questions regarding the report	About this Sustainability Report pg 26
	102-54	Claims of reporting in accordance with the GRI Standards	About this Sustainability Report pg 26
	102-55	GRI content index	GRI Content Index pg 36-40
	102-56	External assurance	About this Sustainability Report pg 26
<b>Material Topics</b>			
<b>Economic Performance</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; Financial & Operations Review pg 18-20; <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	Chairman's Statement pg 8-10; Financial & Operations Review 18-20; Community Engagement pg 32
	103-3	Evaluation of the management approach	Corporate Governance and Financial Report pg 15-19
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Corporate Governance and Financial Report pg 80-84; Community Engagement pg 32 Economic value retained in FY2022 is S\$(211,000)
<b>Procurement Practices</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	Sustainable Procurement pg 33
	103-3	Evaluation of the management approach	Sustainable Procurement pg 33
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Sustainable Procurement pg 33  Local suppliers are suppliers based in the same country where our operations are. All countries in which Jason Marine has operations in are considered significant.
<b>Anti-corruption</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; Business Ethics, Anti-corruption and Compliance pg 27; <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	Business Ethics, Anti-corruption and Compliance pg 27
	103-3	Evaluation of the management approach	Business Ethics, Anti-corruption and Compliance pg 27

# SUSTAINABILITY REPORT

GRI Standard	Disclosure Number	Disclosure Title	Location, Direct Responses or Reasons for Omission
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Business Ethics, Anti-corruption and Compliance pg 27
	205-2	Communication and training about anti-corruption policies and procedures	Business Ethics, Anti-corruption and Compliance pg 27 Anti-corruption policies and procedures have been communicated to governance body members, employees and contractors in Singapore.
	205-3	Confirmed incidents of corruption and actions taken	Business Ethics, Anti-corruption and Compliance pg 27
<b>Anti-competitive Behaviour</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; Business Ethics, Anti-corruption and Compliance pg 27; <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	Business Ethics, Anti-corruption and Compliance pg 27
	103-3	Evaluation of the management approach	Business Ethics, Anti-corruption and Compliance pg 27
GRI 206: Anti-competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Business Ethics, Anti-corruption and Compliance pg 27
<b>Environmental Compliance</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Business Ethics, Anti-corruption and Compliance pg 27 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	Business Ethics, Anti-corruption and Compliance pg 27
	103-3	Evaluation of the management approach	Business Ethics, Anti-corruption and Compliance pg 27
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Business Ethics, Anti-corruption and Compliance pg 27
<b>Employment</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; People Development, Labour Relations and Standards pg 29-30 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	People Development, Labour Relations and Standards pg 29-30
	103-3	Evaluation of the management approach	People Development, Labour Relations and Standards pg 29-30
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	People Development, Labour Relations and Standards pg 29 There were 28 new hires and 28 employees who left the company in FY2022.
<b>Labour/ Management Relations</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; People Development, Labour Relations and Standards pg 29-30; <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	People Development, Labour Relations and Standards pg 29-30
	103-3	Evaluation of the management approach	People Development, Labour Relations and Standards pg 29-30



GRI Standard	Disclosure Number	Disclosure Title	Location, Direct Responses or Reasons for Omission
GRI 402: Labour/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	People Development, Labour Relations and Standards pg 29
<b>Occupational Health and Safety</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; Occupational Health and Safety pg 27-28; <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	Occupational Health and Safety pg 27-28
	103-3	Evaluation of the management approach	Occupational Health and Safety pg 27-28
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Occupational Health and Safety pg 27-28
	403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety pg 27-28
	403-3	Occupational health services	Occupational Health and Safety pg 27-28
	403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety pg 27-28
	403-5	Worker training on occupational health and safety	Occupational Health and Safety pg 27-28
	403-6	Promotion of worker health	Occupational Health and Safety pg 27-28
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety pg 27-28
	403-9	Work-related injuries	Occupational Health and Safety pg 27-28
<b>Training and Education</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; People Development, Labour Relations and Standards pg 29-30 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	People Development, Labour Relations and Standards pg 30
	103-3	Evaluation of the management approach	People Development, Labour Relations and Standards pg 30
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	People Development, Labour Relations and Standards pg 30
	404-2	Programs for upgrading employee skills and transition assistance programs	People Development, Labour Relations and Standards pg 30
	404-3	Percentage of employees receiving regular performance and career development reviews	People Development, Labour Relations and Standards pg 30

# SUSTAINABILITY REPORT

GRI Standard	Disclosure Number	Disclosure Title	Location, Direct Responses or Reasons for Omission
<b>Non-discrimination</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; People Development, Labour Relations and Standards pg 29-30 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	People Development, Labour Relations and Standards pg 29
	103-3	Evaluation of the management approach	People Development, Labour Relations and Standards pg 29
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	There have been no reported incidents of discrimination during the reporting period.
<b>Local Communities</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; Community Engagement pg 32 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	Community Engagement pg 32
	103-3	Evaluation of the management approach	Community Engagement pg 32
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement pg 32
<b>Customer Health and Safety</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Material Issues for Sustainability pg 25; Product Responsibility pg 31 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	Product Responsibility pg 31
	103-3	Evaluation of the management approach	Product Responsibility pg 31
GRI 416: Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product Responsibility pg 31
<b>Socioeconomic Compliance</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Business Ethics, Anti-corruption and Compliance pg 27 <a href="https://www.jason.com.sg/sustainability">https://www.jason.com.sg/sustainability</a>
	103-2	The management approach and its components	Business Ethics, Anti-corruption and Compliance pg 27
	103-3	Evaluation of the management approach	Business Ethics, Anti-corruption and Compliance pg 27
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	Business Ethics, Anti-corruption and Compliance pg 27



# GAINING NEW GROUND

**Jason**

**JASON MARINE GROUP LIMITED**  
Corporate Governance and Financial Report 2022



# JASON MARINE GROUP LIMITED

The outlook for the beleaguered marine and offshore energy sector has improved significantly with the recovery in global consumption demand since 2021 – freight rates in the containership segment remain buoyant while other shipping segments look promising, and the pipeline of oil & gas projects have become increasingly visible.

However, near to medium term threats could challenge this upturn. For one, global economic growth is still vulnerable to COVID-19 pandemic-related risks, including fresh supply-chain disruptions, as well as geopolitical and security risks, especially in Europe. There is also the prospect of tighter monetary policies and rising interest rates to curb inflation. These will weigh on the various cost and skilled labour pressures the sector is already experiencing.

As the Jason Marine Group (“**Jason Marine**” or the “**Group**”) has responded so many times before in the face of challenging times in our industry, we shall remain steadfast, focused on our core values of character, competence and commitment to navigate the Group safely through and emerge even stronger once again.

What this means is that we will continue to provide a high level of quality service as well as acquire new skills and know-how to develop innovative Information Communication Technology (“**ICT**”) solutions that will enable our clients to stay ahead, and sharpen Jason Marine’s competitive edge as a telecom systems integrator for the global maritime industry.

We will also continue to fulfil our aspiration to become a global company with service centres around the world – the recent opening of our office in Spain has given the Group an important foothold in Europe, and allows us to strengthen the “Jason Marine” brand.

“Difficulties mastered are opportunities won”, British statesman Sir Winston Churchill once said. For the Group, we are committed to move ahead to secure our future by Gaining New Ground and delivering sustainable value to stakeholders.

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<b>3</b>	Segment Revenue	<b>43</b>	Consolidated Statement of Cash Flows
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<b>31</b>	Directors’ Statement	<b>100</b>	Shareholding Statistics
<b>35</b>	Independent Auditor’s Report	<b>101</b>	Notice of Annual General Meeting
<b>39</b>	Statements of Financial Position	<b>108</b>	Appendix
<b>40</b>	Consolidated Statement of Comprehensive Income		Proxy Form

# CORPORATE PROFILE

Jason Marine Group Limited ("Jason Marine" or the "Company") is a leading marine electronics systems integrator and support services provider for the marine and offshore oil & gas industries. The Company and its subsidiaries (the "Group") have established a track record of delivering quality results safely and efficiently, enabling it to become one of the industry's key players in Singapore and forge lasting relationships with a global customer base.

Established in 1976 with its headquarters in Singapore, Jason Marine has expanded to Indonesia, Malaysia, Thailand, China and Europe, where it is in the process of establishing a full-service operational centre in Spain. It carries an extensive range of supplies from renowned manufacturers and continues to add products chosen to meet customers' exacting requirements.

Backed by its proven expertise in marine communication, navigation and automation systems, the Group is able to offer one-stop solutions that span design, supply, integration, installation, testing, commissioning and maintenance. Jason Marine also provides certification services and sells satellite airtime services to complement its communications business.

## VISION

To be a Global World Class Company in Marine Electronics

## MISSION

Enhancing the well-being of the marine community by providing unparalleled solutions and services on communications and navigational safety

## VALUES

### Character

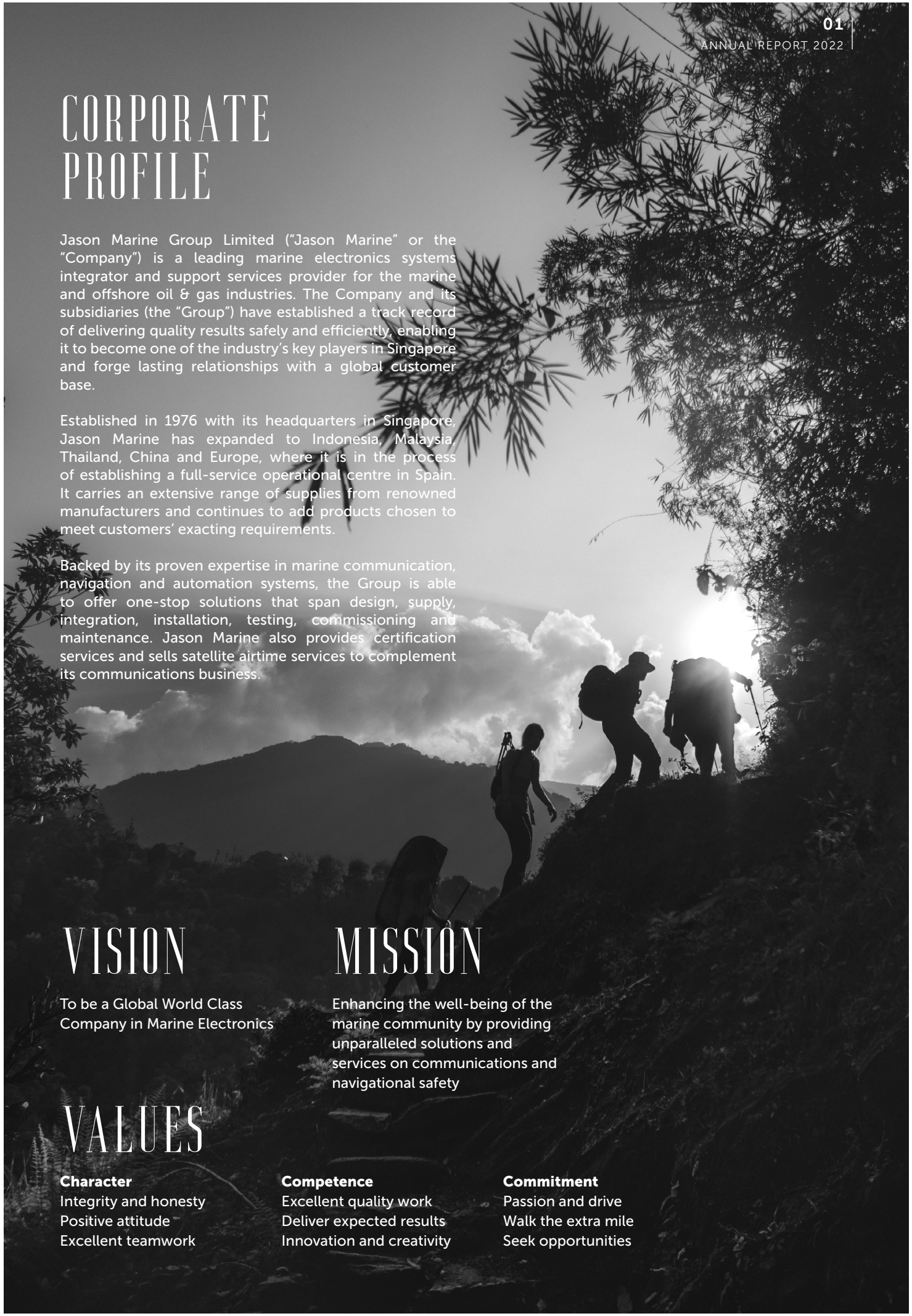
Integrity and honesty  
Positive attitude  
Excellent teamwork

### Competence

Excellent quality work  
Deliver expected results  
Innovation and creativity

### Commitment

Passion and drive  
Walk the extra mile  
Seek opportunities



# FINANCIAL HIGHLIGHTS

Results of Operations	As at 31 March				
	FY2022 (S\$'000)	FY2021 (S\$'000)	FY2020 (S\$'000)	FY2019 (S\$'000)	FY2018 (S\$'000)
Revenue	30,924	30,149	30,204	29,002	31,646
Gross profit	9,148	8,524	7,693	10,178	10,218
Profit before income tax	276	331	2,237	612	192
Profit attributable to owners of the parent	240	312	2,195	191	45
Earnings per share (cents)*	0.23	0.30	2.09	0.18	0.04

\* For comparative purpose, earnings per share of the Group for the financial years shown were computed based on the weighted average number of ordinary shares in issue (excluding treasury shares) of 105,000,000 for FY2022.

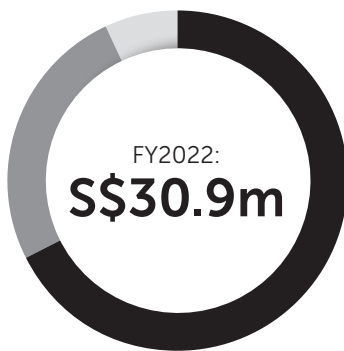
Financial Position	As at 31 March				
	FY2022 (S\$'000)	FY2021 (S\$'000)	FY2020 (S\$'000)	FY2019 (S\$'000)	FY2018 (S\$'000)
Non-current assets	1,982	1,731	2,093	4,742	25,221
Current assets	34,816	30,323	30,609	31,203	34,128
Current liabilities	9,802	7,778	7,623	9,484	12,846
Non-current liabilities	3,399	60	65	3	51
Equity	23,597	24,216	25,014	26,458	46,452
Net asset value per share (cents)#	22.47	23.06	23.82	25.20	44.24

# For comparative purpose, net asset value per share of the Group for the financial years shown were computed based on 105,000,000 ordinary shares (excluding treasury shares) in issue as at 31 March 2022.

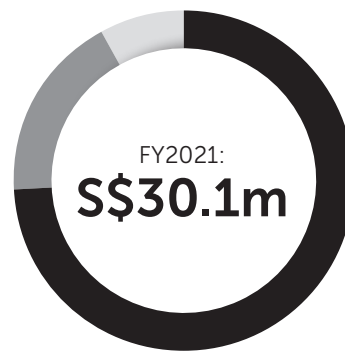


# SEGMENT REVENUE

## REVENUE BY BUSINESS SEGMENT

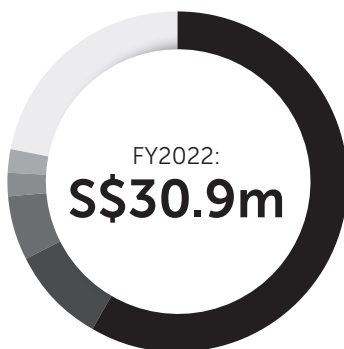


FY2022	(S\$'000)	(%)
● Sale of goods	20,873	67.5%
● Rendering of services	7,957	25.7%
● Airtime revenue	2,094	6.8%
<b>Total:</b>	<b>30,924</b>	<b>100.0%</b>

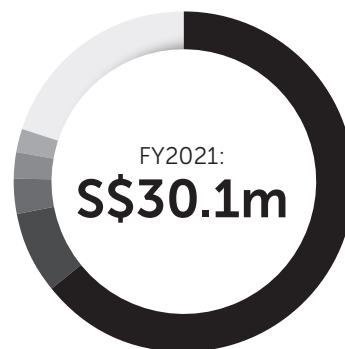


FY2021	(S\$'000)	(%)
● Sale of goods	22,391	74.3%
● Rendering of services	5,407	17.9%
● Airtime revenue	2,351	7.8%
<b>Total:</b>	<b>30,149</b>	<b>100.0%</b>

## REVENUE BY GEOGRAPHICAL SEGMENT



FY2022	(S\$'000)	(%)
● Singapore	18,070	58.4%
● Indonesia	2,884	9.3%
● People's Republic of China	1,841	6.0%
● Malaysia	706	2.3%
● Greece	646	2.1%
● Others	6,777	21.9%
<b>Total:</b>	<b>30,924</b>	<b>100.0%</b>



FY2021	(S\$'000)	(%)
● Singapore	19,359	64.2%
● Indonesia	2,377	7.9%
● People's Republic of China	967	3.2%
● Malaysia	751	2.5%
● Greece	696	2.3%
● Others	5,999	19.9%
<b>Total:</b>	<b>30,149</b>	<b>100.0%</b>

# CORPORATE GOVERNANCE REPORT

The board of directors (the “**Board**”) and the management of Jason Marine Group Limited (the “**Company**”) are committed to high standards of corporate governance which are essential to the stability and sustainability of the performance of the Company and its subsidiaries (the “**Group**”), protection of the interests of the Company’s shareholders (“**Shareholders**”) and maximisation of long-term shareholders’ value.

The Group has substantively complied with the recommendations of the revised Code of Corporate Governance 2018 (“**Code**”), issued on 6 August 2018, through effective self-regulatory corporate practices to protect and enhance the interests of its Shareholders.

This report describes the Company’s corporate governance processes and activities in respect of the financial year ended 31 March 2022 (“**FY2022**”) with specific reference made to the principles and provisions of the Code, as required under the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”). The Company is also guided by the voluntary Practice Guidance which was issued to complement the Code and which sets out best practice standards for companies. Where there are deviations from the Code, appropriate explanations have been provided in the relevant parts of this corporate governance report.

## PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

The primary function of the Board is to protect Shareholders’ interests and enhance long-term Shareholders’ value and returns. Besides carrying out its statutory responsibilities, the Board’s other roles are to:

- (i) provide entrepreneurial leadership, set strategic aims and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
- (ii) establish a framework of prudent and effective controls which enables the identification, assessment and management of risks, including safeguarding of Shareholders’ interests and the Group’s assets;
- (iii) review management’s performance;
- (iv) identify the key stakeholder groups and recognise that their perceptions affect the Group’s reputation;
- (v) set the Group’s values and standards (including ethical standards), and ensure that obligations to Shareholders and other stakeholders are understood and met;
- (vi) consider sustainability issues that impacts economy, environmental and social factors, as part of its strategic formulation; and
- (vii) provide oversight in the proper conduct of the Group’s business and assume responsibility for corporate governance.

The directors of the Company (the “**Directors**”) are of the view that they have objectively discharged their duties and responsibilities at all times as fiduciaries in the interests of the Company. Where any Director faces conflict of interest, such Director shall recuse himself from discussions and decisions involving the issue of conflict.

To assist the Board in the execution of its responsibilities, various Board committees, namely, the Audit and Risk Committee (“**ARC**”), Nominating Committee (“**NC**”) and Remuneration Committee (“**RC**”), have been established and delegated with certain functions. The ARC is headed by the Lead Independent Director and the Nominating and Remuneration Committees are headed by an Independent Director. The chairperson of the respective committees will report to the Board on the outcome of the committee meetings and their recommendations on the specific agendas mandated to the committees by the Board. Further details of the scope and functions of the various committees are provided under the sections on Principles 4, 5, 6, 7, 8 and 10 of this report.

# CORPORATE GOVERNANCE REPORT

The Board meets at least twice a year prior to the announcement of the Group's half-yearly results and as warranted by circumstances. Ad-hoc meetings are convened as and when deemed necessary.

The Company's Constitution provide for Board meetings by means of conference telephone, video-conferencing, audio-visual or other electronic means of communication.

The attendance of the Directors at meetings of the Board and the Board committees during FY2022 is tabulated below:

	Board	General Meeting	Audit and Risk Committee	Nominating Committee	Remuneration Committee
<b>Total number of meetings held</b>	3	1	3	1	1
<b>Number of meetings attended by respective directors</b>					
<b>Executive Chairman and Chief Executive Officer</b>					
Mr Foo Chew Tuck	3	1	N/A	N/A	N/A
<b>Deputy Non-Executive Chairman</b>					
Mr Wong Hin Sun, Eugene	3	1	3	1	1
<b>Independent Directors</b>					
Mr Sin Hang Boon	3	1	3	1	1
Mrs Eileen Tay-Tan Bee Kiew	3	1	3	1	1
Mr Colin Low Tock Cheong <sup>(1)</sup>	2	N/A	2	1	1

N/A denotes "not applicable"

(1) Mr Colin Low Tock Cheong has been appointed as a Director of the Company with effect from 27 July 2021.

Material matters which specifically require the Board's decision or approval include the following corporate matters:

- (i) annual budgets;
- (ii) half-year and full-year results announcements and the release thereof;
- (iii) annual reports and accounts for presentation at annual general meetings ("AGMs");
- (iv) annual corporate strategies;
- (v) new commitments to loans and lines of credit from banks and financial institutions;
- (vi) major increase or decrease in a subsidiary company's capital;
- (vii) issuance of shares;
- (viii) investment and divestment, or entry into new businesses;
- (ix) convening of Shareholders' meetings;
- (x) declaration of interim dividends and proposal of final dividends; and
- (xi) appointments to the Board and the various Board committees.

# CORPORATE GOVERNANCE REPORT

The Company has documented the guidelines for matters that require the Board's decision or approval. The Company also has a Document Approval Authority matrix which sets the authorisation and approval limits for various transactions such as sales quotation, purchase requisition and credit note requisition. Apart from matters that specifically require the Board's approval, the Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to the Executive Chairman and the management for operational efficiency.

The Company will provide a newly-appointed Director guidance and orientation (including management's presentation) which will allow such person to understand the Group's business operations, strategic directions and policies, corporate functions and governance practices. If necessary, on-site visits to the Group's local and overseas places of operation will be arranged for a newly-appointed Director. Upon appointment, a Director will be provided a formal letter which sets out his duties and obligations. If a newly-appointed Director does not have any prior experience as a director of a listed company, the Company will arrange for such person to undertake training in the roles and responsibilities of a director of a listed company as required by Rule 406(3)(a) of the Catalist Rules and to familiarise such person with the relevant rules and regulations governing a listed company.

While the Directors are generally responsible for their own individual training needs, continuous and on-going training programmes are made available to the Directors from time to time such as courses on directors' duties and responsibilities as well as seminars and talks on relevant subject fields.

The Directors are conscious of the importance of continuing education in areas such as legal and regulatory responsibilities and accounting issues, so as to update and refresh themselves on matters that may affect their performance as a Board, or as a member of a Board committee. Accordingly, further training for Directors will extend to relevant new laws, regulations and changing commercial risks from time to time when appropriate. The Company shall be responsible for funding the training of the Directors.

With effect from the financial year beginning on 1 January 2022, all Directors are required to undergo training on sustainability matters. The Company will arrange for Directors to attend such training in due course and to provide a confirmation that its Directors have attended such training in its sustainability report for financial year 2023.

## **Access to Information**

The Directors are provided with board papers for proposals and are given regular management information prior to each Board meeting and at such other time as necessary. Information provided to the Board includes background information relating to the matters to be brought before the Board. Relevant information on material events and transactions are circulated to the Directors as and when they arise. The Board also receives regular reports pertaining to the operational and financial performance of the Group with explanations for material variance between budget and actual performance.

The Board members have separate and independent access to the management, who will on a timely manner, provide additional information as may be needed by the Board to make informed decisions.

The Board members also have separate and independent access to the Company Secretaries. The role of the Company Secretaries is clearly defined and includes responsibility for ensuring that board procedures are followed and that applicable rules and regulations, including requirements of the Companies Act, Securities and Future Act and the Catalist Rules, are complied with. The Company Secretaries attend all Board meetings and ensures good information flows within the Board and its committees and between the management and the Non-Executive Directors. Minutes of the various Board committees are circulated to the whole Board for review and information.

The Board is fully involved in and responsible for the appointment and removal of the Company Secretaries.

Where the Directors, either individually or as a group, in the furtherance of their duties, require professional advice, the management will assist them in obtaining independent professional advice, at the Company's expense.



# CORPORATE GOVERNANCE REPORT

## PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

During FY2022, the Board comprises five Directors, out of whom three are Independent Directors, one is a Deputy Non-Executive Chairman and the other one is an Executive Chairman and Chief Executive Director (“CEO”). Mr Wong Hin Sun, Eugene was re-designated as Deputy Non-Executive Chairman of the Company with effect from 1 June 2022.

Under Provision 2.2 of the Code, independent directors should make up a majority of the Board where the Chairman is not independent. The Company has complied with Provision 2.2 during FY2022 as the Board currently comprises five (5) members of which three (3) are independent directors. Although the Executive Chairman is not independent, the majority of the Board is made up of non-executive directors.

As set out under the Code, an independent director is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director’s independent business judgement in the best interests of the company. The NC deliberates annually to determine the independence of a Director bearing in mind the salient factors set out under this provision in the Code as well as all other relevant circumstances and facts. To facilitate the NC in its review of the independent status of the Directors, each Non-Executive Director will confirm his/her independence on a yearly basis. The Executive Chairman is considered non-independent.

During FY2022, each of the Company’s Independent Directors, namely Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon, has served on the Board beyond nine years from the date of their first appointment on 15 September 2009. The Board, having reviewed the performance of these Directors and further taking into account the deliberations of the NC, is of the view that both of Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon are able to continue to exercise independent and objective judgement. Apart from having served for a period of more than nine years on the Board, both Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon do not have any relationships or circumstances which may affect their judgement and ability to discharge their duties and responsibilities as independent directors.

The Board does not consider it to be in the interests of the Company to require all Directors who have served more than nine (9) years or longer to retire and is of the view that it is important to also ensure continuity and stability of the Board. The Board is of the view that Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon should continue to be deemed independent notwithstanding having been on the Board for more than nine (9) years. The Board nevertheless will on a continual basis, review the need for progressive refreshing of its Board.

With effect from 1 January 2022, a director will not be independent if he has served for an aggregate of more than nine (9) years and his continued appointment as an independent director has to be sought and approved in separate resolutions by (a) all shareholders and (b) shareholders, excluding the directors and chief executive officer of the issuer, and associates of such directors and chief executive officer (the “Two-Tier Voting”). Such resolutions approved by a Two-Tier Voting may remain in force for three (3) years from the conclusion of the AGM following the passing of the resolutions or the retirement or resignation of the director, whichever the earlier.

In view of the above, the approval of the shareholders had been obtained through a Two-Tier Voting process at the last AGM of the Company duly held on 27 July 2021 for the continuation of office of Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon, who have each served as an Independent Directors of the Company for an aggregate term of more than nine (9) years, as Independent Directors of the Company, pursuant to Rule 406(3)(d)(iii) of the Catalist Rules (which came into effect on 1 January 2022).

Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon to continue in office as Independent Directors of the Company for a three-year term, they will continue to serve as Independent Directors of the Company, until the earlier of their retirement or resignation, or the conclusion of the third AGM of the Company following the passing of the above Resolutions at the last AGM of the Company duly held on 27 July 2021.

# CORPORATE GOVERNANCE REPORT

The NC is of the view that the Board has the requisite blend of expertise, skills and attributes to oversee the Group's business. Collectively, they have competencies in areas which are relevant and valuable to the Group, such as accounting, corporate finance, business development, management, sales and strategic planning. In particular, the Executive Chairman and CEO has many years of experience in the industries that the Group operate. The NC considers that the Board's present size is adequate for effective debate, strategic decision-making and in exercising accountability to Shareholders and delegating authority to the management, taking into account the nature and scope of the Group's operations. As the Group's activities continue to grow, the NC will continuously review the composition of the Board so that it will have the necessary competency to be effective.

The current Board composition provides a diversity of skill, experience, gender and knowledge to the Company as follows:-

Balance and Diversity of the Board		
Core Competencies	Number of Directors	Proportion of Board
Accounting or finance	3	60%
Business management	5	100%
Legal or corporate governance	4	80%
Relevant industry knowledge or experience	2	40%
Strategic planning experience	5	100%
Customer based experience or knowledge	2	40%
Gender	Number of Directors	Proportion of Board
Male	4	80%
Female	1	20%

To be in line with the Catalist Rules, the Group will formalise a Diversity Policy which is to be adopted and disclosed in the annual report of the Company for the financial year ending 31 March 2023.

The Non-Executive Directors (including the Independent Directors) provide constructive advice on the Group's strategic and business plans. They constructively challenge and help develop proposals on strategy for the Group. They also review the performance of the management in meeting agreed goals and objectives and monitor the reporting of performance of the Group. The Company has complied with the Provision 2.3 of the Code as a majority of the Board members are Non-Executive Directors.

To facilitate more effective check on management, the Non-Executive Directors meet as and when necessary and at least once a year without the presence of the management.

### PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr Foo Chew Tuck is both the Executive Chairman and CEO of the Company. He determines the overall strategic and expansion plans and is responsible for the overall business development and general management of the Group. He is also responsible for daily management and operations as well as overseeing the Group's strategies and growth.

Under Provision 3.1 of the Code, the Chairman and the CEO are to be separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making. As Mr Foo Chew Tuck is both the Executive Chairman and CEO of the Company, the Company has not complied with Provision 3.1 during FY2022. The Board is of the opinion that it is not necessary to separate the roles of the Chairman and the CEO after taking into account the size, scope and nature of the operations of the Group. Although the roles of Chairman and CEO are not separate, the Board is of the view that there are sufficient independent elements with independent directors making up half of the Board, safeguards and checks to ensure that the process of decision making by the Board is independent and based on collective decisions without any individual or groups of individuals exercising any considerable concentration of power or influence and there is accountability for good corporate governance.

# CORPORATE GOVERNANCE REPORT

The Board is of the view that it is currently in the best interests of the Group to adopt a single leadership structure having Mr Foo Chew Tuck as the Executive Chairman and CEO of the Board to facilitate the decision-making process of the Group and is thereby better able to guide discussions and ensures that the Board is properly briefed in a timely manner on pertinent issues and developments.

Mr Wong Hin Sun, Eugene is the Deputy Non-Executive Chairman of the Company and supports Mr Foo Chew Tuck in his Chairman role. The Board is of the view that with the three Board Committees chaired by the Independent Directors, there are adequate safeguards in place to prevent an uneven concentration of power and authority in a single individual.

The Board has established and set out in writing the division of responsibilities between the roles of Chairman and the roles of CEO notwithstanding that these roles are assumed by the same person.

The Chairman's duties include:

- (i) lead the Board to ensure its effectiveness on all aspects of its role;
- (ii) set the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (iii) promote a culture of openness and debate at the Board;
- (iv) ensure that the Directors receive complete, adequate and timely information;
- (v) ensure effective communication with Shareholders;
- (vi) encourage constructive relations within the Board and between the Board and the management;
- (vii) facilitate the effective contribution of Non-Executive Directors in particular;
- (viii) encouraging constructive relations between Executive Director and Non-Executive Directors; and
- (ix) promote high standards of corporate governance.

In view that the Executive Chairman and the CEO is the same person and part of the management team, Mrs Eileen Tay-Tan Bee Kiew is appointed as Lead Independent Director in accordance with the provisions set out in the Code. As Lead Independent Director, she will be available to Shareholders if they have concerns and for which contact through the normal channels of the Chairman, the CEO or the Financial Controller has failed to resolve their concerns or is inappropriate. Whenever warranted, the Independent Directors will meet without the presence of the other Directors and will provide feedback to the Chairman after such meetings.

The responsibilities of the CEO are set out in a service agreement entered into between the Company and the CEO. The CEO is responsible for the development and expansion of the Group's business and is responsible for the Group's entire operations, strategic planning, major decision-making, as well as developing the business and vision of the Group.

## **PRINCIPLE 4: BOARD MEMBERSHIP**

The appointment of new Directors to the Board is recommended by the NC which comprises four Directors, namely, Mr Sin Hang Boon (who is chairman of the NC), Mrs Eileen Tay-Tan Bee Kiew, Mr Colin Low Tock Cheong and Mr Wong Hin Sun, Eugene. As Mrs Eileen Tay-Tan Bee Kiew, Mr Sin Hang Boon and Mr Colin Low Tock Cheong are Independent Directors, the NC comprises a majority of independent directors. Mrs Eileen Tay-Tan Bee Kiew who is Lead Independent Director is also a member of the NC.

# CORPORATE GOVERNANCE REPORT

The principal functions of the NC, regulated by written terms of reference and undertaken by the NC during the year, are as follows:

- (i) review board succession plans for Directors, in particular, for the Chairman and the CEO;
- (ii) develop a process for evaluation of the performance of the Board, the various Board committees and the Directors;
- (iii) review the training and professional development programs for the Board;
- (iv) review, assess and make recommendation to the Board on all Board appointments and re-elections, taking into consideration the composition and progressive renewal of the Board and each Director's competencies and contributions;
- (v) review and determine annually the independence of Directors;
- (vi) decide the assessment process and implement a set of objective performance criteria to be applied from year to year for evaluation of the Board's performance; and
- (vii) evaluate the Board's effectiveness as a whole and each Director's contribution to its effectiveness in accordance with the assessment process and performance criteria adopted, including deciding whether a Director is able to and has been adequately carrying out his/her duties when he/she has multiple board representations.

The NC leads the process and makes recommendations to the Board for the selection and approval of appointment of new Directors as follows:

- (i) evaluates the balance of skills, knowledge and experience on the Board and, in the light of such evaluation and in consultation with the management, prepares a description of the role and the essential and desirable competencies for a particular appointment;
- (ii) while existing Directors and the management may make suggestions, seeks external help where necessary to source for potential candidates;
- (iii) meets with short-listed candidates to assess their suitability and to ensure that the candidate(s) are aware of the expectations and the level of commitment required; and
- (iv) makes recommendations to the Board for approval.

At present, no alternative Director has been appointed to the Board.

Under the Constitution of the Company, the Directors are required to retire at least once in every three (3) years and one-third of the Directors shall retire by rotation at each AGM. The NC assesses and recommends to the Board whether the retiring Directors are suitable for re-election, taking into consideration the range of expertise, skills and attributes of the Board and its composition. The NC also considers the attendance, preparedness, participation and candour of past Directors although re-nomination or replacement does not necessarily reflect the Directors' performance or contributions to the Board.

The NC determines the independence of Directors annually in accordance with the provisions set out in the Code and the declaration form completed by each Non-Executive Director disclosing the required information. The NC is of the opinion that in respect of FY2022, the Board has been able to exercise objective judgment on corporate affairs independently and that the Board's decision-making process is not dominated by any individual or small group of individuals.



# CORPORATE GOVERNANCE REPORT

The NC also determines annually whether a Director with multiple board representations is able to and has been adequately carrying out his duties as a Director of the Company. The NC takes into account the results of the assessment of the effectiveness of the individual Director and the respective Directors' actual conduct on the Board. The NC is satisfied that for FY2022, all the Directors have been able to and have adequately carried out their duties as Directors notwithstanding their multiple board representations.

The NC and the Board are of the view that there should not be any restriction to the number of board representations that each Director may take up as multiple board representations do not necessarily hinder the Directors from carrying out their duties. The NC and the Board are of the view that multiple board representations may be beneficial as these widen the experience of the Directors and broaden the perspective of the Directors and the Board.

Key information regarding the Directors, including listed company directorships and principal commitments, is disclosed under the section on "Board of Directors" in this Annual Report. The dates of first appointment and last re-election of each of the Directors are set out below:

Name of Director	Position in the Board	Date of first appointment	Date of last re-election
Mr Foo Chew Tuck	Executive Chairman and CEO	9 September 2007	27 July 2021
Mr Wong Hin Sun, Eugene	Deputy Non-Executive Chairman	15 September 2009	27 July 2021
Mr Sin Hang Boon	Independent Director	15 September 2009	28 August 2020
Mrs Eileen Tay-Tan Bee Kiew	Lead Independent Director	15 September 2009	28 August 2020
Mr Colin Low Tock Cheong <sup>(1)</sup>	Independent Director	27 July 2021	N/A

N/A denotes "not applicable"

(1) Mr Colin Low Tock Cheong has been appointed as a Director of the Company with effect from 27 July 2021.

At the forthcoming AGM, Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon are due for re-election pursuant to the Article 98 of the Constitution of the Company. The NC has recommended and the Board has agreed for Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon to retire and seek re-election at the forthcoming AGM of the Company to be convened on 26 July 2022.

During FY2022, the Independent Directors, Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon have served on the Board beyond nine years from the respective date of their first appointment on 15 September 2009. The Board has subjected the independence of Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon to a robust review by all other Directors. The NC has evaluated the participation of Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon at board and committee meetings and determined that each of them continues to possess independent thinking and the ability to exercise objective judgement on corporate matters independently. Apart from having served for a period of more than nine years on the Board, both Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon do not have any relationships or circumstances which may affect their judgement and ability to discharge their duties and responsibilities as independent directors. Taking into account the above, the Board has resolved that each of Mrs Eileen-Tay Tan Bee Kiew and Mr Sin Hang Boon continues to be considered as an independent director, notwithstanding that they have served on the Board beyond nine years.

The detailed information of the above Directors seeking re-election as required under Appendix 7F of the Catalist Rules can be found on pages 24 to 30.

# CORPORATE GOVERNANCE REPORT

## PRINCIPLE 5: BOARD PERFORMANCE

The NC has implemented a formal board evaluation process in assessing the effectiveness of the Board as a whole, the various Board committees and the contribution of each individual Director to the effectiveness of the Board. The objective of the annual evaluation is to identify areas for improvement and to implement appropriate action.

The Directors were requested to complete appraisal forms to assess the overall effectiveness of the Board, the various Board committees and the individual Directors for FY2022. The results of the appraisal exercise were tabulated, analysed and considered by the NC which then made recommendations to the Board on areas for improvement, aimed at helping the Board to discharge its duties more effectively. The appraisal process focused on the following areas of evaluation:

- (i) Board and Board committees composition;
- (ii) information to the Board;
- (iii) Board and Board committees procedures;
- (iv) Board and Board committees accountability;
- (v) CEO and top management;
- (vi) standards of conduct;
- (vii) internal controls and risk management systems; and
- (viii) audit process.

The NC is of the view that the Board and its various Board committees have contributed to the overall effectiveness of the Board as a whole. The Chairman will act on the results of the performance evaluation and, in consultation with the NC, will propose, where appropriate, new members to be appointed to the Board or seek resignation of Directors.

The Company did not engage any external facilitator for assessment of the Board, Board committees and Directors during FY2022.

## PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The members of the RC comprise entirely Non-Executive Directors, namely Mr Colin Low Tock Cheong (who is chairman of the RC), Mr Sin Hang Boon, Mrs Eileen Tay-Tan Bee Kiew and Mr Wong Hin Sun, Eugene. Mr Colin Low Tock Cheong, Mr Sin Hang Boon and Mrs Eileen Tay-Tan Bee Kiew are Independent Directors. As such, the RC comprises a majority of independent directors.

The principal functions of the RC, regulated by written terms of reference and undertaken by the RC during the year, include the following:

- (i) review and recommend to the Board a general framework of remuneration and specific remuneration package for the Board and key management personnel covering all aspects of remuneration, including but not limited to fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind as well as termination terms;
- (ii) review and ensure that the remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive;

# CORPORATE GOVERNANCE REPORT

- (iii) structure an appropriate portion of the Executive Chairman's and key management personnel's remuneration so as to link rewards to corporate and individual performance so as to align them with the interests of Shareholders and promote the long-term success of the Group; and
- (iv) review the Company's obligations arising in the event of termination of the Executive Chairman and key management personnel's contracts of service to ensure that the termination clauses are fair and reasonable and not overly generous.

The RC reviews the framework for remuneration of the Directors and the management and recommends to the Board for adoption. The RC also determines specific remuneration packages and terms of employment for the Executive Chairman and each management staff.

The RC's recommendations in respect of the Directors' remunerations are submitted for endorsement by the entire Board. All aspects of remuneration, including but not limited to Director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind for the Board and senior management are covered by the RC.

Each member of the RC will abstain from voting on any resolutions in respect of his or her remuneration package.

If necessary, the RC will seek expert advice inside and/or outside the Company on remuneration matters. The RC did not engage any remuneration consultant in respect of remuneration matters for FY2022.

## **PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION**

The Executive Chairman does not receive Directors' fees. The performance-related elements of remuneration are designed to align interests of the Executive Chairman with those of Shareholders and link rewards to the Group's financial performance.

The Executive Chairman has entered into a service agreement with the Company in which the terms of his employment are stipulated. The initial term of employment is for a period of three (3) years from the date of admission of the Company to the Catalist (being 21 October 2009) and thereafter, his employment is renewed every two years subject to termination clauses in the service agreement. The service agreement may be terminated by giving six (6) months' prior written notice or an amount equal to six (6) months' salary in lieu of such notice. Under the service agreements, the Executive Chairman is entitled to be paid an incentive bonus annually which is pegged to the financial performance achieved by the Group for that financial year.

The Non-Executive Directors (including the Independent Directors) are paid a base fee. An additional fee is also paid to Non-Executive Directors for serving on any of the board committees, with the chairperson of each of these committees being paid twice the amount of such additional fee. The Lead Independent Director is entitled to an additional amount for acting in such capacity. Such fees are pro-rated if a Director serves for less than one year. The Directors' fees are subject to approval by Shareholders at the AGM.

The Company had adopted the Jason Performance Share Plan (the "PSP") which was approved by Shareholders at an extraordinary general meeting held on 27 July 2011. It was stated, on its adoption, that the PSP shall continue in operation for a maximum period of 10 years commencing on the date on which the PSP was adopted by the Company and may be continued for any further period thereafter with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The Board has decided not to extend the duration of the PSP and accordingly, the PSP had lapsed on 26 July 2021. The PSP was administered by the Remuneration Committee and was implemented to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve increased performance. No share awards were granted and no new shares or treasury shares were issued or transferred to employees under the PSP during FY2022.

# CORPORATE GOVERNANCE REPORT

In setting remuneration packages, the Company keeps in mind the pay and employment conditions within the industry and in comparable companies. If required, the Company will engage professional advice to provide guidance on remuneration matters.

The Group is entitled to reclaim, in full or in part, incentive components of remuneration from the Executive Chairman and key management personnel in exceptional circumstances of intentional misstatement of financial statements, or wilful misconduct of the Executive Chairman and key management personnel, directly or indirectly, resulting in financial loss to the Company.

## PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The Company adopts an overall remuneration policy for employees, comprising a fixed component in the form of a base salary, and a variable component in the form of a bonus that is linked to the performance of the Group, the individual, the industry and the economy. In reviewing its remuneration policy, the Company generally takes into account compensation and employment conditions within the industry and in comparable companies.

Under Provision 8.1 of the Code, the Company should disclose in its annual report the names, amounts and breakdown of remuneration of (a) each individual director and the CEO and (b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel. Given the highly competitive condition of the industry that the Group operates in, the Board is of the view that it is in the best interest of the Group to maintain confidentiality of the remuneration details of the Executive Chairman and CEO. Accordingly, the Company has not fully complied with Provision 8.1 during FY2022.

A breakdown showing the level and mix of the remuneration of the Directors in respect of FY2022 is as follows:

	Fees %	Salary and CPF <sup>^</sup> %	Bonus %	Other benefits %	Total %
<b>S\$250,000 to S\$499,000</b>					
Mr Foo Chew Tuck	–	87	7	6	100
<b>Below S\$250,000</b>					
Mrs Eileen Tay-Tan Bee Kiew	100	–	–	–	100
Mr Sin Hang Boon	100	–	–	–	100
Mr Wong Hin Sun, Eugene	100	–	–	–	100
Mr Colin Low Tock Cheong <sup>(1)</sup>	100	–	–	–	100

<sup>^</sup> CPF denotes Central Provident Fund.

(1) Mr Colin Low Tock Cheong has been appointed as a Director of the Company with effect from 27 July 2021.

No Director has been granted share-based award under the PSP during FY2022.

In respect of FY2022, the amount of directors' fees proposed to be payable to the Non-Executive Directors (including the Independent Directors), subject to the approval of Shareholders at the forthcoming AGM, are as follows:

Name	Amount
Mrs Eileen Tay-Tan Bee Kiew	S\$62,500
Mr Sin Hang Boon	S\$56,667
Mr Wong Hin Sun, Eugene	S\$50,000
Mr Colin Low Tock Cheong	S\$41,250



# CORPORATE GOVERNANCE REPORT

Apart from the Executive Chairman, the Group's key management team includes Mr Shaun Teo Koon Sing, Mr Keith Lim Chee Keong and Mr Derrick Chan Kwok Yuan. A breakdown showing the level and mix of the remuneration of the Group's key management (who is not a Director or CEO) in respect of FY2022 is as follows:

Name of Key Management	Salary and CPF <sup>^</sup> %	Bonus %	Other benefits %	Total %
<b>S\$250,000 to S\$499,000</b>				
Mr Shaun Teo Koon Sing	62	30	8	100
<b>Below S\$250,000</b>				
Mr Keith Lim Chee Keong	69	18	12	100
Mr Derrick Chan Kwok Yuan	90	7	3	100

<sup>^</sup> CPF denotes Central Provident Fund.

None of the key management personnel named above has been granted share-based award under the PSP during FY2022.

Total remuneration (including CPF, bonus and other benefits) paid to the top 3 key management personnel named above for FY2022 was approximately S\$838,000.

The Executive Chairman and key management personnel are not entitled to any benefits upon termination, retirement or post-employment. During FY2022, the Group did not have any employees who are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the year.

The variable bonus or incentive portion of the remuneration packages of the Executive Chairman and key management personnel are linked to key performance indicators ("KPIs") that are determined in advance. Such KPIs typically include financial and non-financial KPIs. Financial KPIs are directly linked to the performance of the Group. Non-financial KPIs include action plans that are important to the long-term sustainability of the Group's performance, such as succession planning. During FY2022, the performance related income have been made to the extent that certain KPIs have been met by the Executive Chairman and key management personnel.

## PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

### Accountability

The Board has embraced openness and transparency in the conduct of the Company's affairs, whilst preserving the interests of the Group. The Board provides a balanced and understandable assessment of the Group's performance, position and prospects through announcements of the Group's half-year and full-year results and announcements of the Group's major corporate developments from time to time. In line with the continuous disclosure obligations under the Catalist Rules, the Board has and will continue to inform Shareholders promptly of all pertinent information. Such information is disclosed to Shareholders on a timely basis through SGXNET. All disclosures submitted to the SGX-ST on SGXNET are also made available on the Company's corporate website ([www.jason.com.sg](http://www.jason.com.sg)).

The Board is committed to ensure compliance with legislative and regulatory requirements including requirements under the Catalist Rules. The management provides the Board with monthly management accounts and as and when the Board may require from time to time. Such reports keep the Board informed of the Group's performance and contain explanation and information to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

# CORPORATE GOVERNANCE REPORT

## Risk Management and Internal Controls

The Board is committed to maintaining a sound system of internal controls to safeguard Shareholders' investments and the Group's assets. While the Board oversees the management in the design, implementation and monitoring of the risk management and internal control systems, the Audit Committee has been expanded and renamed as the Audit and Risk Committee ("ARC") to strengthen the Group's risk management process and framework. Having considered the Group's business operations as well as its existing risk management and internal control systems, the Board is of the view that a separate risk committee is not required for the time being.

The ARC and the Board review on an annual basis the adequacy of the Group's internal financial controls, operational and compliance controls, and risk management policies and systems established by the management. The system of internal controls and risk management established by the Company are designed to manage, rather than eliminate the risk of failure in achieving the Group's strategic objectives. The management is involved in regular reviews of the risks that are significant to the fulfilment of the objectives of the business. However, it should be recognised that such systems are designed to provide reasonable assurance, but not an absolute guarantee against material misstatement or loss.

During FY2022, the Company's appointed internal auditor, PricewaterhouseCoopers Risk Services Pte Ltd, has conducted internal audit review based on an agreed scope of review. In respect of FY2022, the Board has received from the Executive Chairman and CEO and Financial Controller a letter of assurance confirming that the Group's financial records have been properly maintained and the Group's consolidated financial statements for FY2022 give a true and fair view of the Group's operations and finances and that the Group's risk management and internal control systems were adequate and effective.

Based on (i) the internal controls established and maintained by the Group, (ii) work performed by the internal and external auditors, (iii) reviews performed by the management, the ARC and the Board, and (iv) the aforementioned letter of assurance provided by the Executive Chairman and CEO and the Financial Controller, the Board with the concurrence of the ARC is of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology risks as well as sanctions-related risks, and risk management systems were adequate and effective for FY2022.

The Board notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities. However, the Board, together with the ARC and the management, will review the adequacy and effectiveness of the internal control framework on an on-going basis and address any specific issues or risks whenever necessary.

The Company has established a Management Risk Committee, headed by the Executive Chairman and CEO, to assist the Board in carrying out its responsibility of overseeing the Company's risk management framework and policies.

International bodies and national governments have imposed sanctions on certain activities or transactions with targeted jurisdictions, entities and persons, with the primary aim of achieving foreign policy or national security goals. The Board confirmed there has been no material change in its risk of being subject to any sanctions law. The Board and ARC will be responsible for (a) monitoring the issuer's risk of becoming subject to, or violating, any sanctions law; and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities.

## Internal Audit

The internal audit function is currently outsourced to PricewaterhouseCoopers Risk Services Pte Ltd, which reports directly to the ARC chairperson. The ARC approves the appointment, termination, evaluation and compensation of the internal auditors. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including access to the ARC.

# CORPORATE GOVERNANCE REPORT

In the opinion of the Board, PricewaterhouseCoopers Risk Services Pte Ltd meets the standards set out by both nationally and internationally recognised professional bodies, and is satisfied that the internal auditors are qualified and experienced personnel.

The internal audit plans are approved by the ARC, with the arising audit outcome presented and reviewed by the management, the ARC and the Board.

The ARC annually reviews the scope and results of the internal audit and ensures that the internal audit function is adequately resourced. With the appointment of PricewaterhouseCoopers Risk Services Pte Ltd, the ARC has reviewed and is satisfied with the independence, adequacy and effectiveness of the internal control function.

## **PRINCIPLE 10: AUDIT AND RISK COMMITTEE**

The ARC comprises four Non-Executive Directors, namely Mrs Eileen Tay-Tan Bee Kiew (who is chairperson of the ARC), Mr Sin Hang Boon, Mr Colin Low Tock Cheong and Mr Wong Hin Sun, Eugene. All the members of the ARC are non-executive and the ARC comprises a majority (including the chairperson of the ARC) of independent directors.

All members of the ARC have accounting or related financial management expertise or experience. The Board considers them as having sufficient financial management knowledge and experience to discharge their responsibility in the ARC.

The ARC does not comprise any former partners or directors of the Company's existing auditing firm or auditing corporation.

The ARC has full access to, and co-operation from the management, and has full discretion to invite any Director, executive officer or other persons to attend its meetings. It may require any such Director, officer or other person in attendance to leave the proceedings (temporarily or otherwise) to facilitate open discussion.

The current duties and functions of the ARC include assisting the Board to oversee and ensure that such risk management and internal control systems have been appropriately implemented and monitored. As such, the terms of reference of ARC have incorporated risk management responsibilities.

The duties and responsibilities of the ARC are contained in written terms of reference, which are mainly to assist the Board in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, business and financial risk management. During the year, the ARC performed the following main functions:

- (i) recommending to the Board on the proposals to Shareholders on the appointment, re-appointment and removal of the external and internal auditors, and approving the remuneration and terms of engagement of the external and internal auditors;
- (ii) reviewing the scope, changes, results and cost-effectiveness of the external and internal audit plan and process, and the independence and objectivity of the auditors;
- (iii) reviewing the Group's half-yearly and annual financial statements and related notes and announcements relating thereto; accounting principles adopted, and the external auditors' report prior to recommending to the Board for approval;
- (iv) reviewing, evaluating and reporting to the Board at least annually, having regard to input from external and internal auditors, the adequacy and effectiveness of the system of internal controls, including financial, operational, compliance and information technology controls;

# CORPORATE GOVERNANCE REPORT

- (v) reviewing the nature, scope, extent and cost-effectiveness of any non-audit services provided by the external auditors and ensuring that these do not affect the independence and objectivity of the external auditors;
- (vi) reviewing any significant financial reporting issues and judgments and estimates made by the management, so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- (vii) reviewing the effectiveness of the Group's internal audit function;
- (viii) reviewing the interested person transactions reported by the management to ensure that they were carried out on normal commercial terms, and are not prejudicial to the interests of Shareholders;
- (ix) reviewing the assurance from the Executive Chairman and CEO and the Financial Controller on the financial records and financial statements; and
- (x) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

During FY2022, the ARC has met with the external auditors and internal auditors to review accounting, auditing and financial reporting matters to ensure that an effective control environment is maintained in the Group. The ARC meets with the internal auditors and external auditors without the presence of the Company's management at least annually.

In respect of FY2022, the ARC has reviewed the independence of the external auditors, Messrs BDO LLP and recommended that Messrs BDO LLP be nominated for re-appointment as auditors at the forthcoming AGM. In recommending the re-appointment of the auditors, the ARC considered and reviewed a number of key factors, including amongst other things, the adequacy of the resources and experience of the supervisory and professional staff as well as audit engagement partner to be assigned to the audit, and size and complexity of the Group and its businesses and operations.

Both the ARC and the Board have reviewed the appointment of different auditors for its subsidiaries and significant associated companies and are satisfied that the appointment would not compromise the standard and effectiveness of the audit of the Company and the Group. Accordingly, the ARC and the Board confirms that the Company is in compliance with the Rules 712 and 716 of the Catalist Rules.

During FY2022, there was no non-audit services provided by Messrs BDO LLP and the amount of audit fees payable to Messrs BDO LLP and its network member firm was S\$101,800. The ARC confirms that it has undertaken a review and during FY2022, there was no factor affecting Messrs BDO LLP's independence in the ARC's opinion.

The ARC has the authority to investigate any matter brought to its attention within its terms of reference, with the authority to engage professional advice at the Company's expense.

## **Whistle-blowing Policy**

The ARC and the Board have put in place a whistle-blowing policy which allows employees or any other persons to raise concerns about possible improprieties in matters of financial reporting or other matters. To ensure independent investigation of such matters and for appropriate follow-up action, all whistle-blowing reports will be addressed to the chairperson of the ARC. Details of the whistle-blowing policy have been made available to all employees of the Group and is also available on the Company's website at [www.jason.com.sg/whistleblowing-policy](http://www.jason.com.sg/whistleblowing-policy). The Group's whistle-blowing policy (the "**Policy**") allows employees to raise concerns and offers reassurance that their identity is kept confidential and they will be protected from reprisals, victimisation detrimental or unfair treatment for whistle blowing in good faith.



# CORPORATE GOVERNANCE REPORT

The Board, with the support of the ARC, maintain oversight of any major issue arising from the Policy and/or other enquiries into the conduct of the whistle-blowing process. The Policy is aligned with the requirements pursuant to the amended Rule 1204 (18A) and (18B) of the Catalist Rules (effective from 1 January 2022). No whistle-blowing concerns were reported for FY2022 and until the date of this Annual Report.

Details of the activities of the ARC are also provided under Principle 9 of this report. In addition to the activities undertaken to fulfil its responsibilities, the ARC is kept abreast by the management, external and internal auditors on changes to accounting standards, stock exchange rules and other codes and regulations which could have an impact on the Group's business and financial statements as well as attending the relevant external training and seminars in respect thereof.

## **PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS**

### **Shareholder Rights**

Shareholders are treated fairly and equitably to facilitate their ownership rights. In line with the continuous disclosure obligations of the Company, pursuant to the Catalist Rules and the Companies Act, the Board's policy is that Shareholders should be informed in a comprehensive manner and on a timely basis of all material developments of the Group which would likely to materially affect the price or value of the Company's Shares.

Shareholders have the opportunity to participate effectively in and vote at general meetings of Shareholders. They will be informed of the rules, including voting procedures that govern the general meetings.

The Company allows corporations which provide nominee or custodial services to appoint not more than two proxies so that Shareholders who hold Shares through such corporations can attend and participate in general meetings as proxies.

### **Conduct of General Meetings**

The Board supports the Code's principle to encourage Shareholders' participation at general meetings.

The Board encourages Shareholders to attend general meetings to ensure a greater level of Shareholders' participation and to meet with the Board and the key management personnel so as to stay informed of the Group's developments and to raise issues and ask the Directors or the management questions regarding the Group's business and operations. The Directors and the management as well as external auditors will be present at general meetings to address Shareholders' queries. The attendance of directors at general meetings is disclosed in the table found on page 5.

Currently, the Constitution of the Company allows a member of the Company to appoint up to two proxies to attend and vote at general meetings. Pursuant to Section 181 of the Companies Act, a member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote in his stead. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

The Company practises having separate resolutions at general meetings on each substantially separate issue. Where the resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting.

Under Provision 11.5 of the Code, the Company should publish the minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes of the last AGM held on 27 July 2021 were published by the Company on SGXNET and its corporate website on 24 August 2021. The Company also will be publishing the minutes of the forthcoming AGM on SGXNET and on its corporate website within a month of the date of the AGM. Notwithstanding the aforementioned, the Company does not intend to adopt the practice of publishing minutes of general meetings on its corporate website once the Company reverts back to physical AGM as contemplated by the Code and accordingly,

# CORPORATE GOVERNANCE REPORT

the Company will not comply with Provision 11.5 of the Code. Instead, it makes available minutes of general meetings, including relevant substantial comments or queries from shareholders relating to the agenda of the general meetings and responses from the Board or the Management, to Shareholders upon their requests. The Board is of the view that there are potential adverse implications, including commercial and legal implications, for the Company if the minutes of general meetings are published to the public at large. The Board is of the view that its position is consistent with the intent of Principle 11 of the Code as shareholders have a right to attend general meetings either in person or by proxy, where they may exercise their right to speak and vote and have the opportunity to communicate their views on various matters affecting the Company. Further, shareholders, including those who did not attend the relevant general meeting, have a statutory right to be furnished copies of minutes of general meetings in accordance with Section 189 of the Companies Act. The Board is therefore of the view that, consistent with the intent of Principle 11 of the Code, as between themselves, Shareholders are treated fairly and equitably by the Company.

The Company conducts voting by poll and makes an announcement on the detailed results showing the number of votes cast for and against each resolution and the respective percentages. At present, the Company does not conduct voting by poll via electronic polling method as Shareholders' turn-out at the AGMs has been manageable.

The Company's Constitution permits voting in absentia only by appointment of proxy. However, as the authentication of shareholders' identity information and other related integrity issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail or electronic means.

The Company has adopted a dividend policy, as announced on SGXNET since May 2015. Subject to the Group's business requirements and other relevant considerations and barring unforeseen circumstances, the Board has stated that it shall recommend and distribute not less than 25% of the Group's audited consolidated net profits attributable to shareholders as dividends annually. The amount of dividends will depend on the Group's operating results, financial conditions such as cash position and retained earnings, other cash requirements including capital expenditure, restrictions on payment of dividends imposed on the Group by financing arrangements (if any) and other factors deemed relevant by the Directors, including but not limited to circumstances arising from COVID-19 pandemic. The foregoing statements are merely statements of the Board's intention and do not constitute legally binding obligations on the part of the Company in respect of payment of dividend and which will be subject to modification at the Directors' sole and absolute discretion.

In respect of FY2022, the Board is recommending a first and final dividend of 0.75 Singapore cent per share and a special dividend of 0.25 Singapore cent per share subject to the approval of Shareholders at the forthcoming AGM.

## **PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS**

The Company does not make price-sensitive and/or trade-sensitive disclosure to a selected group. All announcements are released via the SGXNET and are also available on the Company's corporate website ([www.jason.com.sg](http://www.jason.com.sg)). Shareholders receive the Annual Report together with the notice of AGM which is also accessible through the SGXNET. The notice of AGM is also advertised in a local newspaper.

The Company has an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Shareholders. The Company endeavours to organise briefings when necessary with media and analysts, and participates in investor seminars where there are opportunities to update the investing community of the Group's performance and developments. During such briefings and meetings, the Company solicits and understands the views of Shareholders and the investment community. Shareholders may also contact the Company through its general email [jmg@jason.com.sg](mailto:jmg@jason.com.sg) with questions and through which the Company may respond to such questions.

# CORPORATE GOVERNANCE REPORT

## PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Group has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations as provided in the Group's 2022 Sustainability Report, the Company has regularly engaged its stakeholders through various channels to ensure that the business interests of the Group are aligned with those stakeholders, to understand and address the concerns so as to improve services and products standards, as well as to sustain business operations for long-term growth. The Company takes a pragmatic approach in managing stakeholders' expectations to support its long-term strategy. Pertinent information and news are regularly conveyed to the stakeholders through SGXNET and social media page such as Facebook.

Additionally, the Company maintains a corporate website at <https://www.jason.com.sg> to communicate and engage with stakeholders through the contact information of the Company which can be found on the website.

## SUSTAINABILITY COMMITTEE

The Sustainability Committee ("SC") comprises:

Mr Foo Chew Tuck (Chairman)  
Mr Derrick Chan Kwok Yuan (Member)  
Mr Ooi Chee Kong (Member)  
Ms Tan Fah Yin (Member)  
Ms May Lim San San (Member)

The SC was formed in FY2017 and headed by the Executive Chairman and CEO, Mr Foo Chew Tuck. The SC's responsibilities, as set out in its written terms of reference approved by the Board, are in the area of the Group's environmental, social and governance policies in line with SGX-ST's guidelines and regulations.

## DEALINGS IN SECURITIES

An Internal Code of Best Practices on Securities Transactions has been adopted to prescribe the internal regulations pertaining to the securities of the Company. This code prohibits securities dealings by the Directors and the Group's employees while in possession of price-sensitive and/or trade-sensitive information and on short-term considerations. All Directors and the Group's employees are also prohibited from dealing in the securities of the Company for a period of one month prior to the release of the half-year and full-year financial results of the Company. In addition, the officers of the Company are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading periods.

## CONTINUING SPONSOR

With reference to Rule 1204(21) of the Catalist Rules, the Company's continuing sponsor in FY2022, CIMB Bank Berhad, Singapore Branch ("CIMB"), did not provide any non-sponsor services to the Company and no non-sponsor fees were paid by the Company to CIMB during FY2022.

SAC Capital Private Limited ("SAC") was appointed as the Company's continuing sponsor in place of CIMB with effect from 11 August 2021 in FY2022 and no fees relating to non-sponsorship activities or services were paid to SAC during FY2022.

# CORPORATE GOVERNANCE REPORT

## INTERESTED PERSON TRANSACTIONS

Details of the interested person transactions for FY2022 presented in the format as required under Rule 907 of the Catalist Rules is tabled below:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during FY2022(excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$'000)
<u>Mr Foo Chew Tuck</u>			
<u>(Executive Chairman and CEO)</u>			
Lease of office premises from:			
(i)	JE Holdings Pte Ltd	(1) 166	–
(ii)	Unity Consultancy Pte Ltd	(1) 13	–
(iii)	Jason Harvest Pte Ltd	(1) 46	–
Total:		225	–

**Note:**

(1) JE Holdings Pte Ltd, Unity Consultancy Pte Ltd and Jason Harvest Pte Ltd are controlled by Mr Foo Chew Tuck, the Group's Executive Chairman and CEO.

The Company did not obtain any general mandate from Shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules.

Save as disclosed above, there are no material contracts or loans entered into by the Group involving the interests of the CEO, any Director or Controlling Shareholder of the Company, either still subsisting at the end of FY2022 or if not subsisting, were entered into since the end of the previous financial year.



# CORPORATE GOVERNANCE REPORT

## RISK MANAGEMENT

### Inherent industry risk

The Group is exposed to the volatility in market condition of the industries that it operates in. Such volatility could be due to factors like, volatility in freight and charter rates, oil price and the demand and supply of shipping capacity. However, the Group's exposure to such fluctuations is reduced by the establishment of the Group's operations in the various geographical locations, its worldwide customer base and involvement in different sectors and industries. Through the geographic spread and diversity of industry of the Group's operations, the Group reduces dependence on market conditions within a particular sector, industry or location.

In addition, the Group actively seeks to develop new markets and expand its scope of products and services for further growth. Hence, the Group is able to spread its business risks and reduce excessive reliance on any one particular customer, location or industry.

### Dependence on key management personnel

The continued success of the Group, to certain extent, is dependent on its key management, technical and engineering personnel. The Group constantly looks into the issue of attracting, retaining, training and recruiting suitably qualified personnel for its operations to ensure that the team continues to be driven and well-guided to pursue further challenges ahead.

The Group is committed to provide the necessary training to its technical and engineering staff force to ensure that their skills stay relevant and measure up to the industries' and customers' requirements in order to retain its competitive edge.

### Project execution risk

The Group is required to conform with technical specifications, operational procedures and time schedule for the satisfactory completion of any project contracted to the Group. The agreement between the Group and its customers would normally include a provision for the payment of liquidated damages by the Group in the event that the Group is unable to complete the projects in accordance with the terms of the contract. Unforeseeable circumstances could disrupt or delay the completion of the projects that the Group undertakes from time to time. Such disruption and/or delay will result in cost overruns and higher operating costs which may materially and adversely affect the Group's profitability. If the Group is the cause of the delay in the completion of the projects, the Group will be liable for liquidated damages which may materially and adversely affect its reputation, operations or financial performance. In addition, any failure by the Group to complete projects according to customers' specifications may also lead to claims of liquidated damages against the Group which would adversely affect its financial performance.

# CORPORATE GOVERNANCE REPORT

## ADDITIONAL REQUIREMENTS UNDER RULE 720(5) OF THE CATALIST RULES

Information relating to the Directors seeking re-election and/or appointment at the forthcoming AGM of the Company to be convened on 26 July 2022 is as follows:

Name of Director	Eileen Tay-Tan Bee Kiew	Sin Hang Boon
Date of Appointment	15 September 2009	15 September 2009
Date of last re-appointment	28 August 2020	28 August 2020
Age	69	83
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company concurred with the NC that Mrs Eileen Tay-Tan Bee Kiew remains objective in expressing her views and in participating in the deliberation and decision making of the Board and Board committees, notwithstanding her tenure in office of more than 9 years, and is of the view that she is suitable for re-appointment as the Lead Independent Director of the Company, the Chairperson of the Audit and Risk Committee as well as a member of the Nominating Committee and Remuneration Committee.	The Board of Directors of the Company concurred with the NC that Mr Sin Hang Boon remains objective in expressing his views and in participating in the deliberation and decision making of the Board and Board committees, notwithstanding his tenure in office of more than 9 years, and is of the view that he is suitable for re-appointment as the Independent Director of the Company, the Chairman of the Nominating Committee as well as a member of the Audit and Risk Committee and Remuneration Committee.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	<ul style="list-style-type: none"> <li>• Lead Independent Director</li> <li>• Chairperson of the Audit and Risk Committee</li> <li>• Member of the Nominating Committee</li> <li>• Member of the Remuneration Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Independent Director</li> <li>• Chairman of the Nominating Committee</li> <li>• Member of the Remuneration Committee</li> <li>• Member of the Audit and Risk Committee</li> </ul>

# CORPORATE GOVERNANCE REPORT

Name of Director	Eileen Tay-Tan Bee Kiew	Sin Hang Boon
Professional qualifications	<ul style="list-style-type: none"> <li>Bachelor of Accountancy (Honours), University of Singapore</li> <li>Fellow Member of the Institute of Singapore Chartered Accountants (ISCA)</li> <li>Fellow Member of the Chartered Institute of Management Accountants (CIMA)</li> <li>CPA Australia</li> <li>Licentiate of Trinity College London</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Science in Physics, Nanyang University</li> <li>Diploma in Business Administration, University of Singapore</li> <li>Advanced Management Program, Harvard Graduate School of Business Administration</li> </ul>
Working experience and occupation(s) during the past 10 years	Took on independent directorships on boards of companies on full time basis since 2008	Took on independent directorships on boards of companies on full time basis since 2011
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil
Conflict of Interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	<u>Past</u> <ul style="list-style-type: none"> <li>Cordlife Group Ltd</li> <li>Sunningdale Tech Ltd</li> <li>Singapore Kitchen Equipment Ltd</li> </ul>	<u>Past</u> <ul style="list-style-type: none"> <li>Cooinda Asia Pte Ltd</li> </ul>
Past (for the last 5 years) Present		<u>Present</u> <ul style="list-style-type: none"> <li>Idea Services Pte Ltd</li> <li>Yahava Koffee Works (Singapore) Private Limited</li> </ul>

# CORPORATE GOVERNANCE REPORT

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

Name of Director	Eileen Tay-Tan Bee Kiew	Sin Hang Boon
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No



# CORPORATE GOVERNANCE REPORT

Name of Director	Eileen Tay-Tan Bee Kiew	Sin Hang Boon
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

# CORPORATE GOVERNANCE REPORT

Name of Director	Eileen Tay-Tan Bee Kiew	Sin Hang Boon
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–		
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	Yes  Mrs Eileen Tay-Tan Bee Kiew was appointed as an independent director of Singapore Kitchen Equipment Ltd (“SKE”) in June 2013 and resigned as a director on 20 September 2021. On 13 September 2020, SKE had announced that certain executives were interviewed by Corrupt Practices Investigation Bureau (“CPIB”) and on bail in relation to investigations into offences under Section 6(b) of the Prevention of Corruption Act (Chapter 241). On 28 January 2022, SKE had announced that CPIB is taking no further action in its investigation against one of the executives, and that a conditional warning was administered on another executive.	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

# CORPORATE GOVERNANCE REPORT

Name of Director	Eileen Tay-Tan Bee Kiew	Sin Hang Boon
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	<p data-bbox="579 1108 997 1142">Yes</p> <p data-bbox="579 1176 997 1713">In September 2006, the Monetary Authority of Singapore (“MAS”) issued a supervisory warning to Mrs Eileen Tay-Tan Bee Kiew as a result of a ten days delay by the then-company secretary of Asia Growth Capital Advisory Pte Ltd (“Asia Growth Capital”) in submitting notice of her cessation to act as a representative of Asia Growth Capital. The delay occurred despite her reminder to the then-company secretary of Asia Growth Capital to ensure timely submission of such notice. No further action has been taken and she has not thereafter been contacted by MAS on this matter.</p>	No

# CORPORATE GOVERNANCE REPORT

## Information required

### Disclosure applicable to the appointment of Director only

Name of Director	Eileen Tay-Tan Bee Kiew	Sin Hang Boon
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable as this relates to the re-election of a director	Not applicable as this relates to the re-election of a director
If yes, please provide details of prior experience.		
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.		
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).		

"**principal commitments**" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

# DIRECTORS' STATEMENT

The Directors of Jason Marine Group Limited (the “**Company**”) present their statement to the members together with the audited financial statements of the Company and its subsidiaries (the “**Group**”) for the financial year ended 31 March 2022 and the statement of financial position of the Company as at 31 March 2022.

## 1. OPINION OF THE DIRECTORS

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company together with the notes thereon are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2022, and of the financial performance, changes in equity and cash flows of the Group for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## 2. DIRECTORS

The Directors of the Company in office at the date of this statement are as follows:

Foo Chew Tuck  
Wong Hin Sun Eugene  
Sin Hang Boon @ Sin Han Bun  
Eileen Tay-Tan Bee Kiew  
Colin Low Tock Cheong (Appointed on 27 July 2021)

## 3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.



# DIRECTORS' STATEMENT

## 4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The Directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act 1967 (the "Act"), except as follows:

	Shareholdings registered in the name of Directors		Shareholdings in which Directors are deemed to have an interest	
	Balance at 1 April 2021	Balance at 31 March 2022	Balance at 1 April 2021	Balance at 31 March 2022
<b>Company</b>				
<b>Number of ordinary shares</b>				
Foo Chew Tuck <sup>(1)</sup>	81,300,000	81,300,000	–	–
Wong Hin Sun Eugene <sup>(2)</sup>	–	–	2,650,000	2,650,000

(1) By virtue of Section 7 of the Act, Mr Foo Chew Tuck is deemed to have interests in the shares of all the wholly-owned subsidiary corporations of the Company as at the beginning and end of the financial year.

(2) Sirius Venture Capital Pte. Ltd. ("**Sirius Venture**") owns 2,650,000 shares in the Company and Mr Wong Hin Sun Eugene is the managing director of Sirius Venture. As at the beginning and end of the financial year, Mr Wong Hin Sun Eugene holds 100% of the issued share capital of Sirius Venture and accordingly, he is deemed to have an interest in the shares held by Sirius Venture.

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company state that, according to the Register of Directors' Shareholdings, the Directors' interests as at 21 April 2022 in the shares of the Company have not changed from those disclosed as at 31 March 2022.

## 5. SHARE OPTIONS

### Jason Performance Share Plan

The Company had adopted a performance share plan known as the "Jason Performance Share Plan" ("**PSP**") which was approved by the shareholders at an Extraordinary General Meeting of the Company held on 27 July 2011. The PSP was administered by the Remuneration Committee. It was stated, on its adoption, that the PSP shall continue in operation for a maximum period of 10 years commencing on the date on which the PSP was adopted by the Company and may be continued for any further period thereafter with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The Directors of the Company have decided not to extend the duration of the PSP and accordingly, the PSP had lapsed on 26 July 2021.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option as at the end of the financial year.

# DIRECTORS' STATEMENT

## 6. AUDIT AND RISK COMMITTEE

The Audit and Risk Committee comprises the following members, who are either Non-Executive or Independent Directors. The members of the Audit and Risk Committee during the financial year and at the date of this report are:

Eileen Tay-Tan Bee Kiew (Chairperson)  
Sin Hang Boon @ Sin Han Bun  
Wong Hin Sun Eugene  
Colin Low Tock Cheong

The Audit and Risk Committee performed the functions specified in Section 201B(5) of the Companies Act 1967 and the Singapore Code of Corporate Governance, including the following:

- (i) recommending to the Board on the proposals to Shareholders on the appointment, re-appointment and removal of the external and internal auditors, and approving the remuneration and terms of engagement of the external and internal auditors;
- (ii) reviewing the scope, changes, results and cost-effectiveness of the external and internal audit plan and process, and the independence and objectivity of the auditors;
- (iii) reviewing the Group's half-yearly and annual financial statements and related notes and announcements relating thereto; accounting principles adopted, and the external auditors' report prior to recommending to the Board for approval;
- (iv) reviewing, evaluating and reporting to the Board at least annually, having regard to input from external and internal auditors, the adequacy and effectiveness of the system of internal controls, including financial, operational, compliance and information technology controls;
- (v) reviewing the nature, scope, extent and cost-effectiveness of any non-audit services provided by the external auditors and ensuring that these do not affect the independence and objectivity of the external auditors;
- (vi) reviewing any significant financial reporting issues and judgments and estimates made by the management, so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- (vii) reviewing the effectiveness of the Group's internal audit function;
- (viii) reviewing the interested person transactions reported by the management to ensure that they were carried out on normal commercial terms, and are not prejudicial to the interests of Shareholders;
- (ix) reviewing the assurance from the Executive Chairman and CEO and the Financial Controller on the financial records and financial statements; and
- (x) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

# DIRECTORS' STATEMENT

## 6. AUDIT AND RISK COMMITTEE (CONTINUED)

The Audit and Risk Committee confirmed that it has undertaken a review of all non-audit services provided by the external auditors to the Group and is satisfied that the nature and extent of such services would not affect the independence of the external auditors.

The Audit and Risk Committee has full access to and the co-operation of management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The internal and external auditors have unrestricted access to the Audit and Risk Committee.

The Audit and Risk Committee has recommended to the Board of Directors the nomination of BDO LLP, for re-appointment as external auditors of the Company at the forthcoming Annual General Meeting.

## 7. INDEPENDENT AUDITOR

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.

## 8. ADDITIONAL DISCLOSURE REQUIREMENTS OF THE CATALIST RULES

The auditors of the subsidiary corporations and associates of the Company are disclosed in Note 7 and 8 to the financial statements. In the opinion of the Board of Directors and Audit and Risk Committee, Rule 716 of the Catalist Rules has been complied with.

On behalf of the Board of Directors

**Foo Chew Tuck**  
Director

**Eileen Tay-Tan Bee Kiew**  
Director

Singapore  
30 June 2022

# INDEPENDENT AUDITOR'S REPORT

To The Members of Jason Marine Group Limited

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Jason Marine Group Limited (the "**Company**") and its subsidiaries (the "**Group**"), as set out on pages 39 to 99, which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2022;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the year then ended; and
- notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2022, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### 1. Impairment assessment of trade receivables from third parties and contract assets

As at 31 March 2022, the Group has significant trade receivables from third parties amounting to \$3,981,000, net of an allowance for impairment loss of \$635,000, and contract assets amounting to \$7,214,000, net of an allowance for impairment loss of \$101,000, representing approximately 11% and 21% of the Group's total current assets, respectively.

The Group's customers mainly operate in the marine and offshore oil and gas industries in Asia. Taking into account the challenging market conditions in these industries and financial pressures faced by the Group's customers, there may be an increase in the Group's credit risk exposure.

The Group determined expected credit losses ("**ECL**") on trade receivables from third parties and contract assets by making individual assessment of expected credit loss for long overdue balances and using a provision matrix for remaining amounts based on its historical credit loss experience with forward looking assumptions. Management takes into account historical provision trend and other relevant factors.

We focused on this area as a key audit matter as significant judgements are involved in determining ECL on trade receivables from third parties and contract assets.

# INDEPENDENT AUDITOR'S REPORT

To The Members of Jason Marine Group Limited

## Key Audit Matters (Continued)

### 1. Impairment assessment of trade receivables from third parties and contract assets (Continued)

#### Related Disclosures

Refer to Notes 2.10, 3.2, 10, 13 and 33.1 to the accompanying financial statements.

#### Audit Response

Our procedures included, amongst others, the following:

- Obtained an understanding of and assessed the inputs and information, including the aged trade receivables report, used in designing the provision matrix;
- Recomputed ECL using the provision matrix and evaluated management's assessment of the ECL rates, including assumptions surrounding current conditions and forecast of future economic conditions;
- Assessed the aging of trade receivables to identify credit-impaired receivables and reasonableness of the ECL made for these balances;
- Checked for subsequent receipts of selected samples of trade receivables;
- Evaluated the progress of on-going projects to identify if there are any recoverability issues for contract assets; and
- Assessed the adequacy of the disclosures in the financial statements.

#### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.



# INDEPENDENT AUDITOR'S REPORT

To The Members of Jason Marine Group Limited

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# INDEPENDENT AUDITOR'S REPORT

To The Members of Jason Marine Group Limited

## Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Adrian Lee Yu-Min.

## **BDO LLP**

Public Accountants and  
Chartered Accountants

Singapore  
30 June 2022

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Note	Group		Company	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Non-current assets</b>					
Intangible asset	4	20	33	–	–
Plant and equipment	5	963	882	–	–
Right-of-use assets	6	560	452	94	–
Investments in subsidiaries	7	–	–	15,555	15,555
Investments in associates	8	69	76	–	–
Financial assets, at fair value through other comprehensive income	9	281	260	–	–
Trade and other receivables	10	81	23	–	–
Deferred tax assets	11	8	5	–	–
<b>Total non-current assets</b>		<b>1,982</b>	<b>1,731</b>	<b>15,649</b>	<b>15,555</b>
<b>Current assets</b>					
Inventories	12	3,312	2,718	–	–
Trade and other receivables	10	4,859	4,293	2,753	721
Contract assets	13	7,214	7,790	–	–
Prepayments		472	346	10	11
Income tax recoverable		2	3	–	–
Cash and cash equivalents	15	18,957	15,173	4,994	6,188
<b>Total current assets</b>		<b>34,816</b>	<b>30,323</b>	<b>7,757</b>	<b>6,920</b>
<b>Current liabilities</b>					
Trade and other payables	16	5,880	4,566	474	485
Contract liabilities	13	2,484	2,780	–	–
Derivative financial instruments	14	–	37	–	–
Income tax payable		32	28	–	–
Loans and borrowings	17	991	–	–	–
Lease liabilities	18	415	367	94	–
<b>Total current liabilities</b>		<b>9,802</b>	<b>7,778</b>	<b>568</b>	<b>485</b>
<b>Net current assets</b>		<b>25,014</b>	<b>22,545</b>	<b>7,189</b>	<b>6,435</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	11	3	3	–	–
Loans and borrowings	17	3,271	–	–	–
Lease liabilities	18	125	57	–	–
<b>Total non-current liabilities</b>		<b>3,399</b>	<b>60</b>	<b>–</b>	<b>–</b>
<b>Net assets</b>		<b>23,597</b>	<b>24,216</b>	<b>22,838</b>	<b>21,990</b>
<b>Equity</b>					
Share capital	19	17,967	17,967	17,967	17,967
Treasury shares	20	(255)	(255)	(255)	(255)
Fair value adjustment reserve	21	(311)	(332)	–	–
Foreign currency translation account	22	(206)	(116)	–	–
Retained earnings	23	6,345	6,893	5,126	4,278
<b>Equity attributable to owners of the parent</b>		<b>23,540</b>	<b>24,157</b>	<b>22,838</b>	<b>21,990</b>
Non-controlling interests		57	59	–	–
<b>Total equity</b>		<b>23,597</b>	<b>24,216</b>	<b>22,838</b>	<b>21,990</b>

The accompanying notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 \$'000	2021 \$'000
Revenue	24	30,924	30,149
Cost of sales		(21,776)	(21,625)
Gross profit		9,148	8,524
<b>Other item of income</b>			
Other income	25	792	2,223
<b>Other items of expense</b>			
Distribution costs		(5,114)	(5,135)
General and administrative expenses		(3,899)	(4,020)
Other expenses		(615)	(1,208)
Finance costs	26	(84)	(15)
Write-back of/(Allowance for) impairment loss on financial assets	27	55	(25)
Share of results of associates, net of tax	8	(7)	(13)
<b>Profit before income tax</b>	27	276	331
Income tax expense	28	(43)	(29)
<b>Profit for the financial year</b>		233	302
<b>Other comprehensive income:</b>			
<i>Items that will or may be reclassified subsequently to profit or loss:</i>			
Foreign currency differences on translation of foreign operations		(85)	(22)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Fair value changes on financial assets, at fair value through other comprehensive income		21	(553)
Other comprehensive income for the financial year, net of tax		(64)	(575)
Total comprehensive income for the financial year		169	(273)
<b>Profit attributable to:</b>			
Owners of the parent		240	312
Non-controlling interests		(7)	(10)
		233	302
<b>Total comprehensive income attributable to:</b>			
Owners of the parent		171	(262)
Non-controlling interests		(2)	(11)
		169	(273)
<b>Earnings per share</b>			
– Basic and diluted (cents)	29	0.23	0.30

The accompanying notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	Share capital \$'000	Treasury shares \$'000	Fair value adjustment reserve \$'000	Foreign currency translation account \$'000	Retained earnings \$'000	Equity attributable to owners of the parent \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Group</b>									
Balance at 1 April 2021		17,967	(255)	(332)	(116)	6,893	24,157	59	24,216
<b>Profit for the financial year</b>		-	-	-	-	240	240	(7)	233
<b>Other comprehensive income for the financial year</b>									
Fair value changes on financial assets, at fair value through other comprehensive income		-	-	21	-	-	21	-	21
Foreign currency differences on translation of foreign operations		-	-	-	(90)	-	(90)	5	(85)
<b>Total comprehensive income for the financial year</b>		-	-	21	(90)	240	171	(2)	169
<b>Distributions to owners of the parent</b>									
Dividend paid	30	-	-	-	-	(788)	(788)	-	(788)
Balance at 31 March 2022		17,967	(255)	(311)	(206)	6,345	23,540	57	23,597

The accompanying notes form an integral part of these financial statements.



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	Share capital \$'000	Treasury shares \$'000	Fair value adjustment reserve \$'000	Foreign currency translation account \$'000	Retained earnings \$'000	Equity attributable to owners of the parent \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Group</b>									
Balance at 1 April 2020		17,967	(255)	221	(95)	7,106	24,944	70	25,014
<b>Profit for the financial year</b>		-	-	-	-	312	312	(10)	302
<b>Other comprehensive income for the financial year</b>									
Fair value changes on financial assets, at fair value through other comprehensive income		-	-	(553)	-	-	(553)	-	(553)
Foreign currency differences on translation of foreign operations		-	-	-	(21)	-	(21)	(1)	(22)
<b>Total comprehensive income for the financial year</b>		-	-	(553)	(21)	312	(262)	(11)	(273)
<b>Distributions to owners of the parent</b>									
Dividend paid	30	-	-	-	-	(525)	(525)	-	(525)
Balance at 31 March 2021		17,967	(255)	(332)	(116)	6,893	24,157	59	24,216

The accompanying notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	2022 \$'000	2021 \$'000
<b>Operating activities</b>		
Profit before income tax	276	331
Adjustments for:		
Allowance for/(Write back of) inventory obsolescence	508	(8)
Amortisation of intangible asset	13	6
Depreciation of plant and equipment and right-of-use assets	772	672
Dividend income from investment in financial assets, at FVOCI	(37)	–
Fair value (gain)/loss on derivative financial instrument	(37)	1,429
Gain on disposal of plant and equipment	(9)	–
Interest income	(45)	(46)
Interest expense	84	15
Inventory written off	106	–
Plant and equipment written off	1	–
Share of results of associates	7	13
Unrealised exchange gain	(97)	(66)
(Write-back of)/Allowance for impairment loss on trade receivables, net	(55)	25
Write-back of trade payables	(156)	(34)
Operating cash flows before working capital changes	1,331	2,337
Working capital changes:		
Inventories	(1,181)	1,415
Trade and other receivables	(569)	2,576
Contract assets	576	(4,365)
Prepayments	(126)	(163)
Trade and other payables	1,470	92
Contract liabilities	(296)	200
Cash generated from operations	1,205	2,092
Interest received	45	46
Income tax paid	(41)	(3)
<b>Net cash generated from operating activities</b>	1,209	2,135
<b>Investing activities</b>		
Dividend received from investment in financial assets, at FVOCI	37	–
Proceeds from disposal of plant and equipment	15	–
Purchase of intangible asset	–	(39)
Purchase of plant and equipment	(476)	(495)
<b>Net cash used in investing activities</b>	(424)	(534)
<b>Financing activities</b>		
Dividend paid	(788)	(525)
Drawdown of term loans	5,000	–
Repayment of term loans	(738)	–
Interest paid	(84)	(15)
Repayment of lease liabilities	(401)	(403)
<b>Net cash generated from/(used in) financing activities</b>	2,989	(943)
<b>Net change in cash and cash equivalents</b>	3,774	658
Cash and cash equivalents at beginning of financial year	15,173	14,643
Effects of foreign exchange rate changes on cash and cash equivalents	10	(128)
<b>Cash and cash equivalents at end of financial year</b>	18,957	15,173

The accompanying notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## 1. GENERAL CORPORATE INFORMATION

Jason Marine Group Limited (the "Company") (Registration Number 200716601W) is a public limited liability company, incorporated and domiciled in the Republic of Singapore with its registered office and principal place of business at 194 Pandan Loop, #06-05 Pantech Business Hub, Singapore 128383. The Company is listed on the Catalist board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The principal activities of the Company are those of investment holding and the provision of management consultancy services for the business functions and affairs of its subsidiaries.

The principal activities of the subsidiaries are set out in Note 7 to the financial statements.

The ultimate controlling party is Mr Foo Chew Tuck, a Director of the Company.

The statement of financial position of the Company and the consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 31 March 2022 were authorised for issue in accordance with a Directors' resolution dated 30 June 2022.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") under the historical cost convention, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar ("S") which is the functional currency of the Company and the presentation currency for the consolidated financial statements and all values presented are rounded to the nearest thousand ("S'000") as indicated.

The preparation of financial statements in compliance with SFRS(I) requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on the management's best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have the most significant effect on the financial statements are disclosed in Note 3 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.1 Basis of preparation (Continued)

#### Changes in accounting policies

#### *New standards, amendments and interpretations effective from 1 April 2021*

The standards, amendments to standards, and interpretations, issued by Accounting Standards Council Singapore ("ASC") that will apply for the first time by the Group are not expected to impact the Group as they are either not relevant to the Group's business activities or require accounting which is consistent with the Group's current accounting policies.

#### *SFRS(I) issued but not yet effective*

At the date of authorisation of these financial statements, the following SFRS(I) were issued but not yet effective, and have not been adopted early in these financial statements:

		Effective date (annual periods beginning on or after)
SFRS(I) 3 (Amendments)	: Reference to the Conceptual Framework	1 January 2022
SFRS(I) 1-16 (Amendments)	: Property, Plant and Equipment – Proceeds before intended use	1 January 2022
SFRS(I) 1-37 (Amendments)	: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Various amendments	: Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
SFRS(I) 1-1 (Amendments)	: Classification of Liabilities as Current or Non-current	1 January 2023
SFRS(I) 1-1 and SFRS(I) Practice Statement 2 (Amendments)	: Disclosure of Accounting Policies	1 January 2023
SFRS(I) 1-8 (Amendments)	: Definition of Accounting Estimates	1 January 2023
SFRS(I) 1-12 and SFRS(I) 1 (Amendments)	: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
SFRS(I) 17	: Insurance Contracts	1 January 2023
SFRS(I) 17 (Amendments)	: Various Amendments	1 January 2023
SFRS(I) 17 (Amendments)	: Initial Application of SFRS(I) 17 and SFRS(I) 9 – Comparative Information	1 January 2023
SFRS(I) 10 and SFRS(I) 1-28 (Amendments)	: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Consequential amendments were also made to various standards as a result of these new or revised standards.

Management anticipates that the adoption of the above SFRS(I), if applicable in future periods, will not have a material impact on the financial statements of the Group in the period of their initial adoption.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries made up to the end of the reporting period. The financial statements of the subsidiaries are prepared for the same reporting date as that of the parent company.

Accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group to ensure consistency.

Subsidiaries are consolidated from the date on which control is transferred to the Group to the date on which that control ceases. In preparing the consolidated financial statements, inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment loss of the asset transferred.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of subsidiaries, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.3 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration transferred for the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. Consideration transferred also includes any contingent consideration measured at the fair value at the acquisition date. Subsequent changes in fair value of contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair values at the acquisition date.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and initially measured at the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities and contingent liabilities assumed.

If, after reassessment, the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase.

### 2.4 Intangible asset

#### *Computer software*

Computer software license is initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditure, which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured, is recognised as a capital improvement and added to the original cost of the software. Costs associated with maintaining the computer software are recognised as an expense as incurred.

Computer software license is subsequently carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is calculated using the straight-line method to allocate the amount of the computer software over its estimated useful life of three years.

Computer software license is assessed for impairment whenever there is an indication that the intangible asset may be impaired. The useful life and amortisation method are reviewed at each financial year end to ensure that the period of amortisation and amortisation method are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the computer software.

Fully amortised intangible asset is retained in the financial statements until they are no longer in use.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.5 Plant and equipment

Plant and equipment are initially recorded at cost. Subsequent to initial recognition, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure relating to the plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that the future economic benefits, in excess of the standard performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the financial year the asset is derecognised.

Depreciation is calculated using the straight-line method to allocate the depreciable amounts of the plant and equipment over their estimated useful lives as follows:

	Years
Office equipment	7
Furniture and fittings	10
Motor vehicles	5
Electrical fittings	7
Plant and machinery	1-7
Renovation	3
Computers	3

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed at each financial year end to ensure that the residual values, period of depreciation and depreciation method are consistent with previous estimates and expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

### 2.6 Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the separate financial statements of the Company, investments in subsidiaries are carried at cost, less any impairment loss that has been recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.7 Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Associates are initially recognised in the consolidated statement of financial position at cost, and subsequently accounted for using the equity method less any impairment losses. Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is included in the carrying amount of the investment in associates.

In applying the equity method of accounting, the Group's share of its associate's post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition movements in reserves is recognised in other comprehensive income. These post-acquisition movements are adjusted against the carrying amount of the investments. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or has made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

After application of the equity method of accounting, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investments in associates.

For financial statements of the associate which are prepared as of the same reporting date of the Company, the most recent available audited financial statements of the associate are used by the Group in applying the equity method, where the date of the audited financial statements used is not co-terminus with that of the Group, the share of results is arrived at from the audited financial statements available and unaudited management financial statements to the end of the financial year.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.8 Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment loss and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups of assets. Impairment loss is recognised in profit or loss.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less cost to sell and its value in use. Recoverable amount is determined for individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the recoverable amount is determined for the cash-generating unit to which the assets belong. The fair value less costs to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties, less costs of disposal. Value in use is the present value of estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life, discounted at pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the asset or cash-generating unit for which the future cash flow estimates have not been adjusted.

An assessment is made at the end of each reporting period as to whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. An impairment loss recognised in prior periods is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment loss are recognised in profit or loss. After such a reversal, the depreciation or amortisation is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

### 2.9 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on a "weighted average" basis and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price at which the inventories can be realised in the ordinary course of business less anticipated costs of marketing and distribution. When necessary, allowance is made for obsolete, slow-moving and defective inventories to adjust the carrying value of those inventories to the lower of cost and net realisable value.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.10 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

#### Financial assets

The Group classifies its financial assets into one of the categories below, depending on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group shall reclassify its affected financial assets when and only when the Group changes its business model for managing these financial assets. The Group's accounting policy for each category is as follows:

#### Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these financial assets is included in interest income using the effective interest rate method.

Impairment provisions for trade receivables are recognised based on the simplified approach within SFRS(I) 9 using the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for other receivables which include amounts due from related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

At each of the reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.10 Financial instruments (Continued)

#### Financial assets (Continued)

##### Amortised cost (Continued)

- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is possible that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial liabilities.

The Group's financial assets measured at amortised cost comprise trade and other receivables (excluding advances to suppliers, deferred grant receivables and goods and services tax receivable) and cash and cash equivalents in the consolidated statement of financial position.

##### Financial assets at fair value through other comprehensive income ("FVOCI")

The Group has a number of investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. The Group has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Group considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal, any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investments, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value reserve.

##### Derivative financial instruments

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

##### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.10 Financial instruments (Continued)

#### **Financial liabilities and equity instruments**

##### Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received net of direct issue costs. The Group classifies ordinary shares as equity instruments.

When shares recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of treasury shares.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained earnings of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

##### Financial liabilities

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial guarantee contracts loans commitment and/or contingent consideration in a business combination.

##### *Trade and other payables*

Trade and other payables (excluding advances from customers, deferred grant income and goods and services tax payables) are recognised initially at cost which represents the fair value of the consideration to be paid in the future, less transaction cost, for goods received or services rendered, whether or not billed to the Group, and are subsequently measured at amortised cost using the effective interest method.

##### *Loans and borrowings*

Interest-bearing bank loans are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (Note 2.15).

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of reporting period, in which case they are presented as non-current liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.10 Financial instruments (Continued)

#### **Financial liabilities and equity instruments** (Continued)

##### Financial liabilities (Continued)

##### *Financial guarantee contracts*

The Company has issued corporate guarantees to banks for performance guarantees given to customers of a subsidiary and these guarantees qualify as financial guarantees because the Company is required to reimburse the banks if the subsidiary breach any performance term or condition.

Financial guarantee contract liabilities are measured initially at their fair values, net of transaction costs. Financial guarantee contracts are subsequently measured at the higher of:

- (a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
- (b) the amount of loss provisions determined in accordance with SFRS(I) 9.

##### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

### 2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits with banks and financial institutions. Cash and cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.12 Revenue recognition

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on consideration of which the Group expects to be entitled in exchange for transferring promised good or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes). The consideration promised in the contracts with customers may include fixed amounts, variable amounts or both. The Group's revenue is derived from fixed price contracts and therefore, the amount of revenue earned for each contract is determined by reference to those fixed prices.

##### Sale of goods

Revenue from sale of goods which comprise equipment parts is recognised at point in time when goods are delivered to the customer and the performance obligation to deliver goods to the customer is fulfilled, based on the transaction price stated in the contract, net of any discounts given. Each good delivered to the customer is a single performance obligation.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.12 Revenue recognition (Continued)

#### Sale of goods (Continued)

The Group entered into contracts with customers which comprise the sale and installation of marine satellite, communications and navigational systems. Revenue from sale and installation of marine satellite, communications and navigational systems is recognised over time by reference to management's estimates for similar contracts and the Group's progress towards complete satisfaction of each performance obligation. The stage of completion is measured using the input method by actual costs incurred to date to the estimated total contract costs. The Group progressively invoices the customer on progress claims, where the Group has right over payment over the value of goods transferred to the customer. In the event where the value of goods exceeds the rights of payments from the customer, a contract asset is recognised. Where the payments exceed the value of goods transferred, a contract liability is recognised.

Estimates of revenue or extent of progress toward completion are revised if circumstances changed. Any resulting increase or decrease in estimated revenue are reflected in the profit or loss in the period in which the circumstances give rise to the revision become known by management.

The costs of fulfilling contracts by the customer do not result into a recognition of contract assets if such costs falls within the scope of other SFRS(I)s. The Group will recognise these costs of fulfilling as contract asset only if:

- these costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;
- these costs generate or enhance resources that will be used in satisfying performance obligations in the future; and
- these costs are expected to be recovered.

#### Rendering of services

Revenue from rendering of maintenance services is recognised when the services have been performed and accepted by the customers in accordance to the relevant terms and conditions of the contracts. Each promise to deliver services to the customer relates to a single performance obligation, and therefore each transaction price negotiated relates to the performance obligation's standalone price.

The Group also entered into short-term service contracts of marine satellite equipment with certain customers. Revenue from lease of equipment is recognised over the period of the contract.

#### Airtime revenue

Airtime revenue relates to the provision of airtime services for satellite communication system. Revenue from subscription-based contracts for rendering of airtime services is recognised over the period of the contract. Revenue from pre-paid top up credits for rendering of airtime services is recognised at a point in time when the performance obligation is fulfilled.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.12 Revenue recognition (Continued)

#### Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

#### Dividend income

Dividend income is recognised when the shareholders' right to receive payment is established.

### 2.13 Grants

Grants are recognised at the fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grants relate to expenditures, which are not capitalised, the fair value of grants are credited to profit or loss as and when the underlying expenses are included and recognised in profit or loss to match such related expenditures.

Grants which are receivable in relation to expenses to be incurred in the subsequent financial period, are included as grant receivables and deferred government grants, classified as current assets and current liabilities respectively.

### 2.14 Leases

#### *As lessee*

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of twelve months or less.

The payments for leases of low value assets and short-term leases are recognised as an expense on a straight-line basis over the lease term.

#### Initial measurement

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

Variable lease payments are only included in the measurement of the lease liability if it is depending on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.14 Leases (Continued)

*As lessee (Continued)*

Initial measurement (Continued)

On initial recognition, the carrying amount of lease liabilities also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

The Group presents the right-of-use assets and lease liabilities separately from other assets and other liabilities in the consolidated statement of financial position.

Subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated depreciation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use assets under cost model are depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise the purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset. The right-of-use assets are depreciated based on the following basis:

	Years
Office premises	2
Office equipment	5
Motor vehicles	2

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use may be impaired. The accounting policy on impairment is as described in Note 2.8 to the financial statements.

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any remeasurement due to reassessment or lease modifications.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.14 Leases (Continued)

*As lessee (Continued)*

Subsequent measurement (Continued)

After the commencement date, interest on the lease liabilities is recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When the Group revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the remeasurement is recognised directly in profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting treatment depends on the nature of the modification:

- If the renegotiation in one or more additional assets being leased for an amount commensurate with the standalone price for the additional right-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- In all other cases where the renegotiation increases the scope of the lease (i.e. extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use being adjusted by the same amount.
- If the renegotiation results in a decrease in scope of the lease, both the carrying amount of the lease liability and right-of-use asset reduced by the same proportion to reflect the partial or full termination of the lease with any difference being recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the negotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For lease contracts that convey a right to use an identified asset and require services to be provided by the lessor, the Group have elected to account for the entire contract as a lease. The Group and the Company do not allocate any amount of contractual payments to, and account separately for, any services provided by the lessor as part of the contract.

*As lessor*

When the Group is a lessor, it determines whether each lease entered is a finance or an operating lease at the lease inception date and reassessed only if there is a lease modification. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Whereas, it is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

If the lease arrangement contains lease and non-lease components, the Group applies the principles within SFRS(I) 15 to allocate consideration in the lease arrangement.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.15 Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred using the effective interest method.

### 2.16 Employee benefits

#### Defined contribution plans

Contributions to defined contribution plans are recognised as expenses in profit or loss in the same financial year as the employment that gives rise to the contributions.

#### Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for unutilised annual leave as a result of services rendered by employees up to the end of the reporting period.

### 2.17 Taxes

Income tax expense for the financial year comprises current and deferred taxes. Income tax expense is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity, or other comprehensive income.

Taxable profit differs from profit reported as profit or loss because it excluded items of income or expenses that are taxable or deductible in other years and it further excludes items of income or expenses that are not taxable or tax deductible.

Current income tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to income tax payable in respect of previous financial years.

Deferred tax is provided, using the balance sheet liability method, for temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is measured using the tax rates expected to be applied to the temporary differences when they are realised or settled, based on tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.17 Taxes (Continued)

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same tax authority and there is intention to settle the current tax assets and liabilities on a net basis.

Deferred tax liabilities are recognised for all taxable temporary differences associated with investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

### 2.18 Foreign currency transactions and translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded at the rates of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences arising on the settlement of monetary items and on re-translating of monetary items are recognised in profit or loss for the financial year. Exchange differences arising on the re-translation of non-monetary items carried at fair value are recognised in profit or loss for the financial year except for differences arising on the re-translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the results and financial positions of the Group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rate at the end of the reporting period;
- (ii) income and expenses are translated at average exchange rate for the financial year (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting foreign currency exchange differences are recognised in other comprehensive income and presented in the foreign currency translation account in equity.

### 2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recognised as a liability in the financial year in which the dividends are approved by the shareholders.

### 2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group of executive directors and the chief executive officer who make strategic decisions.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2 to the financial statements, management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 3.1 Critical judgements made in applying the accounting policies

In the process of applying the Group's and the Company's accounting policies, the management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements except as discussed below.

#### (i) Impairment of investments in subsidiaries

The Group and the Company follow the guidance of SFRS(I) 1-36 Impairment of Assets in determining whether investments in subsidiaries are impaired. This process requires significant judgement. The Group and the Company evaluate, among other factors, the duration and extent to which the recoverable amount of an investment in subsidiary is less than its carrying amount, and the financial health and near-term business outlook of the investment. Factors, such as industry and sector performance, operational and financing cash flows were used.

As at 31 March 2022, the carrying amounts of the Company's investment in subsidiaries are disclosed in Note 7 to the financial statements.

### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty as at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next financial year, are discussed below.

#### (i) Allowance for impairment loss of trade and other receivables and contract assets

The Group determines expected credit losses on trade receivables and other receivables and contract assets from third parties by making individual assessment of expected credit loss for long overdue balances and using a provision matrix for remaining balances that is based on historical credit loss experience, past due status of the balances and adjusted with forward looking assumptions, as appropriate. Management takes into account historical provision trend and other relevant factors. Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately. The carrying amounts of the Group's and the Company's trade and other receivables and contract assets as at 31 March 2022 are disclosed in Notes 10 and 13 to the financial statements, respectively.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

#### 3.2 Key sources of estimation uncertainty (Continued)

(ii) Allowance for inventory obsolescence

Inventories are stated at the lower of cost and net realisable value. Management primarily determines cost of inventories using the weighted average method. Management estimates the net realisable value of inventories based on assessment of receipt or committed sales prices and provide for excess and obsolete inventories based on historical, estimated future demand and related pricing. In determining excess quantities, management considers inventory forecast uncertainty, recent sales activities, related margin and market positioning of the products. However, factors beyond its control, such as demand levels and pricing competition, could change from period to period. Such factors may require the Group to reduce the value of its inventories. The carrying amount of the Group's inventories as at 31 March 2022 is disclosed in Note 12 to the financial statements.

(iii) Revenue from contract with customers

Revenue from sale of marine satellite, communications and navigational systems are recognised over time by reference to contract costs incurred to date in proportion to total estimated contract costs of each contract to account for its contract revenue and the Group's progress towards complete satisfaction of each performance obligation.

In deriving an estimated contract cost for each contract, management has performed cost studies, actual costs for similar contracts and recoverability of variation works by taking into account management's estimate for similar contracts. The estimated contract cost is regularly reviewed and revised, as appropriate. Where the actual contract cost is different from the original estimate, such difference will impact revenue in the period in which such estimate has been changed. The carrying amounts of contract assets and contract liabilities are disclosed in Note 13 to the financial statements.

### 4. INTANGIBLE ASSET

	Group	
	2022	2021
	\$'000	\$'000
<b>Computer software</b>		
<b>Cost</b>		
Balance at beginning of financial year	689	650
Addition	–	39
Balance at end of financial year	689	689
<b>Accumulated amortisation</b>		
Balance at beginning of financial year	656	650
Amortisation	13	6
Balance at end of financial year	669	656
<b>Carrying amount</b>		
Balance at end of financial year	20	33



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 5. PLANT AND EQUIPMENT

	Office equipment \$'000	Furniture and fittings \$'000	Motor vehicles \$'000	Electrical fittings \$'000	Plant and machinery \$'000	Renovation \$'000	Computers \$'000	Total \$'000
<b>Group</b>								
<b>2022</b>								
<b>Cost</b>								
Balance at 1 April 2021	317	318	438	54	1,429	178	647	3,381
Additions	30	–	–	2	404	4	36	476
Written off	(64)	(278)	–	(23)	(92)	–	(224)	(681)
Disposals	–	–	(35)	–	–	–	(3)	(38)
Transfer to inventories	–	–	–	–	(47)	–	–	(47)
Currency translation differences	–	–	1	–	–	–	2	3
Balance at 31 March 2022	283	40	404	33	1,694	182	458	3,094
<b>Accumulated depreciation</b>								
Balance at 1 April 2021	255	303	306	47	844	163	581	2,499
Depreciation	20	4	45	2	239	8	44	362
Written off	(64)	(278)	–	(23)	(92)	–	(223)	(680)
Disposals	–	–	(31)	–	–	–	(1)	(32)
Transfer to inventories	–	–	–	–	(20)	–	–	(20)
Currency translation differences	–	–	1	–	–	–	1	2
Balance at 31 March 2022	211	29	321	26	971	171	402	2,131
<b>Carrying amount</b>								
Balance at 31 March 2022	72	11	83	7	723	11	56	963
<b>2021</b>								
<b>Cost</b>								
Balance at 1 April 2020	297	318	399	52	1,060	173	629	2,928
Additions	19	–	38	2	412	5	19	495
Written off	–	–	–	–	(1)	–	(1)	(2)
Transfer to inventories	–	–	–	–	(42)	–	–	(42)
Currency translation differences	1	–	1	–	–	–	–	2
Balance at 31 March 2021	317	318	438	54	1,429	178	647	3,381
<b>Accumulated depreciation</b>								
Balance at 1 April 2020	236	298	259	44	686	156	534	2,213
Depreciation	19	5	46	3	179	7	47	306
Written off	–	–	–	–	(1)	–	(1)	(2)
Transfer to inventories	–	–	–	–	(19)	–	–	(19)
Currency translation differences	–	–	1	–	(1)	–	1	1
Balance at 31 March 2021	255	303	306	47	844	163	581	2,499
<b>Carrying amount</b>								
Balance at 31 March 2021	62	15	132	7	585	15	66	882

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 6. RIGHT-OF-USE ASSETS

	Office premises \$'000	Office equipment \$'000	Motor vehicles \$'000	Total \$'000
<b>Group</b>				
<b>2022</b>				
Balance at 1 April 2021	420	6	26	452
Additions	203	–	–	203
Depreciation	(394)	(3)	(13)	(410)
Modifications to lease term	314	–	–	314
Currency translation differences	1	–	–	1
Balance at 31 March 2022	544	3	13	560
<b>2021</b>				
Balance at 1 April 2020	392	10	12	414
Additions	40	–	–	40
Depreciation	(350)	(4)	(12)	(366)
Modifications to lease term	338	–	26	364
Balance at 31 March 2021	420	6	26	452

	Company	
	2022 \$'000	2021 \$'000
<b>Office premises</b>		
<b>Cost</b>		
Balance at beginning of financial year	–	–
Additions	94	–
Balance at end of financial year	94	–

## 7. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022 \$'000	2021 \$'000
Unquoted equity shares, at cost	16,100	16,100
Allowance for impairment loss	(545)	(545)
	15,555	15,555

In prior years, allowance for impairment loss was recognised relating to the investment in a subsidiary which was loss-making. The recoverable amounts of the investment were determined using Company's share of net identifiable assets which approximate its fair value less cost to sell.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:

Name of subsidiaries (Country of incorporation and principal place of business)	Principal activities	Proportion of ownership interest held by the Group		Proportion of ownership interest held by non-controlling interests	
		2022	2021	2022	2021
		%	%	%	%
<b>Held by the Company</b>					
Jason Electronics (Pte) Ltd <sup>(1)</sup> (Singapore)	Design, integration, installation and commissioning of radio, satellite communication and navigational systems	100	100	–	–
Jason Asia Pte Ltd <sup>(1)</sup> (Singapore)	Sales and service of marine communication and navigational systems	100	100	–	–
Jason Venture Pte. Ltd. <sup>(1)</sup> (Singapore)	Investment holding	100	100	–	–
Jason Energy Pte. Ltd. <sup>(1)</sup> (Singapore)	Sales and service of marine communication, navigational and automation systems	100	100	–	–
Marine Innovation Pte. Ltd. <sup>(1)</sup> (Singapore)	Sales and service of marine communication, navigational and automation systems	100	100	–	–
<b>Held by Jason Venture Pte. Ltd.</b>					
Jason Elektronik (M) Sdn. Bhd. <sup>(2)</sup> (Malaysia)	Trading and servicing of communication, navigational and automation systems	100	100	–	–
Jason (Shanghai) Co., Ltd <sup>(3)</sup> (People's Republic of China)	Sales and service of radio, satellite communication and navigational systems	100	100	–	–
PT Jason Elektronika <sup>(4)</sup> (Indonesia)	Import trading, maintenance and support services of communication, navigational and automation equipment and spares	99	99	–	–

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (Continued)

Name of subsidiaries (Country of incorporation and principal place of business)	Principal activities	Proportion of ownership interest held by the Group		Proportion of ownership interest held by non-controlling interests	
		2022	2021	2022	2021
		%	%	%	%
<b>Held by Jason Venture Pte. Ltd.</b>					
(Continue)					
Jason Korea Co., Ltd. <sup>(5)</sup> (South Korea)	Manufacturing, sales and service of marine offshore and industrial communication, navigational and automation systems	51	51	49	49
Koden Singapore Pte. Ltd. <sup>(1)</sup> (Singapore)	Marketing, sales, distribution and servicing of marine electronic products	60	60	40	40
Jason Marine Electronics Spain, S.L. <sup>(5)(a)</sup> (Spain)	Service of marine electronics equipment and related services to vessels	100	–	–	–
<b>Held by Jason Asia Pte Ltd</b>					
PT Jason Elektronika <sup>(4)</sup> (Indonesia)	Import trading, maintenance and support services of communication, navigational and automation equipment and spares	1	1	–	–

(1) Audited by BDO LLP, Chartered Accountants, Singapore

(2) Audited by UHY, Chartered Accountants, Malaysia

(3) Audited by SBA Stone Forest Shanghai, Certified Public Accountants (Partnership), People's Republic of China

(4) Audited by KAP Tanubrata Sutanto Fahmi Bambang & Rekan, Indonesia, a member of BDO International Limited

(5) Not required to be audited in the country of incorporation

### *Incorporation of a new subsidiary*

(a) The Company's subsidiary, Jason Venture Pte. Ltd., incorporated Jason Marine Electronics Spain, S.L., a wholly-owned subsidiary in Spain with a registered capital of EUR\$250,000 (equivalent to approximately \$404,000) during the year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 8. INVESTMENTS IN ASSOCIATES

	Group	
	2022 \$'000	2021 \$'000
Balance at beginning of financial year	76	89
Share of results of associates, net of tax	(7)	(13)
Balance at end of financial year	69	76

The details of the associates are as follows:

Name of associates (Country of incorporation and principal place of business)	Principal activities	Effective equity interest held by the Group	
		2022 %	2021 %
Jason Electronics (Thailand) Co., Ltd <sup>(1)</sup> (Thailand)	Sales and service of radio, satellite communications and navigational system	49	49
Sense Infosys Pte. Ltd. <sup>(2)</sup> (Singapore)	Provision of consultancy and software development and marine networking and communication	–	24

(1) Audited by Ruk Pattanavibul, Chartered Accountant, Thailand

(2) Liquidated during the year

On 1 November 2021, the Company announced that the creditors' voluntary liquidation proceedings of Sense Infosys Pte. Ltd. ("Sense Infosys"), a 24%-owned associated company held through Jason Venture Pte. Ltd. ("JVPL") (a wholly-owned subsidiary of the Group), has been completed and the associate was dissolved from the Register of Companies under creditors' voluntary winding up. Accordingly, Sense Infosys has ceased to be an associate of the Company.

As at 31 March 2022, no summarised financial information of the Group's investment in associates was presented as there are no significant associates.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 9. FINANCIAL ASSETS, AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group	
	2022 \$'000	2021 \$'000
Balance at beginning of financial year	260	813
Fair value changes recognised in other comprehensive income, net	21	(553)
Balance at end of financial year	281	260
Quoted equity securities:		
– Singapore Exchange Securities Trading Limited in Singapore	7	9
– OTC Market in the United States of America	–	81
Unquoted equity securities	274	170
	281	260

The Group designated these investments as financial assets, at fair value through other comprehensive income ("FVOCI") because the Group intends to hold these investments for the long-term strategic purposes. Accordingly, management has elected to designate these investments in equity instruments as FVOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long-term.

No investment in equity instruments measured at FVOCI has been disposed during the current reporting period.

The fair value of the Group's investment in quoted equity securities was based on the closing quoted market price on the last market trading day of the financial year.

The fair value of the Group's investment in unquoted equity securities was valued by an independent valuation firm and the valuation techniques used to derive the fair value is adjusted Net Asset Value ("NAV") method as disclosed in Note 33.6 to the financial statements.

The currency profiles of financial assets measured at FVOCI as at the end of the reporting period are as follows:

	Group	
	2022 \$'000	2021 \$'000
United States dollar	–	81
Singapore dollar	7	9
Chinese renminbi	274	170
	281	260



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 10. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Non-current</b>				
Finance lease receivables – third parties	70	23	–	–
Other receivables – third parties	11	–	–	–
	81	23	–	–
<b>Current</b>				
Trade receivables				
– third parties	4,616	4,595	–	–
– finance lease receivables – third parties	104	35	–	–
– goods and services tax receivables	139	74	–	–
	4,859	4,704	–	–
Allowance for impairment loss on doubtful trade receivables – third parties	(635)	(701)	–	–
Trade receivables from third parties	4,224	4,003	–	–
Trade receivables from an associate	118	37	–	–
Trade receivables from subsidiaries	–	–	2,215	692
	4,342	4,040	2,215	692
Other receivables				
– third parties	37	32	1	1
– deferred grant receivables	–	31	–	28
– subsidiaries	–	–	1,115	578
	37	63	1,116	607
Allowance for impairment loss on doubtful other receivables – third parties	–	(23)	–	–
Allowance for impairment loss on doubtful other receivables – subsidiaries	–	–	(578)	(578)
	37	40	538	29
Security and other deposits	86	77	–	–
Advances to suppliers	388	128	–	–
Advances to staff	6	8	–	–
Total trade and other receivables	4,940	4,316	2,753	721
Add:				
– Cash and cash equivalents (Note 15)	18,957	15,173	4,994	6,188
Less:				
– Advances to suppliers	(388)	(128)	–	–
– Deferred grant receivables	–	(31)	–	(28)
– Goods and services tax receivables	(139)	(74)	–	–
Financial assets carried at amortised cost	23,370	19,256	7,747	6,881

Trade receivables are unsecured, interest-free and generally on 30 to 90 (2021: 30 to 90) days credit terms. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

Other receivables (non-trade) due from third parties are unsecured, interest-free with fixed repayment terms.

Other receivables (non-trade) due from subsidiaries are non-trade in nature, unsecured, non-interest bearing, repayable on demand, except for a loan amounting to \$500,000 which is unsecured, bears interest of 5% per annum and is repayable on 31 March 2023.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 10. TRADE AND OTHER RECEIVABLES (CONTINUED)

In previous financial year, deferred grant receivables related to Jobs Support Scheme ("JSS") announced by the Singapore Government to provide wage support to employers to help them retain their local employees during this period of economic uncertainty due to the COVID-19 pandemic. In determining the timing of recognition of the JSS grant income, the management evaluated the Group is impacted from April 2020 onwards following the circuit-breaker measure and recognised grant income of \$167,000 (2021: \$1,203,000) (Note 25) during the financial year.

In previous financial years, full impairment loss was provided on the other receivable due from a subsidiary, JVPL, as JVPL suffered financial loss as the investment in an associate (i.e. Sense Infosys) held by JVPL was liquidated as disclosed in Note 8 to financial statements.

Advances to suppliers pertain to the payments made in advance for the purchase of inventories.

Advances to staff is unsecured, interest-free and repayable on demand.

Movements in allowance for impairment loss on doubtful trade receivables from third parties are as follows:

	Group	
	2022	2021
	\$'000	\$'000
Balance at beginning of financial year	701	779
Allowance made during the financial year	18	88
Write-back of allowance during the financial year	(73)	(63)
Allowance written off during the financial year	(13)	(77)
Currency translation differences	2	(26)
Balance at end of financial year	635	701

The write-back of allowance for impairment loss on doubtful trade receivables from third parties amounting to approximately \$73,000 (2021: \$63,000) was recognised in profit or loss when the related trade receivables were subsequently recovered.

Movements in allowance for impairment loss on doubtful other receivables from third parties are as follows:

	Group	
	2022	2021
	\$'000	\$'000
Balance at beginning of financial year	23	23
Allowance written off during the financial year	(23)	–
Balance at end of financial year	–	23

There was no movement in allowance for impairment loss on doubtful other receivables from subsidiaries during the financial years ended 31 March 2022 and 31 March 2021.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 10. TRADE AND OTHER RECEIVABLES (CONTINUED)

### Finance lease receivables

	Group			
	Minimum lease payments		Present value of minimum lease payments	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Amount receivable under finance leases</b>				
Within one year	109	37	104	35
In second to fifth year inclusive	71	23	70	23
	180	60	174	58
Less: Unearned finance income	(6)	(2)	–	–
Present value of minimum lease payments receivables	174	58	174	58

	Group	
	2022 \$'000	2021 \$'000
Analysed as:		
Current	104	35
Non-current	70	23
	174	58

The Group enters into finance lease arrangements for certain of its marine equipment for a term of 2 to 3 years (2021: 3 years). All finance leases are denominated in United States dollar.

Finance lease receivables are secured over the marine equipment leased. The Group is not permitted to sell or pledge the collateral in the absence of default by the lessee.

The currency profiles of trade and other receivables as at the end of the reporting period are as follows:

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
United States dollar	2,249	1,344	–	–
Singapore dollar	2,194	2,640	2,753	721
Euro	107	39	–	–
Chinese renminbi	7	47	–	–
Others	383	246	–	–
	4,940	4,316	2,753	721

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 11. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2022	2021
	\$'000	\$'000
<i>Deferred tax assets</i>		
Balance at beginning of financial year	5	5
Credited to profit or loss	3	–
Balance at end of financial year	<u>8</u>	<u>5</u>
<i>Deferred tax liabilities</i>		
Balance at beginning and end of financial year	<u>(3)</u>	<u>(3)</u>

Deferred tax assets/(liabilities) arise as a result of temporary differences between the tax written down values and the carrying amounts of plant and equipment computed at the prevailing statutory income tax rate of 17% (2021: 17%).

## 12. INVENTORIES

	Group	
	2022	2021
	\$'000	\$'000
Trading goods	<u>3,312</u>	<u>2,718</u>

The cost of inventories recognised as an expense and included in "Cost of sales" line item in profit or loss was approximately \$14,031,000 (2021: \$14,789,000) for the financial year ended 31 March 2022.

As at 31 March 2022, the Group carried out a review of the realisable value of its inventories and the review led to an allowance for inventory obsolescence of \$508,000 and inventory written off of \$106,000 (2021: reversal of allowance for inventory obsolescence of \$8,000) included in "Other expenses" (2021: "Other income") line item in profit or loss. During the previous financial year, the reversal of allowance for inventory obsolescence was made as the related inventories were sold above their carrying amounts.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 13. CONTRACT ASSETS AND CONTRACT LIABILITIES

	Group	
	2022	2021
	\$'000	\$'000
Contract assets		
– sale of marine satellite, communications and navigational systems	7,315	7,891
– allowance for impairment loss on contract assets	(101)	(101)
	7,214	7,790
Contract liabilities		
– sale of marine satellite, communications and navigational systems	2,484	2,780

The contract assets mainly relate to the Group's rights to consideration for sale and installation of marine satellite, communications and navigational systems but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional.

The contract liabilities mainly relate to the Group's obligation for sale and installation of marine satellite, communications and navigational systems to customers for which the Group has received advances from customers ahead of the sale and installation of marine satellite, communications and navigational systems.

(a) Revenue recognised in relation to contract liabilities

	2022	2021
	\$'000	\$'000
Revenue recognised in current period that was included in the contract liability balance at the beginning of the period		
– sale of marine satellite, communications and navigational systems	1,251	831

(b) Significant changes in contract assets

Contract assets in relation to marine satellite, communications and navigational systems amounting to approximately \$7,047,000 (2021: \$3,209,000) have been transferred to trade receivables when the rights become unconditional.

In previous financial years, impairment loss on contract assets from two customers was recognised as they were not likely to repay the outstanding balances mainly due to economic circumstances or who had defaulted in payment terms. There was no movement in allowance for impairment loss on contract assets during the financial years ended 31 March 2022 and 31 March 2021.

(c) Remaining performance obligation

Certain contracts have been entered into for which both:

- the original contractual period was greater than 12 months; and
- the Group's right to consideration does not correspond directly with the performance.

As of 31 March 2022, the aggregate amount of the transaction price allocated to the remaining performance obligations is approximately \$11,353,000 (2021: \$21,062,000) and the Group will recognise the revenue as the work is completed, which is expected to occur over the next 24 months.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 14. DERIVATIVE FINANCIAL INSTRUMENTS

	Group	
	2022	2021
	\$'000	\$'000

### Liabilities

Foreign currency option contracts	–	37
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### Foreign currency option contracts

The Group utilises currency derivatives to manage its exposure to foreign exchange movements arising from its foreign currency denominated business transactions.

In previous financial year, the Group was a party to foreign currency option contract in the management of its exchange rate exposure. The instrument purchased was primarily denominated in the currencies of the Group's principal markets.

As at the end of the reporting period, the outstanding foreign currency option contracts to which the Group committed are as follows:

	Foreign currency		Notional amount		Fair value	
	2022	2021	2022	2021	2022	2021
	USD'000	USD'000	\$'000	\$'000	\$'000	\$'000

### Foreign currency option contracts:

– Sell United States dollar	–	2,500	–	3,260	–	(37)
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The fair value of the foreign currency option contracts was determined based on quoted market prices for equivalent contracts at the end of the reporting period.

In previous financial year, the foreign currency option contracts were matured within 5 months after the reporting period on a gross basis.

## 15. CASH AND CASH EQUIVALENTS

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Fixed deposits	11,277	10,396	4,109	5,706
Cash and bank balances	7,680	4,777	885	482
Cash and cash equivalents as per statements of financial position	18,957	15,173	4,994	6,188

Fixed deposits are placed for a period of one month to six months (2021: one month to six months) and the effective interest rates on the fixed deposits are 0.10% to 2.50% (2021: 0.05% to 2.85%) per annum.

For the purpose of presenting consolidated statement of cash flows, cash and cash equivalents include short-term deposits with an average maturity of more than 3 months, as there is no significant cost or penalty in converting these deposits into liquid cash before maturity.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 15. CASH AND CASH EQUIVALENTS (CONTINUED)

The currency profiles of cash and cash equivalents as at the end of the reporting period are as follows:

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
United States dollar	2,495	1,780	4	4
Singapore dollar	13,843	11,641	4,990	6,184
Ringgit Malaysia	335	361	–	–
Indonesian rupiah	588	570	–	–
Euro	894	79	–	–
Chinese renminbi	786	725	–	–
Others	16	17	–	–
	<u>18,957</u>	<u>15,173</u>	<u>4,994</u>	<u>6,188</u>

## 16. TRADE AND OTHER PAYABLES

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Trade payables				
– third parties	3,358	1,771	–	–
– goods and services tax payables	55	58	43	39
– an associate	46	27	–	–
– non-controlling interests	108	159	–	–
	<u>3,567</u>	<u>2,015</u>	<u>43</u>	<u>39</u>
Other payables				
– third parties	69	147	3	17
Accrued expenses	1,207	1,357	428	381
Customers' deposits				
– third parties	718	498	–	–
– an associate	5	5	–	–
Advances from customers	314	379	–	–
Deferred grant income	–	165	–	48
Total trade and other payables	<u>5,880</u>	<u>4,566</u>	<u>474</u>	<u>485</u>
Add:				
Lease liabilities (Note 18)	540	424	94	–
Loans and borrowings (Note 17)	4,262	–	–	–
Less:				
– Advances from customers	(314)	(379)	–	–
– Goods and services tax payables	(55)	(58)	(43)	(39)
– Deferred grant income	–	(165)	–	(48)
Financial liabilities carried at amortised cost	<u>10,313</u>	<u>4,388</u>	<u>525</u>	<u>398</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 16. TRADE AND OTHER PAYABLES (CONTINUED)

Trade payables are unsecured, interest-free and repayable within the normal trade credit terms of 30 to 120 (2021: 30 to 120) days.

Other payables (non-trade) due to third parties are unsecured, interest-free and repayable within the normal credit terms of 30 (2021: 30) days.

Deferred grant income is in respect of the Jobs Support Scheme, details of which are disclosed in Note 10 to the financial statements.

The currency profiles of trade and other payables as at the end of the reporting period are as follows:

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Singapore dollar	1,721	2,344	474	485
United States dollar	3,401	1,320	–	–
Euro	458	371	–	–
Chinese renminbi	54	277	–	–
British pound	35	25	–	–
Japanese yen	11	92	–	–
Others	200	137	–	–
	<u>5,880</u>	<u>4,566</u>	<u>474</u>	<u>485</u>

## 17. LOANS AND BORROWINGS

	Group	
	2022 \$'000	2021 \$'000
<b>Non-current</b>		
Term loans	<u>3,271</u>	–
<b>Current</b>		
Term loans	<u>991</u>	–
<b>Total loans and borrowings</b>	<u>4,262</u>	–

The effective interest rates of the loans and borrowings range from 2% to 2.5% per annum.

Term loans are mainly loans under the Enterprise Financing Scheme for working capital requirements. The government of Singapore introduced a general financial support scheme in response to the economic impacts of the COVID-19 coronavirus pandemic.

Loans and borrowings are secured by corporate guarantee provided by the Company.

The carrying amount of the Group's term loans approximates the fair value as the current lending rates for similar types of lending arrangements are not materially different from the rates obtained by the Group.

Loans and borrowings are denominated in Singapore dollar.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 18. LEASE LIABILITIES

	Office premises \$'000	Office equipment \$'000	Motor vehicles \$'000	Total \$'000
<b>Group 2022</b>				
Balance at beginning of financial year	392	7	25	424
Additions	203	–	–	203
Interest expense	6	1	1	8
Modifications to lease term	314	–	–	314
Lease payments				
– Principal portion	(384)	(4)	(13)	(401)
– Interest portion	(6)	(1)	(1)	(8)
Balance at end of financial year	525	3	12	540

	Office premises \$'000	Office equipment \$'000	Motor vehicles \$'000	Total \$'000
<b>Group 2021</b>				
Balance at beginning of financial year	400	10	13	423
Additions	40	–	–	40
Interest expense	13	1	1	15
Modifications to lease term	338	–	26	364
Lease payments				
– Principal portion	(386)	(3)	(14)	(403)
– Interest portion	(13)	(1)	(1)	(15)
Balance at end of financial year	392	7	25	424

	Company	
	2022 \$'000	2021 \$'000
<b>Office premises</b>		
<b>Cost</b>		
Balance at beginning of financial year	–	–
Additions	94	–
Balance at end of financial year	94	–

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 18. LEASE LIABILITIES (CONTINUED)

The maturity analysis of lease liabilities of the Group at each reporting date are as follows:

	Group	
	2022 \$'000	2021 \$'000
Contractual undiscounted cash flows		
– Not later than a year	421	374
– After one year but within five years	126	58
Less: Future interest expense	(7)	(8)
Present value of lease liabilities	540	424
Presented in consolidated statement of financial position		
– Current	415	367
– Non-current	125	57
	540	424

	Company	
	2022 \$'000	2021 \$'000
Contractual undiscounted cash flows		
– Not later than a year	95	–
Less: Future interest expense	(1)	–
Present value of lease liabilities	94	–
Presented in consolidated statement of financial position		
– Current	94	–
– Non-current	–	–
	94	–

The Group leases a number of office premises, office equipment and motor vehicles with fixed payments over the lease terms.

Certain office equipment of the Group qualify for low value leases and the Group also leases certain properties on the short-term basis (i.e. 12 months). The election of short-term leases is made by class of underlying assets with similar nature and use in the Group's operation whereas the low-value lease exemption is made on a lease-by-lease basis.

As at 31 March 2022, the average incremental borrowing rate applied in the lease liabilities measurement was 2% (2021: 3%) per annum.

Total cash outflow for all the leases was \$487,000 (2021: \$483,000).

Lease liabilities are denominated in Singapore dollars.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 19. SHARE CAPITAL

	Group and Company	
	2022	2021
	\$'000	\$'000

### Issued and fully-paid

106,000,000 ordinary shares at beginning and end of financial year	17,967	17,967
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The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

## 20. TREASURY SHARES

	Group and Company			
	Number of ordinary shares		Amount	
	2022	2021	2022	2021
	'000	'000	\$'000	\$'000

Balance at beginning and end of financial year	1,000	1,000	255	255
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## 21. FAIR VALUE ADJUSTMENT RESERVE

Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of financial assets measured at FVOCI until they are derecognised. Upon derecognition, the cumulative fair value changes will be transferred to retained earnings.

## 22. FOREIGN CURRENCY TRANSLATION ACCOUNT

The foreign currency translation account comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency and is not distributable.

## 23. RETAINED EARNINGS

Movements of retained earnings of the Company are as follows:

	Company	
	2022	2021
	\$'000	\$'000
Balance at beginning of financial year	4,278	4,735
Total comprehensive income for the financial year	1,636	68
Dividends	(788)	(525)
Balance at end of financial year	5,126	4,278

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 24. REVENUE

The Group has disaggregated revenue into various categories in the following table which is intended to:

- depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors; and
- enable users to understand the relationship with revenue segment information provided in Note 32 to the financial statements.

	Group	
	2022	2021
	\$'000	\$'000
<i>Type of goods and services</i>		
Sale of goods	20,873	22,391
Rendering of services	7,957	5,407
Airtime revenue	2,094	2,351
	<u>30,924</u>	<u>30,149</u>

### *Timing of transfer of goods and services*

	Sale of goods \$'000	Rendering of services \$'000	Airtime revenue \$'000	Total \$'000
<b>2022</b>				
Point in time	8,865	7,211	282	16,358
Over time	12,008	746	1,812	14,566
	<u>20,873</u>	<u>7,957</u>	<u>2,094</u>	<u>30,924</u>
<b>2021</b>				
Point in time	6,256	4,943	355	11,554
Over time	16,135	464	1,996	18,595
	<u>22,391</u>	<u>5,407</u>	<u>2,351</u>	<u>30,149</u>

## 25. OTHER INCOME

	Group	
	2022	2021
	\$'000	\$'000
Dividend income from investment in financial assets, at FVOCI	37	–
Write-back of trade payables	156	34
Fair value gain on derivative financial instruments, net	37	–
Foreign exchange gain, net	74	–
Gain on disposal of plant and equipment	9	–
Government grants – Jobs Support Scheme (Note 10)	167	1,203
Government grants – others	199	404
Interest income	45	46
Sundry income	68	28
Contract termination payment	–	500
Write-back of allowance for inventory obsolescence	–	8
	<u>792</u>	<u>2,223</u>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 26. FINANCE COSTS

	Group	
	2022	2021
	\$'000	\$'000
Interest expenses on:		
– lease liabilities (Note 18)	8	15
– loans and borrowings	76	–
	84	15

## 27. PROFIT BEFORE INCOME TAX

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the above includes the following charges:

	Group	
	2022	2021
	\$'000	\$'000
<i>Cost of sales</i>		
Depreciation of plant and equipment	235	163
<i>Distribution costs</i>		
Advertisement and promotion	45	6
Entertainment and gifts	81	66
Transportation and travelling	48	36
<i>General and administrative expenses</i>		
Audit fees		
– auditors of the Company	95	91
– other auditors	17	17
Depreciation of plant and equipment	127	143
Depreciation of right-of-use assets	410	366
Amortisation of intangible asset	13	6
Short term leases expenses	72	60
Low value leases expenses	6	5
Legal and professional fees	495	425
<i>Other expenses</i>		
Allowance for inventory obsolescence	508	–
Fair value loss on derivative financial instruments, net	–	978
Foreign exchange loss, net	–	230
Inventory written off	106	–
Plant and equipment written off	1	–
<i>Write-back of/(Allowance for) impairment loss</i>		
– trade receivables – third parties	55	(25)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 27. PROFIT BEFORE INCOME TAX (CONTINUED)

The profit before income tax also includes:

	Group	
	2022	2021
	\$'000	\$'000
<i>Employee benefits expense</i>		
Salaries, wages and bonuses	7,852	8,175
Contributions to defined contribution plans	1,003	956
Other employee benefits	154	165
	9,009	9,296

The employee benefits expense are recognised in the following line items in profit or loss:

	Group	
	2022	2021
	\$'000	\$'000
Cost of sales	2,149	2,123
Distribution costs	4,838	4,975
General and administrative expenses	2,022	2,198
	9,009	9,296

The employee benefits expense include the remuneration of Directors as shown in Note 31 to the financial statements.

## 28. INCOME TAX EXPENSE

	Group	
	2022	2021
	\$'000	\$'000
Current income tax		
– current financial year	56	49
– over provision in respect of prior financial years	(10)	(20)
	46	29
Deferred income tax		
– current financial year	(3)	–
Total income tax expense recognised in profit or loss	43	29

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 28. INCOME TAX EXPENSE (CONTINUED)

### Reconciliation of effective income tax rate

	Group	
	2022 \$'000	2021 \$'000
Profit before income tax	276	331
Share of results of associates	7	13
	283	344
Income tax calculated at Singapore's statutory income tax rate of 17% (2021: 17%)	48	58
Effect of different income tax rates in other countries	28	8
Expenses not deductible for income tax purposes	118	285
Income not subject to income tax	(163)	(311)
Tax exemption	-	(10)
Deferred tax assets not recognised	48	36
Over provision in respect of prior financial years	(10)	(20)
Utilisation of deferred tax assets previously not recognised	(45)	(28)
Others	19	11
Total income tax expense recognised in profit or loss	43	29

As at 31 March 2022, the Group has unutilised tax losses of approximately \$1,098,000 (2021: \$1,073,000) and other deductible temporary differences of \$32,000 (2021: \$38,000) that are available for offset against future taxable profits of the Group, subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislations. No deferred tax asset has been recognised on these tax losses and other deductible temporary differences as there is no certainty that there will be sufficient future taxable profits to realise these future benefits.

The total unutilised tax losses of the Group included that of a subsidiary which is in People's Republic of China amounting to \$524,000 (2021: \$700,000) can only be utilised for set-off against its future taxable profits within five years from the date the tax losses were incurred. The breakdown of total unutilised tax losses of the subsidiary are as follows:

	2022		2021	
	\$'000	Expiry date	\$'000	Expiry date
<b>Year of tax losses</b>				
2017	-	-	176	December 2021
2018	199	December 2022	199	December 2022
2019	238	December 2023	238	December 2023
2021	87	December 2025	87	December 2025

The unrecognised deferred tax assets relating to certain subsidiaries have not been recognised as there is no certainty that there will be sufficient future taxable profits to realise these future benefits. Accordingly, the deferred tax assets have not been recognised in the financial statements in accordance with the accounting policy in Note 2.17 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 29. EARNINGS PER SHARE

The calculation for earnings per share is based on:

	Group	
	2022	2021
Profit attributable to owners of the parent (\$'000)	240	312
Actual number of ordinary shares in issue during the financial year applicable to basic earnings per share ('000)	105,000	105,000
– Basic and diluted earnings per share (in cents)	0.23	0.30

Basic earnings per share is calculated by dividing the profit for the financial year attributable to owners of the parent by the actual number of ordinary shares in issue during the financial year. As the Group has no dilutive potential ordinary shares, the diluted earnings per share is equivalent to basic earnings per share for the financial year.

## 30. DIVIDENDS

	Group and Company	
	2022	2021
	\$'000	\$'000
Final tax-exempt dividend of 0.50 cent per share in respect of financial year ended 31 March 2020	–	525
Final tax-exempt dividend of 0.75 cent per share in respect of financial year ended 31 March 2021	788	–

The Directors recommend a final tax-exempt dividend of 0.75 cent per share amounting approximately \$787,500 and a special tax-exempt dividend of 0.25 cent per share amounting approximately \$262,500 to be paid in respect of the current financial year ended 31 March 2022.

The final tax-exempt dividend and special tax-exempt dividend have not been recognised as liabilities at the end of the reporting period as they are subject to approval by shareholders at the Company's annual general meeting to be held in July 2022.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 31. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, in addition to those related party information disclosed elsewhere in these financial statements, the Group entered into the following transactions with related parties at rates and terms agreed between the parties:

	Group	
	2022	2021
	\$'000	\$'000
<b>Related parties</b>		
Rental expense for office premises*	225	204
Purchases**	196	382
	124	59
<b>Associates</b>		
Sales	124	59
Services	61	47
	61	47

\* The Group has entered into a lease arrangement of office premises with JE Holdings Pte Ltd, Unity Consultancy Pte Ltd and Jason Harvest Pte Ltd, companies in which one of its Directors, Mr Foo Chew Tuck has beneficial interests.

\*\* The Group has made purchases from Kodan Electronics Co., Ltd, incorporated in Japan, who is a shareholder who holds non-controlling interests in a subsidiary.

### *Compensation of key management personnel*

The remuneration of the Directors of the Company who are also the key management personnel of the Group during the financial year are as follows:

	Group	
	2022	2021
	\$'000	\$'000
Short-term employee benefits	486	486
Post-employment benefits	9	9
Directors' fees	210	173
	705	668

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 32. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker.

Management considers the business from both geographic and business segment perspective. Geographically, management manages and monitors the business in these primary geographic areas: Singapore, People's Republic of China, Indonesia, Malaysia, Greece and other countries. These locations are engaged in sale of goods, rendering of services and airtime revenue.

Sale of goods relates to the design, supply and installation of marine, communication, navigation and automation equipment. Rendering of services relates to the provision of maintenance and support services including repair works, troubleshooting, commissioning, radio survey and annual performance tests. Airtime revenue relates to provision of airtime for the satellite communication system.

The Group's reportable segments are strategic units that are organised based on their function and targeted customer groups. They are managed separately because each business unit requires different skill sets and marketing strategies.

Management monitors the operating results of the segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operation profit or loss which is similar to accounting profit or loss.

The accounting policies of the operating segments are the same of those described in the summary of significant accounting policies. There is no asymmetrical allocation to reportable segments. Management evaluates performance on the basis of profit or loss from operations before income tax expense not including non-recurring gains and losses and foreign exchange gains or losses.

There is no change from prior periods in the measurement methods used to determine reported segment profit or loss.

The Group accounts for inter-segment sales and transfers as if the sales or transfers were to third parties, which approximate market prices. These inter-segment transactions are eliminated on consolidation.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 32. SEGMENT INFORMATION (CONTINUED)

	Sale of goods \$'000	Rendering of services \$'000	Airtime revenue \$'000	Unallocated \$'000	Eliminations \$'000	Total \$'000
<b>2022</b>						
<b>Revenue</b>						
External revenue	20,873	7,957	2,094	–	–	30,924
Inter-segment revenue	1,591	1,052	2	2,585	(5,230)	–
	<u>22,464</u>	<u>9,009</u>	<u>2,096</u>	<u>2,585</u>	<u>(5,230)</u>	<u>30,924</u>
<b>Results</b>						
Fair value gain on derivative financial instruments, net	–	–	–	37	–	37
Write-back of/(Allowance for) impairment loss on trade receivables, net	19	(9)	(6)	51	–	55
Interest income	–	–	–	45	–	45
Inventory written off	(106)	–	–	–	–	(106)
Depreciation of plant and equipment and right-of-use assets	(185)	(396)	(48)	(143)	–	(772)
Allowance for inventory obsolescence	(508)	–	–	–	–	(508)
Amortisation of intangible asset	–	–	–	(13)	–	(13)
Share of results of associates	–	–	–	(7)	–	(7)
Segment profit/(loss)	<u>(648)</u>	<u>1,419</u>	<u>(76)</u>	<u>2,166</u>	<u>(2,585)</u>	<u>276</u>
<b>Addition to non-current assets</b>						
Plant and equipment	4	342	58	72	–	476
Right-of-use assets	–	–	–	203	–	203
	<u>4</u>	<u>342</u>	<u>58</u>	<u>275</u>	<u>–</u>	<u>679</u>
<b>Assets and liabilities</b>						
Segment assets	15,066	2,483	466	38,728	(20,295)	36,448
Financial assets, at FVOCI	–	–	–	281	–	281
Investments in associates	–	–	–	69	–	69
	<u>15,066</u>	<u>2,483</u>	<u>466</u>	<u>39,078</u>	<u>(20,295)</u>	<u>36,798</u>
Segment liabilities	8,657	5,313	670	10,199	(11,670)	13,169
Current income tax payable	10	15	7	–	–	32
	<u>8,667</u>	<u>5,328</u>	<u>677</u>	<u>10,199</u>	<u>(11,670)</u>	<u>13,201</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 32. SEGMENT INFORMATION (CONTINUED)

	Sale of goods \$'000	Rendering of services \$'000	Airtime revenue \$'000	Unallocated \$'000	Eliminations \$'000	Total \$'000
<b>2021</b>						
<b>Revenue</b>						
External revenue	22,391	5,407	2,351	–	–	30,149
Inter-segment revenue	610	803	1	2,186	(3,600)	–
	<u>23,001</u>	<u>6,210</u>	<u>2,352</u>	<u>2,186</u>	<u>(3,600)</u>	<u>30,149</u>
<b>Results</b>						
Fair value loss on derivative financial instruments						
– derecognition of eMarine Global put option	–	–	–	(1,392)	–	(1,392)
– unrealised fair value loss on derivative financial instruments	–	–	–	(37)	–	(37)
– realised gain on the settlement of derivative financial instruments	–	–	–	451	–	451
(Allowance for)/Write-back of impairment loss on trade receivables, net	(52)	(7)	(3)	37	–	(25)
Write-back of allowance for inventory obsolescence	8	–	–	–	–	8
Interest income	–	–	–	46	–	46
Depreciation of plant and equipment and right-of-use assets	(244)	(270)	(21)	(137)	–	(672)
Amortisation of intangible asset	–	–	–	(6)	–	(6)
Share of results of associates	–	–	–	(13)	–	(13)
Segment profit	<u>960</u>	<u>972</u>	<u>64</u>	<u>521</u>	<u>(2,186)</u>	<u>331</u>
<b>Addition to non-current assets</b>						
Intangible asset	–	–	–	39	–	39
Plant and equipment	33	412	–	50	–	495
Right-of-use assets	40	–	–	–	–	40
	<u>73</u>	<u>412</u>	<u>–</u>	<u>89</u>	<u>–</u>	<u>574</u>
<b>Assets and liabilities</b>						
Segment assets	15,019	1,603	439	32,292	(17,635)	31,718
Financial assets, at FVOCI	–	–	–	260	–	260
Investments in associates	–	–	–	76	–	76
	<u>15,019</u>	<u>1,603</u>	<u>439</u>	<u>32,628</u>	<u>(17,635)</u>	<u>32,054</u>
Segment liabilities	6,739	4,040	612	5,517	(9,098)	7,810
Current income tax payable	12	15	1	–	–	28
	<u>6,751</u>	<u>4,055</u>	<u>613</u>	<u>5,517</u>	<u>(9,098)</u>	<u>7,838</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 32. SEGMENT INFORMATION (CONTINUED)

### Geographical information

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

	Group	
	2022	2021
	\$'000	\$'000
<b>Revenue from external customers</b>		
Singapore	18,070	19,359
Indonesia	2,884	2,377
People's Republic of China	1,841	967
Malaysia	706	751
Greece	646	696
Others*	6,777	5,999
	<u>30,924</u>	<u>30,149</u>

\* "Others" include United Kingdom, Japan, Germany, France, Cyprus, Hong Kong, United States, United Arab Emirates, Saudi Arabia, Vietnam, Taiwan, Denmark, Cayman Islands, India and etc of which none of these countries contributes individually more than 10% of the Group's revenue.

	Group	
	2022	2021
	\$'000	\$'000
<b>Non-current assets</b>		
Singapore	1,473	1,305
Others	139	138
	<u>1,612</u>	<u>1,443</u>

Non-current assets information presented above excludes financial assets, at FVOCI, deferred tax assets, and non-current trade and other receivables.

### Major customers

During the financial year, revenue from one (2021: one) customer amounting to approximately \$8,854,000 (2021: \$12,376,000) under sale of goods segment, represents approximately 29% (2021: 41%) of total revenue.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 33. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

The Group's and the Company's activities expose them to financial risks (including credit risk, foreign currency risk, liquidity risk and market price risk) arising in the ordinary course of business. The Group's and the Company's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's and the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group and the Company. The Group's and the Company's management then establish the detailed policies such as risk identification and measurement and exposure limits, in accordance with the objectives and underlying principles approved by the Board of Directors.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which they manage and measure these risks.

### 33.1 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a loss to the Group and the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. The Group and the Company perform ongoing credit evaluation of their counterparties' financial condition and generally do not require collaterals.

As at the end of the reporting period, the Group has two (2021: four) major customers which have net trade receivables and contract assets amounting to approximately \$607,000 (2021: \$1,552,000) and \$6,664,000 (2021: \$6,977,000) respectively.

The Company has significant credit exposure arising from trade and other receivables due from four (2021: one) subsidiaries amounting to approximately \$2,752,000 (2021: \$590,000) as at 31 March 2022.

The Group's and the Company's major classes of financial assets are cash and cash equivalents and trade and other receivables.

#### Expected credit loss assessment for trade receivables, finance lease receivables and contract assets as at 31 March 2022

The Group determines expected credit losses on trade receivables, finance lease receivables and contract assets by making individual assessment of expected credit loss for long overdue balances, and using a provision matrix that is based on its historical credit loss experience, past due status and adjusted with forward looking assumptions, as appropriate. Management also takes into account historical provision trend and other relevant factors.

The allowance matrix is based on actual credit loss experience over the past three years. The expected credit loss computed is derived from historical data and credit assessment includes forward-looking information which management is of the view that customer conditions are representative at the reporting date.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that financial instruments presented in the consolidated statement of financial position, except for corporate guarantees to banks for performance guarantees given to customers of a subsidiary amounting to approximately \$3,560,000 (2021: \$3,216,000) and the corporate guarantee given by the Company for loans and borrowings provided to a subsidiary which amounted to \$4,262,000 (2021: \$Nil) as disclosed in Note 33.3 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 33. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

### 33.1 Credit risk (Continued)

*Expected credit loss assessment for trade receivables, finance lease receivables and contract assets as at 31 March 2022 (Continued)*

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables (third parties), finance lease receivables and contract assets of the Group as at 31 March 2022.

	Current \$'000	1 to 30 days past due \$'000	31 to 60 days past due \$'000	61 to 90 days past due \$'000	More than 90 days past due \$'000	Total \$'000
<b>31 March 2022</b>						
Gross carrying amount of						
trade receivables	2,146	691	340	141	1,298	4,616
Finance lease receivables	174	–	–	–	–	174
Contract assets	7,315	–	–	–	–	7,315
Less: Loss allowance	(105)	(3)	(2)	(1)	(625)	(736)#
	9,530	688	338	140	673	11,369
<b>31 March 2021</b>						
Gross carrying amount of						
trade receivables	1,697	605	369	246	1,678	4,595
Finance lease receivables	58	–	–	–	–	58
Contract assets	7,891	–	–	–	–	7,891
Less: Loss allowance	(107)	(7)	(6)	(5)	(677)	(802)#
	9,539	598	363	241	1,001	11,742

# This amount includes \$722,000 (2021: \$737,000) which is related to credit-impaired balances from several customers who are not likely to repay the outstanding balances mainly due to economic circumstances or who have defaulted in payment terms.

#### *Other receivables due from third parties*

The Group has assessed credit risk for other receivables amounts due from third parties based on 12-month expected loss basis which reflects the low credit risk of the exposures. Management is of the view that the amount of the allowance on remaining balances is insignificant.

#### *Other receivables due from subsidiaries*

Management has taken into account information that it has available internally about these subsidiaries' past, current and expected operating performance and cash flow position. Management monitors and assess at each reporting date on any indicator of significant increase in credit risk on the amount due from the respective subsidiaries, by considering their performance ratio and any default in external debts. The risk of default is considered to be minimal as these subsidiaries have sufficient liquid assets and cash to repay their debts. Therefore, non-trade amount due from subsidiaries has been measured based on 12-month expected credit loss model and subject to immaterial credit loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 33. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

### 33.1 Credit risk (Continued)

#### Cash and cash equivalents

Cash and cash equivalents are mainly deposits with reputable banks with high credit ratings assigned by international credit rating agencies.

The cash and cash equivalents are held with bank and financial institution which are rated Baa3 to Aaa, based on Moody's rating. The Board of Directors monitors the credit ratings of counterparties regularly. Impairment on cash and cash equivalents has been measured on the 12-month expected loss model. At the reporting date, the Group and the Company do not expect any credit losses from non-performance by the counterparties.

### 33.2 Foreign currency risk

#### Foreign exchange risk management

Foreign currency risk arises from transactions denominated in currencies other than the functional currency of the entities within the Group. The currencies that give rise to this risk are primarily United States dollar, Euro and Chinese renminbi.

The Group monitors its foreign currency exchange risk closely and maintains funds in various currencies to minimise currency exposure due to timing differences between sales and purchases. Currency translation risk arises when commercial transactions, recognised assets and liabilities and net investment in foreign operations are denominated in the currency that is not the entity's functional currency.

It is not the Group's policy to take speculative positions in foreign currencies. Where appropriate, the Group enters into foreign currency forward contracts with a financial institution to mitigate the foreign currency risk (mainly export sales and import purchases).

The carrying amounts of the Group's significant foreign currency denominated financial assets and financial liabilities, excluding those which are denominated in the respective subsidiaries' functional currencies, at the end of the reporting period are as follows:

	Group	
	2022	2021
	\$'000	\$'000
<b>Financial assets</b>		
United States dollar	4,096	3,076
Euro	770	112
Chinese renminbi	756	712
Others	81	40
	4,703	3,940
<b>Financial liabilities</b>		
United States dollar	2,842	1,091
Euro	400	344
Chinese renminbi	15	244
Others	134	129
	3,391	1,808



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 33. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

### 33.2 Foreign currency risk (Continued)

#### *Foreign exchange risk management* (Continued)

The Company's exposure to foreign currency risks is insignificant.

#### *Foreign currency sensitivity analysis*

The following table details the Group's sensitivity to a 5% (2021: 5%) change in United States dollar, Euro and Chinese renminbi against Singapore dollar. The sensitivity analysis assumes an instantaneous 5% (2021: 5%) change in the foreign currency exchange rates from the end of the reporting period, with all other variables held constant. The results of the model are also constrained by the fact that only monetary items, which are denominated in United States dollar, Euro and Chinese renminbi are included in the analysis. Consequentially, reported changes in the values of some of the financial instruments impacting the results of the sensitivity analysis are not matched with the offsetting changes in the values of certain excluded items that those instruments are designed to finance or hedge.

	Group Increase/(Decrease) Profit or Loss before tax	
	2022	2021
	\$'000	\$'000
<i>United States dollar</i>		
Strengthened against Singapore dollar	63	99
Weakened against Singapore dollar	(63)	(99)
<i>Euro</i>		
Strengthened against Singapore dollar	19	(12)
Weakened against Singapore dollar	(19)	12
<i>Chinese renminbi</i>		
Strengthened against Singapore dollar	37	23
Weakened against Singapore dollar	(37)	(23)

### 33.3 Liquidity risk

Liquidity risk refers to the risk in which the Group and the Company encounter difficulties in meeting their short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle.

The Group and the Company actively manage operating cash flows so as to finance the Group's and the Company's operations. As part of their overall prudent liquidity management, the Group and the Company minimise liquidity risk by ensuring availability of funding through an adequate amount of committed credit facilities from financial institutions and maintains sufficient level of cash to meet their working capital requirements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 33. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

### 33.3 Liquidity risk (Continued)

#### *Contractual maturity analysis*

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earlier of the contractual date or when the Group is expected to pay. The table includes both expected interest and principal cash flows.

	Within one year \$'000	After one year but within five years \$'000	Total \$'000
<b>Group</b>			
<b>2022</b>			
<b>Financial liabilities</b>			
Trade and other payables (excluding advances from customers and goods and services tax)	5,511	–	5,511
Loans and borrowings	1,073	3,389	4,462
Lease liabilities	421	126	547
	7,005	3,515	10,520
<b>2021</b>			
<b>Financial liabilities</b>			
Trade and other payables (excluding advances from customers, goods and services tax and deferred grant income)	3,964	–	3,964
Lease liabilities	374	58	432
	4,338	58	4,396

The Group's and the Company's operations are financed mainly through equity and retained earnings. Adequate lines of credits are maintained to ensure the necessary liquidity is available when required.

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 33. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

### 33.3 Liquidity risk (Continued)

#### *Contractual maturity analysis* (Continued)

	Within one financial year		Within two to five financial years	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Company</b>				
Financial guarantees provided for performance guarantees given to customers of a subsidiary	1,352	756	2,208	2,460
Financial guarantees provided to banking facilities of a subsidiary	4,262	–	–	–

As at 31 March 2022, the Company has provided corporate guarantees to banks for performance guarantees given to customers of a subsidiary amounting to approximately \$3,560,000 (2021: \$3,216,000). For the corporate guarantees issued, the Company has assessed that the subsidiary has sufficient financial capabilities to meet its contractual cash flows obligation in the near future hence, does not expect any material loss allowance under 12-month expected credit loss model.

As at 31 March 2022, the total amount of loans outstanding due from a subsidiary covered by the guarantees provided by the Company amounted to \$4,262,000 (2021: \$Nil). Such guarantees are in the form of a financial guarantee as they require the Company to reimburse the respective banks if the subsidiary failed to make principal or interest repayments when due in accordance with the terms of the borrowings. There has been no default or non-repayment since the utilisation of the banking facility. Accordingly, the Company does not expect any net cash outflows resulting from the financial guarantee contracts. The Company issues guarantees only for its subsidiaries.

### 33.4 Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to market price risk arising from its investment in quoted equity securities. These securities are quoted on the OTC Market in the United States of America ("OTC Market") and Singapore Exchange Securities Trading Limited in Singapore and are classified as financial assets, at FVOCI.

#### *Sensitivity analysis for equity price risk*

At the end of the reporting period, no disclosure of the sensitivity analysis for equity price risk as the impact of equity price risk is not significant.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 33. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

### 33.5 Capital management policies and objectives

The Group and the Company manage capital so as to ensure that the Group and the Company are able to continue as going concern and to maintain an optimal capital structure so as to maximise shareholders' value.

The capital structure of the Group consists of equity attributable to owners of the Company, comprising share capital, treasury shares, fair value adjustment reserve, foreign currency translation reserve and retained earnings as disclosed in the consolidated statement of changes in equity of the Group.

The Group's and the Company's management review the capital structure on a quarterly basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Upon review, the Group and the Company will balance their overall capital structure through the payment of dividends to shareholders, return capital to shareholders, issues new share issues and reacquisition of issued shares. The Group's and the Company's overall strategy remains unchanged from the previous financial year.

The Group is in compliance with externally imposed capital requirements which are the financial covenants in respect of the loans and borrowings as disclosed in Note 17 to the financial statements, for the financial year ended 31 March 2022 (2021: not subject to externally imposed capital requirements).

### 33.6 Fair value of financial assets and financial liabilities

The fair value of financial assets and liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

#### *Fair value hierarchy*

The Group and the Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The table below analyses financial instruments carried at fair value by the valuation method. The fair value hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 33. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

### 33.6 Fair value of financial assets and financial liabilities (Continued)

*Fair value of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximate at fair value*

The carrying amounts of the Group's and the Company's current financial assets, current financial liabilities and non-current trade and other receivables recorded at amortised cost in financial statements approximate their respective fair value at the end of reporting period due to the relatively short term maturity of these financial instruments or that they are at market interest rate for similar type of leasing arrangement at the end of the reporting period.

*Financial instruments by category*

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
<i>Fair value through other comprehensive income</i>				
Financial assets, at fair value through other comprehensive income (Note 9)	281	260	-	-
Financial assets carried at amortised cost (Note 10)	23,370	19,256	7,747	6,881
<b>Financial liabilities</b>				
<i>Fair value through profit or loss</i>				
Derivative financial instruments (Note 14)	-	37	-	-
Financial liabilities carried at amortised cost (Note 16)	10,313	4,388	525	398

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 33. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

### 33.6 Fair value of financial assets and financial liabilities (Continued)

#### *Fair value of financial instruments carried at fair value*

The fair value of financial assets, at FVOCI and derivative financial instruments are disclosed in Note 9 and Note 14 to the financial statements, respectively.

The table below classified financial instruments carried at fair value by level of fair value hierarchy as at the end of the reporting period:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Group</b>				
<b>31 March 2022</b>				
<b>Assets</b>				
Financial assets, at FVOCI				
– Quoted equity securities	7	–	–	7
– Unquoted equity securities	–	–	274	274
	<u>7</u>	<u>–</u>	<u>274</u>	<u>281</u>
<b>31 March 2021</b>				
<b>Assets</b>				
Financial assets, at FVOCI				
– Quoted equity securities	90	–	–	90
– Unquoted equity securities	–	–	170	170
	<u>90</u>	<u>–</u>	<u>170</u>	<u>260</u>
<b>Liabilities</b>				
Derivative financial instruments	<u>–</u>	<u>37</u>	<u>–</u>	<u>37</u>

There have been no transfer between Level 1, Level 2 and Level 3 during the period.

The valuation technique for the unquoted equity security has been changed to adjusted Net Asset Value (“NAV”) method during the current financial year due to the planned liquidation of the investee company and realisation of its net assets subsequent to the financial year end.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

## 33. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

### 33.6 Fair value of financial assets and financial liabilities (Continued)

*Fair value of financial instruments carried at fair value* (Continued)

The valuation techniques and significant unobservable inputs used in determining the fair value measurement of Level 3 financial instruments, as well as the inter-relationship between key unobservable inputs and fair value, are set out in the table below.

#### 31 March 2022

Financial Instrument	Valuation technique used	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value
Unquoted equity securities	Adjusted Net Asset Value ("NAV") method	– Discount rate of 13.0%	Increased discount rate would decrease fair value; decreased discount rate would increase fair value.

#### 31 March 2021

Financial Instrument	Valuation technique used	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value
Unquoted equity securities	Market approach based on Enterprise Value/ Earnings Before Interest Tax Depreciation and Amortisation ("EV/EBITDA") method	– Earnings multiple ranging 5.50 to 6.00	Increased earnings multiple would increase fair value; decreased earnings multiple would decrease fair value.

# SHAREHOLDING STATISTICS

AS AT 17 JUNE 2022

NUMBER OF ISSUED SHARES (EXCLUDING TREASURY SHARES)	:	105,000,000
NUMBER / PERCENTAGE OF TREASURY SHARES	:	1,000,000 (0.95%)
NUMBER / PERCENTAGE OF SUBSIDIARY HOLDINGS HELD	:	NIL
CLASS OF SHARES	:	ORDINARY SHARES WITH EQUAL VOTING RIGHTS

Size of Shareholdings	No. of Shareholders	% of Holders	No. of Shares	% of Shares
1	–	99	0	0.00
100	–	1,000	138	32.02
1,001	–	10,000	122	28.31
10,001	–	1,000,000	166	38.51
1,000,001	⊗	ABOVE	5	1.16
TOTAL			431	100.00
			105,000,000	100.00

## TWENTY LARGEST SHAREHOLDERS

Name of Shareholders	No. of Shares	% of Shares
FOO CHEW TUCK	81,300,000	77.43
TAN FUH GIH	3,970,000	3.78
SIRIUS VENTURE CAPITAL PTE LTD	2,650,000	2.52
PHILLIP SECURITIES PTE LTD	2,158,100	2.06
TAN LIAN HUAT	1,020,000	0.97
CHEW KENG SENG	1,000,000	0.95
DBS NOMINEES PTE LTD	750,500	0.71
SENG HONG NOI	736,000	0.70
PANG YOKE MIN	500,000	0.48
UOB KAY HIAN PTE LTD	474,600	0.45
RAFFLES NOMINEES (PTE) LIMITED	440,900	0.42
SAHA ANSHUMAN MANABENDRANATH	342,000	0.32
ABN AMRO CLEARING BANK N.V.	261,000	0.25
KUAH HONG SIM	250,000	0.24
YEAP LAM YANG	250,000	0.24
TANG BEE YIAN	240,000	0.23
KEITH LIM CHEE KEONG	220,600	0.21
LIM JIUN YIH	216,100	0.21
SEAH LEE LIM LLP	200,000	0.19
CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	188,000	0.18
TOTAL	97,167,800	92.54

Substantial Shareholder	Direct Interest	Deemed Interest
FOO CHEW TUCK	81,300,000	–

## PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on the information available to the Company as at 17 June 2022, approximately 19.84% of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“**AGM**”) of Jason Marine Group Limited (the “**Company**”) will be convened and held by way of electronic means on Tuesday, 26 July 2022 at 10:00 a.m. to transact the following business:

## ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2022, the Directors’ Statement and the Report of the Auditors thereon. **(Resolution 1)**
2. To declare and pay a first and final one-tier tax exempt dividend of 0.75 Singapore cent per share in respect of the financial year ended 31 March 2022. **(Resolution 2)**
3. To declare and pay a special one-tier tax exempt dividend of 0.25 Singapore cent per share in respect of the financial year ended 31 March 2022. **(Resolution 3)**
4. To approve the Directors’ fees of S\$210,417 for the financial year ended 31 March 2022. (2021: S\$172,500) **(Resolution 4)**
5. To re-elect Mrs Eileen Tay-Tan Bee Kiew, a Director retiring under Article 98 of the Constitution of the Company. **(Resolution 5)**  
*[See Explanatory Note 1]*
6. To re-elect Mr Sin Hang Boon, a Director retiring under Article 98 of the Constitution of the Company. **(Resolution 6)**  
*[See Explanatory Note 1]*
7. To re-appoint Messrs BDO LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

## SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions, with or without modifications:

### 8. AUTHORITY TO ALLOT AND ISSUE SHARES

“THAT pursuant to Section 161 of the Companies Act 1967 of Singapore (“**Companies Act**”) and subject to Rule 806 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual – Section B: Rules of Catalist (“**Catalist Rules**”), authority be and is hereby given to the Directors of the Company to issue and allot new ordinary shares in the capital of the Company (“**Shares**”) (whether by way of rights, bonus or otherwise) and/or make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS that:

- (1) the aggregate number of the Shares to be issued pursuant to such authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority), does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below), and provided further that where shareholders of the Company are not given the opportunity to participate in the same on a pro-rata basis, then the Shares to be issued under such circumstances (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below);

# NOTICE OF ANNUAL GENERAL MEETING

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of the Shares that may be issued under paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time such authority was conferred, after adjusting for:

- (a) new Shares arising from the conversion or exercise of any convertible securities;
- (b) new Shares arising from exercising share options or vesting share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
- (c) any subsequent consolidation or subdivision of the Shares;

and adjustments made in accordance with sub-paragraphs (2)(a) and 2(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution and, in relation to an Instrument, the number of Shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution of the Company for the time being; and

(4) such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”

**(Resolution 8)**

*[See Explanatory Note 2]*

## 9. PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

“THAT:

(1) for the purposes of the Catalist Rules and the Companies Act, the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire the Shares not exceeding in aggregate the Maximum Limit (as defined hereinafter), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as defined hereinafter), whether by way of:

- (a) market purchase(s) (each a “**Market Purchase**”) on the SGX-ST; and/or
- (b) off-market purchase(s) (each an “**Off-Market Purchase**”) effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;

and otherwise in accordance with all other laws, regulations, including but not limited to, the provisions of the Companies Act and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buyback Mandate**”);

# NOTICE OF ANNUAL GENERAL MEETING

- (2) unless varied or revoked by the members of the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next AGM of the Company is held or required by law to be held;
  - (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
  - (iii) the date on which the authority conferred by the Share Buyback Mandate is varied or revoked;
- (3) in this Resolution:

**"Maximum Limit"** means the number of issued Shares representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as defined hereinafter), in which event the total number of Shares shall be taken to be the total number of Shares as altered.

**"Relevant Period"** means the period commencing from the date on which the ordinary resolution relating to the Share Buyback Mandate is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier; and

**"Maximum Price"**, in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase, pursuant to an equal access scheme, 120% of the Average Closing Price,

where:

**"Average Closing Price"** means the average of the closing market prices of the Shares over the last 5 consecutive Market Days, on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of Shares was made, or as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5-market day period;

**"day of the making of the offer"** means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-market Purchase; and

- (4) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution." **(Resolution 9)**  
[See Explanatory Note 3]

# NOTICE OF ANNUAL GENERAL MEETING

## 10. OTHER BUSINESS

To transact any other ordinary business that may be properly transacted at an AGM of the Company.

## BY ORDER OF THE BOARD

Pan Mi Keay  
Company Secretary  
11 July 2022

## EXPLANATORY NOTES:

1. Mrs Eileen Tay-Tan Bee Kiew (Lead Independent Director) will, upon re-election as a Director of the Company, continue to serve as the Chairperson of the Audit and Risk Committee as well as member of the Nominating Committee and Remuneration Committee. She is considered independent for the purposes of Rule 704(7) of the Catalist Rules.

Mr Sin Hang Boon (Independent Director) will, upon re-election as a Director of the Company, continue to serve as the Chairman of the Nominating Committee as well as a member of the Audit and Risk Committee and Remuneration Committee. He is considered independent for the purposes of Rule 704(7) of the Catalist Rules.

Detailed information of Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon can be found under the "Board of Directors" and "Disclosure of Information on Directors seeking re-election pursuant to Rule 720(5) of the Catalist Rules" sections in the Company's Annual Report 2022.

2. Ordinary Resolution 8, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM, to allot and issue Shares and/or Instruments (as defined above). The aggregate number of new Shares (including Shares to be issued in pursuance of Instruments made or granted) which the Directors may issue under this Resolution shall not exceed 100% of the issued share capital of the Company at the time of passing of this Resolution. For issue of Shares and convertible securities other than on a pro-rata basis, the aggregate number of Shares and convertible securities to be issued shall not exceed 50% of the issued share capital of the Company at the time of passing of this Resolution. This authority will, unless revoked or varied at a general meeting, expire on the date of the next AGM of the Company or on the date by which the next AGM of the Company is required by law to be held, whichever is earlier.
3. Ordinary Resolution 9, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM is held or is required by law to be held, whichever is the earlier, to purchase or acquire up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of this Resolution. Details of the proposed renewal of Share Buyback Mandate, including the sources of funds to be used for the purchase or acquisition, the amount of financing (if any) and the illustrative financial effects on the Group, are set out in the Appendix to the Annual Report 2022.

# NOTICE OF ANNUAL GENERAL MEETING

## PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

## Notes:

1. The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **Printed copies of this Notice of AGM (the "Notice") and the proxy form will not be sent to members.** Instead, this Notice with its accompanying proxy form will be made available by electronic means via an announcement on the SGX website at the URL <https://www.sgx.com/securities/company-announcements> and may be accessed at the Company's website at the URL [www.jason.com.sg](http://www.jason.com.sg).
2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream), submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM, are set out in the Company's announcement accompanying this Notice dated 11 July 2022. This announcement may be accessed at the Company's website at the URL [www.jason.com.sg](http://www.jason.com.sg), and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. **To minimise physical interactions and COVID-19 transmission risks, members will not be able to attend the AGM in person. A member (whether individual or corporate) must submit his/her/its proxy form appointing the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.** The accompanying proxy form for the AGM will be announced together with this Notice and may be accessed at the Company's website at the URL [www.jason.com.sg](http://www.jason.com.sg), and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

Investors who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore), including CPF and SRS investors, and who wish to participate in the AGM electronically, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order to make the necessary arrangements for them to participate in the AGM.



# NOTICE OF ANNUAL GENERAL MEETING

In addition, CPF/SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks/SRS Operators to submit their votes by **5:00 pm on 14 July 2022**, so that the necessary arrangements can be made by the relevant agents for their participating in the AGM.

Members will be able to watch the proceedings of the AGM through a "live" webcast via their mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, members who wish to watch the "live" webcast or listen to the "live" audio feed must pre-register at URL <https://conveneagm.com/sg/jasonmarine2022> ("**Registration Link**") by **10:00 a.m. on 24 July 2022** (the "**Registration Deadline**").

Following successful verification of the identity of Shareholders, authenticated will receive an email by 10.00 a.m. on 25 July 2022 containing a link to access the live webcast or live audio feed of the AGM proceedings.

Shareholders must not forward the abovementioned link to other persons who are not Shareholders and who are not entitled to attend the AGM. This is also to avoid any technical disruptions or overload to the live webcast and/or live audio feed. Recording of the live webcast and/or live audio feed of the proceedings in whatever form is also strictly prohibited.

Shareholders who have registered by the Registration Deadline but do not receive an email by 25 July 2022 should contact the Company at the following email address: [jmg@jason.com.sg](mailto:jmg@jason.com.sg) or [main@zicoholdings.com](mailto:main@zicoholdings.com).

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.
5. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:
  - (a) via the following URL <https://conveneagm.com/sg/jasonmarine2022> (the "**JMG AGM Website**") in the electronic format accessible on the JMG AGM Website; or
  - (b) if submitted by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
  - (c) if submitted electronically, be submitted via email to the Company's Share Registrar at [main@zicoholdings.com](mailto:main@zicoholdings.com),

in either case not less than 48 hours before the time appointed for the AGM.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

**In view of the current COVID-19 situation, members are strongly encouraged to submit completed proxy forms electronically via email.**

6. The instrument appointing the Chairman of the AGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.
7. Where an instrument appointing the Chairman of the AGM as proxy is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be attached to the instrument of proxy, failing which the instrument may be treated as invalid.

# NOTICE OF ANNUAL GENERAL MEETING

8. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy (such as in the case where the appointor submits more than one instrument of proxy).
9. Printed copies of the Annual Report 2022 (the “**Annual Report**”) will not be sent to members. Instead, this Annual Report will be sent to members by electronic means via an announcement on the SGX website at the URL <https://www.sgx.com/securities/company-announcements> and may be accessed at the Company’s website at the URL [www.jason.com.sg](http://www.jason.com.sg). For members who wish to receive a printed copy of the 2022 Annual Report, please refer to the Annual Report Request Form published on the Company’s website, at the URL [www.jason.com.sg](http://www.jason.com.sg) and the SGX website, at the URL <https://www.sgx.com/securities/company-announcements> on how to make a request.
10. Members will not be able to ask questions during the “live” audio-visual webcast or audio-only stream of the AGM. Members who wish to ask questions relating to the resolutions to be tabled at the AGM must complete and submit the questions form for the AGM, which will be announced together with this Notice and may be accessed at the Company’s website at the URL [www.jason.com.sg](http://www.jason.com.sg) and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
11. The questions form must be submitted to the Company in the following manner by **10:00 a.m. on 19 July 2022**:
  - (a) via the JMG AGM Website; or
  - (b) if submitted by post, be lodged at the office of the Company’s registered office at 194 Pandan Loop, #06-05 Pantech Business Hub, Singapore 128383; or
  - (c) if submitted electronically, be submitted via email to the Company at [jmg@jason.com.sg](mailto:jmg@jason.com.sg).

A member who wishes to submit the questions form must first download, complete and sign the questions form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

**In view of the current COVID-19 situation, shareholders are strongly encouraged to submit completed questions forms electronically via email.**

12. The Management and the Board of Directors of the Company will endeavor to address all substantial and relevant questions received from members at least 48 hours prior to the closing date and time of the lodgment of the proxy forms by publishing the responses to those questions on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> and the Company’s website at the URL [www.jason.com.sg](http://www.jason.com.sg). Where substantial and relevant questions submitted by members are unable to be addressed prior to the AGM, the Company will address them during the AGM through the live audio-visual webcast and live audio-only stream. The Company will publish the minutes of the AGM including the responses to questions from Shareholders within one (1) month after the date of the AGM on SGXNET.
13. In the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

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This notice has been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “**Sponsor**”). This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice. The contact person for the Sponsor is Mr David Yeong (Telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

# APPENDIX

## PROPOSED RENEWAL OF SHARE BUYBACK MANDATE

### 1. INTRODUCTION

- 1.1 Jason Marine Group Limited (the “**Company**”) proposes to seek approval of the shareholders of the Company (“**Shareholders**”) at the forthcoming Annual General Meeting of the Company to be convened and held by way of electronic means on Tuesday, 26 July 2022 at 10:00 a.m. (“**2022 AGM**”) for the proposed renewal of share buyback mandate (the “**Share Buyback Mandate**”) to authorise the Company’s directors (“**Directors**”) from time to time to purchase or acquire shares in the capital of the Company (“**Shares**”) (whether by market purchases and/or off-market purchases on an equal access system) on the terms of the proposed Share Buyback Mandate, subject to the Constitution of the Company and the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).
- 1.2 Shareholders had at the last Annual General Meeting held on 27 July 2021 (“**2021 AGM**”), renewed the Share Buyback Mandate (“**2021 Mandate**”) for the Directors to exercise all the powers of the Company to purchase or acquire up to 10% of the issued share capital (excluding treasury shares and subsidiary holdings) of the Company at the time of passing of the resolution on the terms of the 2021 Mandate.
- 1.3 The 2021 Mandate will expire on the date of the forthcoming 2022 AGM. If the proposed resolution for the renewal of the Share Buyback Mandate is approved at the 2022 AGM, the Share Buyback Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the next Annual General Meeting of the Company is held or is required by law to be held, whichever is earlier.
- 1.4 The purpose of this Appendix is to provide information relating to and explain the rationale for the proposed renewal of the Share Buyback Mandate.

### 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE

#### 2.1 Rationale

The renewal of the Share Buyback Mandate authorising the Directors to purchase or acquire the Shares would give the Company the flexibility to undertake purchases or acquisitions of the Shares up to the 10% limit described in paragraph 2.2.1 below at any time, during the period when the Share Buyback Mandate is in force.

The rationale for the Company to undertake the purchase or acquisition of its issued Shares is as follows:

- (a) In managing the business of the Company and its subsidiaries (the “**Group**”), the management team strives to increase Shareholders’ value by improving, *inter alia*, the return on equity of the Group. In addition to growth and expansion of the business, share buybacks may be considered as one of the ways through which the return on equity of the Group may be enhanced.
- (b) The Share Buyback Mandate would provide the Company with the flexibility to purchase or acquire the Shares if and when circumstances permit, during the period when the Share Buyback Mandate is in force. It is an expedient, effective and cost-efficient way for the Company to return surplus cash/ funds over and above its ordinary capital requirements, if any, which are in excess of its financial requirements, taking into account its growth and expansion plans, to its Shareholders. In addition, the Share Buyback Mandate will allow the Company greater flexibility over, *inter alia*, the Company’s share capital structure and its dividend policy.

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.1 Rationale (Continued)

- (c) The purchase or acquisition of Shares under the Share Buyback Mandate will help mitigate short-term share price volatility (by way of stabilising the supply and demand of issued Shares) and offset the effects of short-term share price speculation, supporting the fundamental value of the issued Shares, thereby bolstering Shareholders' confidence and employees' morale.

While the Share Buyback Mandate would authorise a purchase or acquisition of Shares up to the said 10% limit during the period referred to in paragraph 2.2.2 below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may not be carried out to the full 10% limit as authorised and the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate will be made only as and when the Directors consider it to be in the best interests of the Company and/or the Shareholders and in circumstances which they believe will not result in any material adverse effect on the financial position of the Company or the Group.

The Directors will take into account the impact of the share purchases may have on the liquidity of the Shares and only make a share purchase or acquisition as and when the circumstances permit. The Directors are also committed to ensuring that after a purchase or acquisition of Shares pursuant to the Share Buyback Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the Catalist. Rule 723 of the Catalist Rules states that an issuer must ensure that at least 10% of the total number of issued Shares (excluding preference shares, convertible equity securities and treasury shares) is at all times held by the public.

### 2.2 Authority and Limits on the Share Buyback Mandate

The authority and limitations placed on purchases or acquisitions of Shares under the Share Buyback Mandate, if renewed at the 2022 AGM, are substantially similar in terms to those previously approved by Shareholders at the 2021 AGM, and are summarised below:

#### 2.2.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Buyback Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company (ascertained as at the date of the forthcoming 2022 AGM at which the renewal of the Share Buyback Mandate is approved), unless the share capital of the Company has been reduced in accordance with the applicable provisions of the Companies Act 1967 of Singapore (the "**Companies Act**"), at any time during the period commencing from the date on which the ordinary resolution relating to the Share Buyback Mandate is passed and expiring on the date the next annual general meeting is held or is required by law to be held, whichever is the earlier (the "**Relevant Period**"), in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered. Any Shares which are held as treasury shares or subsidiary holdings will be disregarded for purposes of computing the 10% limit.

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.2 Authority and Limits on the Share Buyback Mandate (Continued)

#### 2.2.2 Duration of Authority

Unless varied or revoked by the Company in a general meeting, purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may be made, at any time and from time to time, on and from the date of the forthcoming 2022 AGM, at which the renewal of Share Buyback is approved, up to the earlier of:

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held; or
- (b) the date on which the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated.

The authority conferred on the Directors by the Share Buyback Mandate to purchase or acquire Shares may be renewed at the next annual general meeting (after the 2022 AGM) or an extraordinary general meeting to be convened immediately after the conclusion or adjournment of the next annual general meeting. When seeking the approval of the Shareholders for the renewal of the Share Buyback Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the Share Buyback Mandate during the previous 12 months, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such purchases or acquisitions of Shares, where relevant, and the total consideration paid for such purchases or acquisitions.

#### 2.2.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisition of Shares may be made by way of, *inter alia*:

- (a) on-market purchases ("**Market Purchase**") transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which the Shares may, for the time being, be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose of the share buyback; and/or
- (b) off-market purchases ("**Off-Market Purchase**") effected otherwise than on the SGX-ST pursuant to an equal access scheme as defined under Section 76C of the Companies Act.

In an Off-Market Purchase, the Directors may impose such terms and conditions which are consistent with the Share Buyback Mandate, the Catalyst Rules, the Companies Act and the Constitution, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes.

Under the Companies Act, an equal access scheme must satisfy all the following conditions:-

- (i) offers for the purchase or acquisition of issued Shares shall be made to every person who holds issued Shares to purchase or acquire the same percentage of their issued Shares;
- (ii) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.2 Authority and Limits on the Share Buyback Mandate (Continued)

#### 2.2.3 Manner of Purchases or Acquisitions of Shares (Continued)

- (iii) the terms of all the offers shall be the same, except that there shall be disregarded, where applicable:
  - (aa) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
  - (bb) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
  - (cc) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, the Company, as required by the Catalist Rules, has to issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed purchases or acquisitions of Shares;
- (d) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Singapore Code on Take-overs and Mergers (the "**Take-over Code**") or other applicable take-over rules;
- (e) whether the purchases or acquisitions of Shares, if made, could have any effect on the listing of the Shares on the Catalist;
- (f) details of any purchases or acquisitions of Shares made by the Company in the previous 12 months (whether by way of Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions, where relevant, and the total consideration paid for the purchases or acquisitions; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

#### 2.2.4 Maximum Purchase Price for the Shares

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors or a committee of Directors that may be constituted for the purposes of effecting purchases or acquisitions of Shares by the Company under the Share Buyback Mandate.

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.2 Authority and Limits on the Share Buyback Mandate (Continued)

#### 2.2.4 Maximum Purchase Price for the Shares (Continued)

However, the purchase price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price,

(the “**Maximum Price**”) in either case, excluding related expenses of the purchase or acquisition. For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last 5 consecutive Market Days, on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of Shares was made, or as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5-market day period; and

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

### 2.3 Sources of funds

The Company may only apply funds legally available for the purchase or acquisition of its Shares as provided in the Constitution and in accordance with the applicable laws in Singapore. The Company may not purchase or acquire its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

Previously, any payment made by the Company in consideration of the purchase or acquisition of its Shares may only be made out of the Company’s distributable profits. The Companies Act currently permits the Company to also purchase or acquire its Shares out of capital, as well as from its distributable profits, so long as the Company is solvent (as defined in Section 76F(4) of the Companies Act).

The Company intends to use internal sources of funds or borrowings or a combination of both to finance the Company’s purchase or acquisition of Shares pursuant to the Share Buyback Mandate. In purchasing or acquiring Shares pursuant to the Share Buyback Mandate, the Directors will principally consider the availability of internal resources. In addition, the Directors will also consider the availability of external financing. However, in considering the option of external financing, the Directors will consider particularly the prevailing gearing level of the Group and the costs of such financing.

The Directors will only make purchases or acquisitions pursuant to the Share Buyback Mandate in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group.



# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.4 Status of Purchased Shares under the Share Buyback Mandate

Under Section 76B of the Companies Act, any Shares purchased or acquired by the Company through a Share buyback shall be deemed to be cancelled immediately on purchase or acquisition unless such Shares are held by the Company as treasury shares in accordance with Section 76H of the Companies Act. Upon such cancellation, all rights and privileges attached to that Share will expire. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

All Shares purchased or acquired by the Company (other than treasury shares held by the Company to the extent permitted under the Companies Act) will be automatically de-listed by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

### 2.5 Treasury Shares

Under the Companies Act, the Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

- (a) The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.
- (b) The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings. For the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.
- (c) In addition, no dividend may be paid, and no other distribution of the Company's assets may be made to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.
- (d) Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:
  - (i) sell the treasury shares (or any of them) for cash;
  - (ii) transfer the treasury shares (or any of them) for the purposes of or pursuant to an employees' share scheme;
  - (iii) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
  - (iv) cancel the treasury shares (or any of them); or
  - (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister of Finance.

The Shares purchased or acquired under the Share Buyback Mandate will be held as treasury shares or cancelled by the Company taking into consideration the then prevailing circumstances and requirements of the Company at the relevant time.

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.6 Reporting requirements

The Company shall notify the Accounting and Corporate Regulatory Authority (the "ACRA") in the prescribed form within 30 days of a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification shall include, *inter alia*, details of the purchases or acquisitions and the total number of Shares purchased or acquired by the Company, the Company's issued share capital before and after the purchase or acquisition of Shares, and the amount of consideration paid by the Company for the purchases or acquisitions. Within 30 days of the passing of a Shareholders' resolution to approve or renew the Share Buyback Mandate, the Company shall lodge a copy of such resolution with the ACRA.

Pursuant to the Catalist Rules, the Company shall notify the SGX-ST of all purchases or acquisitions of its Shares not later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (b) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such purchases or acquisition of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe.

The Company, upon undertaking any sale, transfer, cancellation and/or use of treasury shares, will comply with Rule 704(31) of the Catalist Rules, which provides that an issuer must make an immediate announcement thereof, stating the following:

- (a) the date of the sale, transfer, cancellation and/or use;
- (b) the purpose of such sale, transfer, cancellation and/or use;
- (c) the number of treasury shares sold, transferred, cancelled and/or used;
- (d) the number of Shares before and after such sale, transfer, cancellation and/or use;
- (e) the percentage of the number of treasury shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (f) the value of the treasury shares if they are used for a sale or transfer, or cancelled.

### 2.7 Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Buyback Mandate on the net tangible assets ("NTA") and earnings per Share ("EPS") of the Company and the Group as the resultant effects would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares, the amount (if any) borrowed by the Company to fund such purchases or acquisitions and whether the Shares purchased or acquired are cancelled or held as treasury shares.

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.7 Financial Effects (Continued)

The repurchased Shares may be cancelled or held as treasury shares. Any Share buyback will:

- (a) reduce the number of the issued Shares in the capital of the Company where the Shares were purchased or acquired out of the capital of the Company;
- (b) reduce the amount of the Company's profits where the Shares were purchased or acquired out of the profits of the Company; or
- (c) reduce the amount of the Company's share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the Shares cancelled.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The Directors do not propose to exercise the Share Buyback Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirements, the availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions. The Share Buyback Mandate will be exercised with a view to enhancing the EPS and/or the NTA value per Share of the Group.

**Purely for illustrative purposes only**, the financial effects of the Share Buyback Mandate on the Group and the Company, based on the audited financial statements of the Group and the Company for the financial year ended 31 March 2022 and based on the assumptions set out below:

- (a) based on 105,000,000 Shares in issue as at 31 March 2022 (excluding 1,000,000 Shares held in treasury) and assuming no further Shares are issued on or prior to the 2022 AGM, not more than 10,500,000 Shares (representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at that date of the 2022 AGM) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate;
- (b) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 10,500,000 Shares at the Maximum Price of S\$0.165 (being the price equivalent to 105% of the Average Closing Price of the Shares for the 5 consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the 27 June 2022 (being the latest practicable date prior to the printing of this Appendix) ("**Latest Practicable Date**"), the maximum amount of funds required for the purchase or acquisition of the 10,500,000 Shares (excluding related expenses) is approximately S\$1.7 million; and

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.7 Financial Effects (Continued)

- (c) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires the 10,500,000 Shares at the Maximum Price of S\$0.189 (being the price equivalent to 120% of the Average Closing Price of the Shares for the 5 consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase of the 10,500,000 Shares (excluding related expenses) is approximately S\$2.0 million.

**Purely for illustrative purposes only**, and based on the assumptions set out in sub-paragraphs (a), (b) and (c) above and assuming that:

- (i) such purchase or acquisition of Shares is financed solely by internal sources of funds available as at 31 March 2022;
- (ii) the Share Buyback Mandate had been effective on 1 April 2021; and
- (iii) the Company had purchased or acquired the maximum of 10,500,000 Shares (representing 10% of the total issued Shares (excluding the Shares held in treasury or subsidiary holdings) as at 31 March 2022),

the financial effects of the purchase or acquisition of the 10,500,000 Shares by the Company pursuant to the Share Buyback Mandate:

- (1) by way of purchases made entirely out of capital and held as treasury shares; and
- (2) by way of purchases made entirely out of capital and cancelled,

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.7 Financial Effects (Continued)

on the audited financial statements of the Group and the Company for the financial year ended 31 March 2022 pursuant to the Share Buyback Mandate are as follows:

#### **Scenario 1: Purchases made out of capital and held as treasury shares**

As at 31 March 2022	Group			Company		
	Before Share Buyback (S\$'000)	After Share Buyback assuming Market Purchase (S\$'000)	After Share Buyback assuming Off-Market Purchase (S\$'000)	Before Share Buyback (S\$'000)	After Share Buyback assuming Market Purchase (S\$'000)	After Share Buyback assuming Off-Market Purchase (S\$'000)
Share capital	17,967	17,967	17,967	17,967	17,967	17,967
Reserves	(517)	(517)	(517)	–	–	–
Accumulated profits	6,345	6,345	6,345	5,126	5,126	5,126
Treasury shares	(255)	(1,988)	(2,240)	(255)	(1,988)	(2,240)
Equity attributable to the owners of the parent	23,540	21,807	21,555	22,838	21,105	20,853
NTA <sup>(1)</sup>	23,577	21,844	21,592	22,838	21,105	20,853
Cash and cash equivalents	18,957	17,224	16,972	4,994	3,261	3,009
Current assets	34,816	33,083	32,831	7,757	6,024	5,772
Current liabilities	9,802	9,802	9,802	568	568	568
Working capital	25,014	23,281	23,029	7,189	5,456	5,204
Total borrowings <sup>(2)</sup>	4,262	4,262	4,262	–	–	–
Profit for the financial year attributable to owners of the parent	240	240	240	1,636	1,636	1,636
Number of issued shares	106,000	106,000	106,000	106,000	106,000	106,000
Treasury shares	1,000	11,500	11,500	1,000	11,500	11,500
Number net of treasury shares	105,000	94,500	94,500	105,000	94,500	94,500
<b>Financial ratios</b>						
NTA per share (cents) <sup>(3)</sup>	22.45	23.12	22.85	21.75	22.33	22.07
EPS (cents) <sup>(4)</sup>	0.23	0.25	0.25	1.56	1.73	1.73
Current ratio (times) <sup>(5)</sup>	3.6	3.4	3.3	13.7	10.6	10.2
Gearing ratio (times) <sup>(6)</sup>	0.2	0.2	0.2	0.0	0.0	0.0
Return on equity (%) <sup>(7)</sup>	1.0%	1.1%	1.1%	7.2%	7.8%	7.8%

#### Notes:

- (1) NTA refers to total net assets less intangible assets.
- (2) Total borrowings refer to the total of short term and long term borrowings, and finance lease obligations.
- (3) NTA per Share is calculated based on NTA and 105,000,000 Shares (excluding treasury shares and subsidiary holdings) in issue as at 31 March 2022.
- (4) For illustrative purpose, EPS is calculated based on 105,000,000 Shares (excluding treasury shares and subsidiary holdings) in issue as at 31 March 2022.
- (5) Current ratio equals current assets divided by current liabilities.
- (6) Gearing ratio equals total borrowings divided by Equity attributable to the owners of the parent.
- (7) Return on equity equals profit for the financial year attributable to owners of the parent divided by Equity attributable to the owners of the parent.

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.7 Financial Effects (Continued)

#### Scenario 2: Purchases made out of capital and cancelled

	Group			Company		
	Before Share Buyback	After Share Buyback assuming Market Purchase	After Share Buyback assuming Off- Market Purchase	Before Share Buyback	After Share Buyback assuming Market Purchase	After Share Buyback assuming Off- Market Purchase
As at 31 March 2022	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Share capital	17,967	17,967	17,967	17,967	17,967	17,967
Reserves	(517)	(2,250)	(2,502)	–	(1,733)	(1,985)
Accumulated profits	6,345	6,345	6,345	5,126	5,126	5,126
Treasury shares	(255)	(255)	(255)	(255)	(255)	(255)
Equity attributable to the owners of the parent	23,540	21,807	21,555	22,838	21,105	20,853
NTA <sup>(1)</sup>	23,577	21,844	21,592	22,838	21,105	20,853
Cash and cash equivalents	18,957	17,224	16,972	4,994	3,261	3,009
Current assets	34,816	33,083	32,831	7,757	6,024	5,772
Current liabilities	9,802	9,802	9,802	568	568	568
Working capital	25,014	23,281	23,029	7,189	5,456	5,204
Total borrowings <sup>(2)</sup>	4,262	4,262	4,262	–	–	–
Profit for the financial year attributable to owners of the parent	240	240	240	1,636	1,636	1,636
Number of issued shares	105,000	94,500	94,500	105,000	94,500	94,500
<u>Financial ratios</u>						
NTA per share (cents) <sup>(3)</sup>	22.45	23.12	22.85	21.75	22.33	22.07
EPS (cents) <sup>(4)</sup>	0.23	0.25	0.25	1.56	1.73	1.73
Current ratio (times) <sup>(5)</sup>	3.6	3.4	3.3	13.7	10.6	10.2
Gearing ratio (times) <sup>(6)</sup>	0.2	0.2	0.2	0.0	0.0	0.0
Return on equity (%) <sup>(7)</sup>	1.0%	1.1%	1.1%	7.2%	7.8%	7.8%

#### Notes:

(1) NTA refers to total net assets less intangible assets.

(2) Total borrowings refer to the total of short term and long term borrowings, and finance lease obligations.

(3) NTA per Share is calculated based on NTA and 105,000,000 Shares (excluding treasury shares and subsidiary holdings) in issue as at 31 March 2022.

(4) For illustrative purpose, EPS is calculated based on 105,000,000 Shares (excluding treasury shares and subsidiary holdings) in issue as at 31 March 2022.

(5) Current ratio equals current assets divided by current liabilities.

(6) Gearing ratio equals total borrowings divided by Equity attributable to the owners of the parent.

(7) Return on equity equals profit for the financial year attributable to owners of the parent divided by Equity attributable to the owners of the parent.

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.7 Financial Effects (Continued)

Shareholders should note that the financial effects illustrated above are based on certain assumptions and purely for illustrative purposes only. In particular, it is important to note that the above analysis is based on the audited accounts of the Company and the Group for the financial year ended 31 March 2022 and the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at 31 March 2022, and is not necessarily representative of the future financial performance of the Company or the Group.

The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a Share purchase or acquisition before execution. Although the Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or be able to purchase the entire 10% of the total number of its issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

Shareholders who are in doubt as to their tax positions or any tax implications arising from the Share Buyback Mandate in their respective jurisdictions should consult their own professional advisers.

### 2.8 Catalyst Rules

While the Catalyst Rules do not expressly prohibit purchase or acquisition of shares by a Catalyst company during any particular time or times, because a Catalyst company would be considered an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not purchase any Shares pursuant to the Share Buyback Mandate after a development which could have a material effect on the price of the Shares has occurred or has been the subject of a consideration and/or a decision of the Board until such time as such information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchases during the period of one (1) month immediately preceding the announcement of the Company’s half-year and full-year results.

The Company is required under Rule 723 of the Catalyst Rules to ensure that at least 10% of its Shares are in the hands of the public. The “public”, as defined under the Catalyst Rules, are persons other than the Directors, Chief Executive Officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiary companies, as well as the Associates of such persons.

Based on the Register of Directors’ shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, approximately 20,825,200 Shares, representing 19.83% of the total issued Shares (excluding treasury shares and subsidiary holdings), are in the hands of the public. In undertaking any purchases or acquisitions of Shares through Market Purchases, the Directors will use their best efforts to ensure that a sufficient float in the hands of the public will be maintained so that such purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the Catalist, cause market illiquidity or adversely affect the orderly trading of the Shares.



# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.9 Implications under the Take-over Code

Shareholders' attention is drawn to Appendix 2 of the Take-over Code which contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

#### 2.9.1 Obligation to make a take-over offer

If, as a result of any purchase or acquisition by the Company of the Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

#### 2.9.2 Persons acting in concert

Under the Take-over Code, persons acting in concert ("**concert parties**") comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of the company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert:

- (a) a company with its parent company, its subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- (b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and

# APPENDIX

## 2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE (CONTINUED)

### 2.9 Implications under the Take-over Code (Continued)

#### 2.9.2 Persons acting in concert (Continued)

- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Takeover Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

#### 2.9.3 Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and their concert parties will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

Based on the information in the Company's Register of Shareholders as at the Latest Practicable Date, none of the Directors or Substantial Shareholders of the Company are obliged to make a general offer to other Shareholders under Rule 14 and Appendix 2 of the Take-over Code as a result of a purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate. As at the Latest Practicable Date, the Directors are not aware of any potential Shareholder(s) who may have to make a general offer to the other Shareholders as a result of a purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate.

**Shareholders who are in doubt as to their obligations, if any, to make a mandatory takeover offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.**

# APPENDIX

### 3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders, as at the Latest Practicable Date, the interests of the Directors' and the Substantial Shareholders of the Company in the Shares of the Company are as follows:-

Directors	Direct Interest		Deemed Interest		Total Interest	%(1)
	Shares	Options	Shares	Options		
Foo Chew Tuck	81,300,000	–	–	–	81,300,000	77.43
Wong Hin Sun Eugene <sup>(2)</sup>	3,200	–	2,650,000	–	2,653,200	2.53
Sin Hang Boon @ Sin Han Bun	–	–	–	–	–	–
Eileen Tay-Tan Bee Kiew	–	–	–	–	–	–
Colin Low Tock Cheong <sup>(3)</sup>	–	–	–	–	–	–
<b>Substantial Shareholders (other than Directors)</b>	–	–	–	–	–	–
<b>Other Shareholder</b>						
Sirius Venture Capital Pte. Ltd. ("Sirius Venture") <sup>(2)</sup>	2,650,000	–	–	–	2,650,000	2.52

**Notes:**

- (1) The percentage is calculated based on the total issued and paid-up share capital of 105,000,000 Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.
- (2) Sirius Venture is a company incorporated in Singapore on 12 September 2002 and is principally engaged in investment activities and the provision of business consultancy services. Mr Wong Hin Sun Eugene is the managing director of Sirius Venture. As at the Latest Practicable Date, Mr Wong Hin Sun Eugene holds 100% of the issued share capital of Sirius Venture. Mr Wong Hin Sun Eugene is accordingly deemed to have an interest in the Shares held by Sirius Venture.
- (3) Mr Colin Low Tock Cheong has been appointed as a Director of the Company with effect from 27 July 2021.

### 4. SHARE BUYBACKS IN THE PREVIOUS 12 MONTHS

The Company did not purchase or acquire any Shares during the 12-month period immediately preceding the Latest Practicable Date.

As at the Latest Practicable Date, an aggregate of 1,000,000 Shares are being held by the Company as treasury shares.

### 5. TAX IMPLICATIONS

Shareholders who are in doubt as to their respective tax positions or the tax implications of Share purchases by the Company or to who may be subject to tax whether in or outside Singapore should consult their own professional advisers.

### 6. DIRECTORS' RECOMMENDATION

After having considered the rationale and the information relating to the Share Buyback Mandate, the Directors are of the opinion that the proposed renewal of Share Buyback Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution 9 as set out in the Notice of Annual General Meeting relating to the proposed renewal of the Share Buyback Mandate.

# APPENDIX

## 7. ANNUAL GENERAL MEETING

The 2022 AGM, notice of which is set out on pages 101 to 107 of the 2022 Annual Report of the Company, will be convened and held by way of electronic means on Tuesday, 26 July 2022 at 10:00 a.m. for the purpose of, *inter alia*, considering and, if thought fit, passing the ordinary resolution on the renewal of Share Purchase Mandate as set out in the Notice of the Annual General Meeting.

## 8. ACTION TO BE TAKEN BY SHAREHOLDERS

Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, Shareholders will not be able to attend the 2022 AGM in person due to the various control and safe distancing measures put in place in Singapore to prevent the spread of COVID-19. A Shareholder (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the 2022 AGM if such Shareholder wishes to exercise his/her/its voting rights at the 2022 AGM.

Where a Shareholder (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid. Printed copies of the Proxy Form together with the Notice for the 2022 AGM will not be sent to members. Instead, the Notice for the 2022 AGM with its accompanying Proxy Form will be made available by electronic means via an announcement on the SGX website at the URL <https://www.sgx.com/securities/company-announcements> and may be accessed at the Company's website at the URL [www.jason.com.sg](http://www.jason.com.sg).

The Proxy Form must be submitted to the Company in the following manner:

- a. via the following URL <https://conveneagm.com/sg/jasonmarine2022> (the "JMG AGM Website") in the electronic format accessible on the JMG AGM Website; or
- b. if submitted by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
- c. if submitted electronically, be submitted via email to the Company's Share Registrar at [main@zicoholdings.com](mailto:main@zicoholdings.com),

in either case not less than 48 hours before the time appointed for the 2022 AGM.

A Depositor shall not be regarded as a shareholder of the Company and not be entitled to attend the 2022 AGM and to speak and vote thereat unless his name appears on the Depository Register and/or the Register of Members at least 72 hours before the 2022 AGM.

If a shareholder is required to abstain from voting on a proposal at a general meeting by a listing rule or pursuant to any court order, any votes cast by the shareholder on that resolution will be disregarded by the Company.

# APPENDIX

## 9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of Share Buyback Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in the Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Appendix in its proper form and context.

## 10. DOCUMENTS FOR INSPECTION

A copy of the Constitution of the Company is available for inspection at the registered office of the Company at 194 Pandan Loop, #06-05 Pantech Business Hub, Singapore 128383, during normal business hours from the date of this Appendix up to and including the date of the 2022 AGM.

The Annual Report of the Company for the financial year ended 31 March 2022 may be accessed at our Company's website at the URL [www.jason.com.sg](http://www.jason.com.sg) and on the SGX website at the URL <https://www.sgx.com/securities/annual-reports-related-documents>.

## 11. STATEMENT BY SPONSOR

This Appendix has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor") in accordance with Rule 226(2)(b) of the Catalist Rules. This Appendix has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix. The contact person for the Sponsor is Mr David Yeong (Telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

Yours faithfully,  
For and on behalf of the Board of Directors of  
**JASON MARINE GROUP LIMITED**

**FOO CHEW TUCK**  
Executive Chairman and Chief Executive Officer

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# PROXY FORM

## ANNUAL GENERAL MEETING

**IMPORTANT:**

1. The Annual General Meeting (“AGM”) is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of AGM and this proxy form will not be sent to members. Instead, the Notice with its accompanying proxy form will be made available by electronic means via announcement on the SGX website at the URL <https://www.sgx.com/securities/company-announcements> and may be accessed at the Company’s website at the URL [www.jason.com.sg](http://www.jason.com.sg).
2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via “live” audio-visual webcast or “live” audio-only stream), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the AGM as proxy at the AGM are set out in the Company’s announcement accompanying the Notice of AGM dated 11 July 2022. The aforesaid announcement may be accessed at the Company’s website at the URL [www.jason.com.sg](http://www.jason.com.sg), and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. **To minimise physical interactions and COVID-19 transmission risks, members will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.**
4. CPF/SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5:00 p.m. on 14 July 2022.
5. By submitting an instrument appointing the Chairman of the AGM as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 11 July 2022.
6. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the AGM as a member’s proxy to attend, speak and vote on his/her/its behalf at the AGM.**

I/We\*, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport No./Company Registration No.\*)

of \_\_\_\_\_ (Address)

being a member/members\* of Jason Marine Group Limited (the “Company”), hereby appoint the **Chairman of the AGM**, as my/our\* proxy to attend, speak and to vote for me/us\* on my/our\* behalf at the AGM of the Company to be convened and held by way of electronic means on Tuesday, 26 July 2022 at 10:00 a.m. and at any adjournment thereof. I/We direct the Chairman of the AGM to vote for, against and/or to abstain from the Ordinary Resolutions to be proposed at the AGM as indicated with an “X” in the spaces provided hereunder. If no specific direction as to voting is given, the Chairman may vote or abstain from voting at his/their discretion.

NO.	ORDINARY RESOLUTIONS	VOTING		ABSTAIN FROM VOTING**
		FOR **	AGAINST **	
<b>ORDINARY BUSINESS</b>				
1.	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 March 2022, the Directors’ Statement and the Report of the Auditors thereon.			
2.	To declare and pay a first and final one-tier tax exempt dividend of 0.75 Singapore cent per share in respect of the financial year ended 31 March 2022.			
3.	To declare and pay a special one-tier tax exempt dividend of 0.25 Singapore cent per share in respect of the financial year ended 31 March 2022.			
4.	Approval of Directors’ fees of S\$210,417 for the financial year ended 31 March 2022.			
5.	Re-election of Mrs Eileen Tay-Tan Bee Kiew as Director.			
6.	Re-election of Mr Sin Hang Boon, Eugene as Director.			
7.	Re-appointment of Messrs BDO LLP as Auditors of the Company.			
<b>SPECIAL BUSINESS</b>				
8.	Authority to allot and issue shares in the capital of the Company and/or instruments pursuant to Section 161 of the Companies Act.			
9.	Renewal of the Company’s Share Buyback Mandate.			

\* Delete as appropriate

\*\* Voting will be conducted by poll. If you wish the Chairman of the AGM as your proxy to cast all your votes “For” or “Against” a resolution, please indicate with an “X” in the “For” or “Against” box provided in respect of that resolution. Alternatively, please indicate the number of votes for or against in the “For” or “Against” box in respect of that resolution. If you wish the Chairman of the AGM as your proxy to abstain from voting on a resolution, please indicate with an “X” in the “Abstain From Voting” box provided in respect of that resolution. Alternatively, please indicate the number of shares that the Chairman of the AGM as your proxy is directed to abstain from voting in the “Abstain From Voting” box in respect of that resolution. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2022

Total Number of Shares held in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature(s) of Member(s) or  
Common Seal of Corporate Shareholder

**IMPORTANT: PLEASE READ NOTES OVERLEAF.**

**NOTES:**

1. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy (the "Proxy Form") will be deemed to relate to all the shares held by the member.
2. **To minimise physical interactions and COVID-19 transmission risks, members will not be able to attend the AGM in person. A member (whether individual or corporate) must submit his/her/its Proxy Form appointing the Chairman of AGM as his/her/ its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. Where a member (whether individual or corporate) appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.** The Proxy Form for the AGM will be announced together with the Notice of AGM and may be accessed at the Company's website at the URL [www.jason.com.sg](http://www.jason.com.sg) and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.  
CPF/SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5:00 p.m. on 14 July 2022.

3. The Chairman of the AGM, as proxy, need not be a member of the Company.
4. The Proxy Form must be submitted to the Company in the following manner:
  - a. via the following URL <https://conveneagm.com/sg/jasonmarine2022> (the "JMG AGM Website") in the electronic format accessible on the JMG AGM Website; or
  - b. if submitted by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
  - c. if submitted electronically, be submitted via email to the Company's Share Registrar at [main@zicoholdings.com](mailto:main@zicoholdings.com).

in either case not less than 48 hours before the time appointed for the AGM.

A member who wishes to submit a Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

**In view of the current COVID-19 situation, members are strongly encouraged to submit completed Proxy Forms electronically via email.**

5. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
6. Where a Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.
8. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form (or any related attachment) if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Fold along this line

# PROXY FORM

Affix  
Postage  
Stamp

The Company's Share Registrar  
**B.A.C.S. Private Limited**  
77 Robinson Road  
#06-03 Robinson 77  
Singapore 068896

Fold along this line



**JASON MARINE GROUP LIMITED**

Co. Reg. No. 200716601W

194 Pandan Loop #06-05

Pantech Business Hub

Singapore 128383

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[www.jason.com.sg](http://www.jason.com.sg)