

JASON MARINE GROUP LIMITED

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

SETTLEMENT AGREEMENT BETWEEN JASON ELECTRONICS (PTE) LTD AND WORLD BANK GROUP

1. INTRODUCTION

The board of directors (the “**Directors**”) of Jason Marine Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Jason Electronics (Pte) Ltd (“**Jason Electronics**”), has entered into a settlement agreement (the “**Settlement Agreement**”) with the World Bank Group (“**World Bank**”) on 8 December 2020 in relation to a failure to disclose its agreement to pay a fee and commission to a company in Bangladesh (the “**Local Partner**”) in its bidding documents for a project in Bangladesh in July 2017. Jason Electronics subsequently withdrew its bid for this project, known as the Urban Resilience Project, which was financed by World Bank. The Urban Resilience Project is the Group’s first and only attempt to-date at bidding for a World Bank-financed project.

2. BACKGROUND

In June 2017, Jason Electronics was approached by the Local Partner, with an opportunity to participate in the Urban Resilience Project through the supply and installation of equipment for approximately US\$1.6m (the “**Project**”). In July 2017, Jason Electronics made an error of not disclosing its agreement to pay a fee and commission to the Local Partner for work to be executed by the Local Partner, in the bidding documents.

According to the World Bank, this is regarded as a misrepresentation in the bidding documents which was not in compliance with the World Bank Group Procurement Guidelines.

In November 2017, prior to the results of the tender, Jason Electronics withdrew the bid for the Project and no payment was made to the Local Partner. In February 2019, the World Bank conducted an administrative inquiry into the bidding process of the Project.

3. THE SETTLEMENT AGREEMENT

The Settlement Agreement provides for a six-month reduced period of debarment in light of Jason Electronics’ cooperation and voluntary remedial actions. As a condition for release from sanction under the terms of the Settlement Agreement, Jason Electronics commits to strengthening its integrity compliance program in line with the principles set out in the World Bank Group Integrity Compliance Guidelines. Jason Electronics also commits to continue to fully cooperate with the World Bank Group Integrity Vice Presidency.

4. NO MATERIAL IMPACT ON THE GROUP

The debarment is imposed only on Jason Electronics and does not apply to the other subsidiaries under the Group. As at the date of this announcement, the Board believes that the Settlement Agreement is not expected to have any material direct impact on the financial performance, the financial position and/or the operations of the Group, as the Urban Resilience Project is the Group's first and only attempt to-date at bidding for a World Bank-financed project.

5. DIRECTORS' RESPONSIBILITY STATEMENT

This announcement has been reviewed and approved by the Directors (including those who may have been delegated detailed supervision of the preparation of this announcement). The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Settlement Agreement and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

By Order of the Board

Foo Chew Tuck
Executive Chairman and CEO

9 December 2020

MEDIA CONTACT

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This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms Tan Cher Ting, Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone (65) 6337 5115.