JASON HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201119167Z)

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER ("FY") 2015

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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.

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CAUTIONARY NOTE

The unaudited financial results of Jason Holdings Limited (the **"Company"**) and its subsidiaries (collectively, the **"Group"**) for FY2015 (**"FY2015 Results"**) disclosed in this announcement (**"Announcement"**) include the financial information of the principal operating subsidiary of the Company, Jason Parquet Specialist (Singapore) Pte Ltd (**"JPS"**).

The Company wishes to highlight that the FY2015 Results are subject to limitations relating to the preparation of the financial statements (**"Limitations"**) for, *inter alia*, FY2015 as set out below:

(a) as disclosed in the announcement by the Special Committee of the Company entitled "Update on Review by Special Committee" dated 31 May 2016, BDO LLP (**"BDO"**) was engaged by JPS to perform certain agreed-upon procedures (**"AUPs"**) on the revenue and cost of goods sold (**"COGS"**) of JPS for the six-month financial period ended 30 June 2015 (**"HY2015"**). In the same announcement, BDO found that: (i) S$4.3 million of material-off-site claims that did not meet the revenue recognition criteria were recognised as revenue for HY2015, (ii) the revenue schedule as at 30 June 2015 was not reconciled to the general ledger for HY2015, and (iii) the COGS of each project under review was not reconciled from the project actual cost schedule to the general ledger.

The AUPs are limited to specific tests on revenue and COGS of JPS for HY2015, and are performed in accordance with the Singapore Standard on Related Services applicable to AUP engagements. AUPs do not constitute either an audit or a review made in accordance with the Singapore Standards on Auditing or Singapore Standards on Review Engagement. Accordingly, BDO does not express any assurance on the unaudited restated results of the Group for HY2015.

(b) as announced by the Special Committee of the Company on 24 May 2016, the Special Committee appointed Ernst & Young Advisory Pte. Ltd. (**"EY"**) to perform a review of the findings of an internal audit report for HY2015 and also conduct an assessment into certain account balances of JPS. The report of EY dated 24 May 2016 highlighted potential breaches of fiduciary duties in the management and administration of JPS;

(c) as announced by the Special Committee of the Company on 24 May 2016, the Special Committee resolved to suspend Mr. Jason Sim Chon Ang from his position as Chief Executive Officer (**"CEO"**) of the Group and Mr. New Sze Wei from his key executive position as Operations Director of the Group;

(d) Since 31 December 2015 and up to the date of this Announcement, the Company announced, *inter alia*, the following matters which are expected to have a material and adverse impact on the financial position, financial performance, business and operations of the Group:

(i) Orders of Court executed by way of Writs of Seizure and Sale, as announced by the Company on 31 March 2016;

(ii) an application to wind up JPS, as announced by the Company on 5 April 2016, 3 May 2016 and 20 May 2016;

(iii) potential legal proceedings, appointment of receivers over a mortgaged property, cancellation of banking facilities, and repayments pursuant to demand notices and / or claims from various banks, as announced by the Company on 8 April 2016, 9 May 2016, 10 May 2016 and 17 May 2016;

(iv) a charge by the Ministry of Manpower in relation to JPS' alleged failure to take adequate safety measures at a workplace, as announced by the Company on 27 April 2016;

(v) termination of a dormitory tenancy agreement, as announced by the Company on 17 May 2016;

(vi) demand notices from counterparties on performance bonds executed in connection with various contracts entered into by JPS, as announced by the Company on 17 May 2016 and 26 May 2016; and

(vii) potential litigation and repayments pursuant to claims by various contractors and / or counterparties, as announced by the Company on 17 May 2016, 18 May 2016 and 21

May 2016; and

(e) the FY2015 Results have not been reviewed or audited by the Independent Auditor. As such, the Company would like to remind Shareholders that the FY2015 Results disclosed herein may be subject to further adjustments and revision, including but not limited to adjustments and revisions to results of prior year(s) or period(s).

In view of the foregoing and as the full implications and impact arising from the Limitations cannot be ascertained pending further investigations and verification, Shareholders and / or investors of the Company are cautioned against placing undue reliance on the FY2015 Results disclosed herein.

WARNING STATEMENT ON GOING CONCERN ASSUMPTION, QUALIFICATION(S) AND / OR DISCLAIMER(S)

The board of directors (**"Board"**) of the Company is of the view that, as at the date of this Announcement, there could be:

(a) a potential material impact on the going concern assumption used in the preparation of the Group's consolidated financial statements for FY2015; and / or

(b) potential qualification(s) and / or disclaimer(s) by the Independent Auditor, BDO, on the Group's consolidated financial statements for FY2015.

The Board's opinion is arrived at after taking into consideration, *inter alia*, the following:

(a) the Limitations as set out in the section entitled "Cautionary Note" of this Announcement; and

(b) the unaudited loss attributable to Shareholders for FY2015 of S$13.8 million.

As at the date of this Announcement, audit of the consolidated financial statements of the Group for FY2015 is still on-going.

The Company will make further announcement(s) under Rule 704(4) of the Listing Manual Section B: Rules of Catalist of SGX-ST, to update its Shareholders on the aforesaid matter, as and when appropriate.

Shareholders of the Company and / or potential investors are advised to read all announcements by the Company carefully and to consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group		
	Unaudited FY2015 $'000	**Restated unaudited FY2014[1] $'000**	**% Increase/ (Decrease)**
Revenue	**23,240**	**39,990**	**(42)**
Cost of sales	(24,255)	(32,435)	(25)
Gross (loss) / profit	**(1,015)**	**7,555**	**NM**
Other items of income			
Interest income	2	7	(71)
Other income	589	393	50
Other items of expense			
Selling and distribution expenses	(133)	(74)	80
Administrative expenses	(5,188)	(5,014)	3
Other expenses	(7,347)	(2,142)	243
Finance costs	(701)	(518)	35
(Loss) / profit before income tax	**(13,793)**	**207**	**NM**
Income tax (expense) / credit	(48)	8	NM
(Loss) / profit for the year	**(13,841)**	**215**	**NM**
Other comprehensive income: Item that will not be reclassified subsequently to profit or loss			
Gain on revaluation of property	6,775	-	NM
Other comprehensive income for the financial year, net of tax	6,775	-	NM
Total comprehensive (loss) / income for the financial year	**(7,066)**	**215**	**NM**

(Loss) / profit attributable to:			
Owners of the parent	(13,753)	213	NM
Non-controlling interest	(88)	2	NM
	(13,841)	**215**	
Total comprehensive (loss) / income attributable to:			
Owners of the parent	(6,978)	213	NM
Non-controlling interest	(88)	2	NM
	(7,066)	**215**	

NM = Not meaningful

Note:

(1) Comparative results for FY2014 have been restated to include the material-off-site adjustment resulting in restatement of revenue by approximately $145,000 and cost of sales by approximately $60,000.

#1(a)(ii) Notes to the Consolidated Statement of Comprehensive Income

(Loss) / Profit before income tax is arrived at after charging/ (crediting):	Group		
	Unaudited FY2015 $'000	Audited FY2014 $'000	% Increase/ (Decrease)
Other income:			
Gain on disposal of plant and equipment	(1)	(22)	(95)
Rental income	(8)	(41)	(80)
Miscellaneous income	(580)	(330)	76
	(589)	**(393)**	**50**
Interest on borrowings:			
Finance lease liabilities	9	13	(31)
Trust receipts	333	230	45
Trade receivable financing	213	162	31
Term loans and property loan	128	111	15
Bank overdrafts	18	2	800
	701	**518**	**35**
Amortisation of intangible asset	54	92	(41)
Allowance/ (Write-back) for doubtful trade receivables - third parties	662	(15)	NM
Other receivables written off - third parties	2,894	-	NM
Depreciation of property, plant and equipment	287	300	(4)
Realised foreign exchange loss, net	53	27	96
Inventories written off	2,736	-	NM
Unrealised foreign exchange (gain)/loss, net	(138)	78	NM
Over-provision of income tax in prior financial year	-	(8)	NM

NM = Not meaningful

#1(b)(i) A statement of financial position (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	Unaudited as at 31 December 2015	**Restated unaudited as at 31 December 2014[(1)]**	**Unaudited as at 31 December 2015**	**Audited as at 31 December 2014**
	$'000	**$'000**	**$'000**	**$'000**
Non-current assets				
Property, plant and equipment	234	2,356	-	-
Intangible asset	-	56	-	-
Investment in subsidiaries	-	-	225	5,588
Total non-current assets	**234**	**2,412**	**225**	**5,588**
Current assets				
Inventories	8,376	10,295	-	-
Trade and other receivables	11,814	26,478	361	2,780
Prepayments	62	202	21	121
Property, plant and equipment	8,817	-	-	-
Intangible asset	3	-	-	-
Cash and cash equivalents	405	255	5	11
Total current assets	**29,477**	**37,230**	**387**	**2,912**
Less:				
Current liabilities				
Trade and other payables	11,034	6,464	977	191
Amount due to a corporate shareholder of the Company	1,313	1,313	-	-
Amount due to a director of the Company	310	1,672	-	-
Interest-bearing liabilities	14,512	14,533	-	-
Current income tax payable	75	-	-	-
Total current liabilities	**27,244**	**23,982**	**977**	**191**
Net current assets	**2,233**	**13,248**	**(590)**	**2,721**
Less:				
Non-current liabilities				
Interest-bearing liabilities	12	6,139	-	-
Deferred tax liabilities	15	15	-	-
Total non-current liabilities	27	**6,154**	-	**-**
Net assets	**2,440**	**9,506**	**(365)**	**8,309**
Equity				
Share capital	9,145	9,145	9,145	9,145
Revaluation reserve	6,775	-	-	-
(Accumulated losses)/Retained earnings	(13,423)	330	(9,510)	(836)
Equity attributable to owners of the Company	**2,497**	**9,475**	**(365)**	**8,309**
Non-controlling interest	(57)	31	-	-
Total equity	**2,440**	**9,506**	**(365)**	**8,309**

Note:

(1) Comparative results for FY2014 have been restated to include the material-off-site adjustment which results in a corresponding restatement of trade and other receivable by approximately $5.0 million and inventories by approximately $241,000.

#1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures as at the end of the immediately preceding financial year:

	Group			
	Unaudited as at 31 December 2015		Audited as at 31 December 2014	
	Secured $'000	Unsecured $'000	Secured $'000	Unsecured $'000
Amount repayable in one year or less, or on demand				
Finance lease liabilities	222	-	73	-
Trust receipts	-	5,029	-	8,479
Trade receivable financing	-	2,919	-	5,233
Property loan	6,040	-	407	-
Bank overdrafts	-	302	-	341
	6,262	**8,250**	**480**	**14,053**
Amount repayable after one year				
Finance lease liabilities	12	-	152	-
Property loan	-	-	5,987	-
	12	-	**6,139**	**-**

Details of any collateral

In view of the winding up application of the wholly-owned principal operating subsidiary of the Company, JPS, and the demand notices and / or claims from various banks, substantially all of the Group's non-current interest-bearing liabilities were reclassified as current interest-bearing liabilities.

Finance lease liabilities are secured by the financial institutions' titles to the leased assets, which will revert to the financial institutions in the event of default by the Group. As at the date of this Announcement, a photocopier under such finance lease has been called for repossession. The related amount of such finance lease liability as at 31 December 2015 was approximately S$8,000.

Trust receipts, trade receivable financing and bank overdrafts are unsecured and supported by corporate guarantees provided by the Company and / or by personal guarantees provided by two Directors of the Company. Subsequent to the financial year ended 31 December 2015, as announced by the Company on 8 April 2016, 9 May 2016, 10 May 2016 and 17 May 2016, the Group has received demand notices and / or claims for immediate repayment of the amount due and owing under various banking facilities. In connection with the demand notices and / or claims, the banks have or will cancel the banking facilities and / or commence legal proceedings. As at 31 December 2015, the amount outstanding under such banking facilities amounted to approximately S$8.0 million.

This property loan of S$6.0 million taken by JPS is secured by the legal mortgage of the Group's leasehold land and building (**"Mortgaged Property"**), and supported by a corporate guarantee provided by the Company. Subsequent to the financial year ended 31 December 2015, as announced by the Company on 9 May 2016, the mortgagee of the Mortgaged Property has appointed receivers over the Mortgaged Property. The net book value of the Mortgaged Property was S$8,600,000 as at 31 December 2015 (31 December 2014: S$1,825,000). This Mortgaged Property has been reclassified as a current asset as at 31 December 2015.

#1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	Unaudited FY2015 $'000	**Restated unaudited FY2014 $'000**
Operating activities		
(Loss)/ profit before income tax	(13,793)	207
Adjustments for:		
Amortisation of intangible asset	54	92
Allowance /(write-back) for doubtful trade receivables - third parties	662	(15)
Other receivables written off - third parties	2,894	-
Depreciation of property, plant and equipment	287	300
Gain on disposal of plant and equipment	(1)	(22)
Unrealised foreign exchange (gain)/loss, net	(138)	78
Inventories written off	2,736	-
Interest expense	701	518
Interest income	(2)	(7)
Operating cash (outflows) / inflows before working capital changes	**(6,600)**	**1,151**
Working capital changes:		
Inventories	(817)	123
Trade and other receivables	10,985	(2,167)
Prepayments	94	(158)
Trade and other payables	4,876	(1,490)
Cash provided/ (absorbed) by operations	**8,538**	**(2,541)**
Interest received	2	7
Interest paid	(701)	(518)
Income tax refunded	28	201
Income tax paid	-	(23)
Net cash from/(used in) operating activities	**7,867**	**(2,874)**
Investing activities		
Proceed from disposal of plant and equipment	23	80
Purchase of plant and equipment	(142)	(104)
Purchase of intangible asset	(1)	(2)
Net cash used in investing activities	**(120)**	**(26)**
Financing activities		
Repayment to a director of the Company	(1,363)	-
Proceed from a director of the Company	-	600
Repayments of finance lease obligations	(77)	(164)
Proceeds from bank borrowings	29,877	49,914
Repayments of bank borrowings	(35,995)	(54,768)
Net cash used in financing activities	**(7,558)**	**(4,418)**
Net change in cash and cash equivalents	189	(7,318)
Cash and cash equivalents at beginning of financial year	(86)	7,232
Cash and cash equivalents at end of financial year	**103**	**(86)**

	Group	
	Unaudited	Restated Audited
	FY2015	FY2014
Cash and cash equivalents	**$'000**	**$'000**
Cash and bank balances	405	255
Bank overdrafts	(302)	(341)
Cash and cash equivalents as per consolidated statements of cash flows	**103**	**(86)**

#1(d)(i) A statement (for the Issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

		Attributable to shareholders of the company				
GROUP	**Equity, Total S$'000**	**Equity attributable to owners of the parent, total S$'000**	**Share capital S$'000**	**(Accumulated losses) / retained earnings S$'000**	**Revaluation Reserve S$'000**	**Non-controlling interest S$'000**
Balance at 1 January 2015 (restated)	9,506	9,475	9,145	330	-	31
Loss for the year	(13,841)	(13,753)	-	(13,753)	-	(88)
Revaluation gain	6,775	6,775	-	-	6,775	-
Total comprehensive income	(7,066)	(6,978)	-	(13,753)	6,775	(88)
Balance at 31 December 2015	2,440	2,497	9,145	(13,423)	6,775	(57)
Balance at 1 January 2014 (restated)	9,291	9,262	9,145	117	-	29
Profit for the year(restated)	215	213	-	213	-	2
Total comprehensive income (restated)	215	213	-	213	-	2
Balance at 31 December 2014 (restated)	9,506	9,475	9,145	330	-	31
COMPANY						
Balance at 1 January 2015	8,309	8,309	9,145	(836)	-	-
Loss for the year	(8,674)	(8,674)	-	(8,674)	-	-
Total comprehensive income	(8,674)	(8,674)	-	(8,674)	-	-
Balance at 31 December 2015	(365)	(365)	9,145	(9,510)	-	-
Balance at 1 January 2014	8,374	8,374	9,145	(771)	-	-
Loss for the year	(65)	(65)	-	(65)	-	-
Total comprehensive income	(65)	(65)	-	(65)	-	-
Balance at 31 December 2014	8,309	8,309	9,145	(836)	-	-

#1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Company	
	Number of shares	**Resultant issued and paid-up share capital**
	'000	**$'000**
Issued and paid-up share capital as at 1 January 2015	**216,000**	**9,145**
Issued and paid-up share capital as at 30 June 2015	**216,000**	**9,145**
Issued and paid-up share capital as at 31 December 2015	**216,000**	**9,145**

There was no change in the Company's issued and paid-up share capital from 30 June 2015 to 31 December 2015.

The Company has no outstanding convertibles or treasury shares as at 31 December 2015 and 31 December 2014.

#1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Company	
	As at 31 December 2015	As at 31 December 2014
	'000	'000
Total number of shares, excluding treasury shares	**216,000**	**216,000**

The Company does not have any treasury shares.

#1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable as the Company does not have any treasury shares.

#2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

#3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

#4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in Paragraph #5 below, the Group had applied the same accounting policies and methods of computation in the financial statements for the current financial year as those applied in the Group's most recently audited financial statements for the financial year ended 31 December 2014.

#5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all the new and revised Singapore Financial Reporting Standards ("**FRSs**") and Interpretations of FRS ("**INT FRS**") that are relevant to its operations and effective for the current financial year. The adoption of these new and revised standards did not result in any changes to the Group's accounting policies and has no material effects on the amounts reported for the current or previous financial years.

#6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

	Group	
	Unaudited FY2015	**Restated unaudited FY2014**
(Loss)/ profit for the financial year attributable to owners of the Company ($'000)	**(13,753)**	**213**
Weighted average number of ordinary shares in issue ('000)	**216,000**	**177,534[(1)]**
Basic and diluted (loss)/ earning per share (cents)	**(6.4)**	**0.12**

Footnote:

(1) Weighted average number of ordinary shares in issue after taking into consideration sub-division of every 1 share into 2 shares pursuant to a share split exercise effected on 8 May 2014.

The calculations for basic (loss)/earning per share for the relevant financial years are based on the (loss)/earning attributable to owners of the company divided by the weighted average number of ordinary shares in issue during the relevant financial years.

The dilutive (loss)/earning per share for the relevant financial years are the same as the basic (loss)/earning per share as the Group does not have any dilutive options for the relevant years.

#7. Net asset value (for the Issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	Unaudited as at 31 December 2015	**Restated unaudited as at 31 December 2014**	**Unaudited as at 31 December 2015**	**Audited as at 31 December 2014**
Net asset value per ordinary share (cents)	**1.1**	**4.4**	**(0.2)**	**3.8**

Net asset value per ordinary share as at 31 December 2015 and 31 December 2014 are calculated based on the aggregate number of ordinary shares of 216,000,000.

#8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:
(a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

REVIEW OF CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenue

The Group's revenue was largely derived from the supply and installation of timber flooring to its Projects customers (comprising main contractors and retail customers), and the sale of timber products and flooring accessories to its Distribution customers.

The Group recorded a decrease in revenue of $16.8 million or 42% due to a decrease in (i) Project segment revenue by 43% or $11.8 million and (ii) Distribution segment revenue by 40% or $4.9 million in FY2015 compared to FY2014. The decrease in revenue is inclusive of a $3.0 million discounts given to customers.

Revenue from Projects Customers

Projects from main contractors accounted for 61% or $14.2 million of the Group's revenue in FY2015 as compared to 61% or $24.3 million in FY2014. The decrease arose as the construction industry in Singapore continued to face challenging conditions due to the property cooling measures implemented by the government.

Revenue from retail projects accounted for 7% or $1.6 million of the Group's revenue in FY2015, as compared to 9% or $3.5 million in FY2014. This was mainly due to less upgrading of units by household owners, resulting in a fall of 54% or $1.9 million in the revenue from retail projects in FY2015 as compared to FY2014.

Revenue from Distribution Customers

The Distribution segment accounted for 32% or $7.4 million of the Group's revenue in FY2015, as compared to 31% or $12.3 million in FY2014. The decrease in revenue for the Distribution segment arose as the Group faced a decline in the construction industry in the countries in which it operated.

Gross Profit

Gross margin loss of 4.4% or $1.0 million in FY2015 was mainly due to a decline of Project segment profit margin from a gross profit margin of 18.8% in FY2014 to a gross loss margin of 14.4% in FY2015. This was mainly attributed to a $2.7 million write-off of inventories and $3 million discount given to customers. An increase in labour and subcontractor cost per revenue dollar from the Projects segment from 21% in FY2014 to 31% in FY2015 also contributed to the drop in gross margin.

For the Distribution segment, gross profit margin remained stagnant at approximately 14% to 15% for FY2014 and FY2015.

Other Income

Other income increased by $196,000 (50%), from $393,000 in FY2014 to $589,000 in FY2015. The increase is mainly due to an increase in unrealised foreign exchange gain of $138,000, increase in government grant of $121,000, offset by a decrease in rental income of $33,000.

Administrative Expenses

Administrative expenses increased by 3% or $0.2 million, from $5.0 million in FY2014 to $5.2 million in FY2015. This was due mainly to an increase in upkeep of office and lease rental.

Other Expenses

Other expenses increased significantly by 243% or $5.2 million, from $2.1 million in FY2014 to $7.3 million in FY2015. This was due mainly to a $0.7 million increase in allowance for doubtful trade receivables, other receivables written off of $2.9 million from irrecoverable deposits, and provision for performance bond call amounting to $1.5 million.

The above increase was partially offset by a $95,000 decrease in donation and $47,000 decrease in upkeep of motor vehicles.

Finance Costs

Finance costs increased by 35% to $701,000 as compared to $518,000 in FY2014, mainly arising from increase in interest rates from trade receivable financing and letter of credit and trust receipts facilities.

(Loss)/ Profit for the Financial Year

The Group reported a loss of $13.8 million in FY2015 versus a profit of $215,000 in FY2014 mainly due to i) allowance for doubtful trade receivables of $0.7 million, ii) inventories written off of $2.7 million and iii) other receivables written off of $2.9 million during the year, iv) provision for performance bond call amounting to $1.5 million and v) $3.0 million discount given to customers.

REVIEW OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

The Group's total assets decreased by 25% or $9.9 million from $39.6 million as at 31 December 2014 to $29.7 million as at 31 December 2015.

The decrease was mainly due to i) decrease in accrued income of $6.7 million, ii) decrease in retention sum of $1.8 million, iii) inventory written off of $2.7 million, iv) other receivables written off amounting to $2.9 million and v) allowance for doubtful receivables amounting to $1.1 million.

The decrease was partially offset by the increase in property, plant and equipment from the revaluation gain of the Group's leasehold land and building of $6.8 million.

Liabilities

The Group's total liabilities decreased by 10% or $2.8 million from $30.1 million as at 31 December 2014 to $27.3 million as at 31 December 2015. The decrease was due mainly to a reduction in total bank borrowings and amount due to director, offset by increase in trade and other payables.

Total bank borrowings declined from $20.7 million as at 31 December 2014 to $14.5 million as at 31 December 2015 as the Group paid down its borrowings.

Amount due to a director decreased from $1.7 million as at 31 December 2014 to $310,000 as at 31 December 2015, due to repayments during FY2015.

Trade and other payables increased from $6.5 million as at 31 December 2014 to $11.0 million as at 31 December 2015 due to delays in payments to creditors.

Total Equity Attributable to Owners of the Parent

Total equity attributable to owners of the parent decreased by $7.0 million from $9.5 million as at 31 December 2014 to $2.5 million as at 31 December 2015 mainly due to net loss of $13.8 million offset by a revaluation gain on the Group's leasehold land and building of $6.8 million during the financial year.

REVIEW OF CONSOLIDATED STATEMENT OF CASH FLOWS

Net cash and cash equivalents for the Group increased from $(86,000) as at 31 December 2014 to $103,000 as at 31 December 2015 mainly due to net cash generated from operating activities of $7.9 million after incorporating the working capital and non-cash items adjustments from the losses suffered by the Group during the financial year. The cash generated are then used for repayment of investing activities amounting to $120,000 which mainly arise from purchase of plant and equipment, and to support cash used in financing activities of $7.6 million.

#9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to shareholders.

#10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

On 20 May 2016, an application was heard before the High Court to wind up JPS (**"Winding Up Application Hearing"**), the wholly-owned principal operating subsidiary of the Company. The High Court adjourned the Winding Up Application Hearing to 10 June 2016.

Since 31 December 2015 and up to the date of this Announcement, the Company announced, *inter alia*, the following matters which are expected to have a material and adverse impact on the financial position, financial performance, business and operations of the Group:

(i) Orders of Court executed by way of Writs of Seizure and Sale, as announced by the Company on 31 March 2016;

(ii) potential legal proceedings, appointment of receivers over a mortgaged property, cancellation of banking facilities, and repayments pursuant to demand notices and / or claims from various banks, as announced by the Company on 8 April 2016, 9 May 2016, 10 May 2016 and 17 May 2016;

(iii) a charge by the Ministry of Manpower in relation to JPS' alleged failure to take adequate safety measures at a workplace, as announced by the Company on 27 April 2016;

(iv) termination of a dormitory tenancy agreement, as announced by the Company on 17 May 2016;

(v) demand notices from counterparties on performance bonds executed in connection with various contracts entered into by JPS, as announced by the Company on 17 May 2016 and 26 May 2016; and

(vi) potential litigation and repayments pursuant to claims by various contractors and / or counterparties, as announced by the Company on 17 May 2016, 18 May 2016 and 21 May 2016.

#11. If a decision regarding dividend has been made:
(a) Whether an interim (final) ordinary dividend has been declared (recommended);
(b)(i) Amount per share/rate %
(b)(ii) Previous corresponding period/rate %
(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).
(d) The date the dividend is payable
(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable. No dividend has been declared or recommended for FY2015.

#12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended for FY2015.

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

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii).

Save for (i) interested person transactions less than S$100,000; (ii) provision of guarantees by two Directors of the Company; (iii) advances by a Director of the Company, which are interest free; and (iv) provision of indemnities by two Directors of the Company for security bonds for foreign workers, there were no other interested person transactions entered into by the Group during FY2015.

#14. Segmented revenue and results for operating segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Group

Unaudited FY2015	**Projects $'000**	**Distribution $'000**	**Unallocated $'000**	**Total $'000**
Revenue				
- External sales	**15,818**	**7,422**	**-**	**23,240**
Results				
Segment results	**644**	**1,125**	**(10,967)**	**(9,198)**
Interest income				2
Interest expense				(701)
Amortisation of intangible asset				(54)
Depreciation of property, plant and equipment				(287)
Gain on disposal of plant and equipment				1
Allowance for doubtful trade receivables – third parties				(662)
Other receivables written off – third parties				(2,894)
Loss before income tax				**(13,793)**
Income tax				(48)
Loss for the financial year				**(13,841)**

Restated unaudited FY2014	**Projects $'000**	**Distribution $'000**	**Unallocated $'000**	**Total $'000**
Revenue				

- External sales	**27,659**	**12,331**	**-**	**39,990**
Results				
Segment results	**5,874**	**1,740**	**(6,541)**	**1,073**
Interest income				7
Interest expense				(518)
Amortisation of intangible asset				(92)
Depreciation of property, plant and equipment				(300)
Gain on disposal of plant and equipment				22
Write-back allowance for doubtful trade receivables - third parties				15
Profit before income tax				**207**
Income tax refund				8
Profit for the financial year				**215**

Geographical Information

Revenue information based on the geographical location of customers are as follows:

Geographical Location	**Unaudited FY2015 $'000**	**Restated unaudited FY2014 $'000**
Singapore	19,486	33,960
China	20	3,746
Myanmar	3,726	2,061
USA	-	223
Malaysia	8	-
Total Revenue	**23,240**	**39,990**

#15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to Paragraph #8 above for details.

#16. A breakdown of sales as follows:

Group	**Unaudited FY2015 $'000**	**Restated unaudited FY2014 $'000**	**% Increase/ (Decrease)**
First half year:			
(a) Revenue	13,989	19,487	(28)
(b) Operating (loss)/ profit after tax before deducting non-controlling interests	(3,956)	81	NM
Second half year:			

(c) Revenue	9,251	20,503	(55)
(d) Operating (loss)/ profit after tax before deducting non-controlling interests	(9,885)	134	NM

#17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

Not applicable. There is no annual dividend for FY2015 and FY2014.

#18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Sim Choon Joo	57	Brother of Jason Sim Chon Ang[1] (Executive Director and CEO of the Group and a substantial shareholder of the Company)	Executive Director of the Company (since 11 June 2014) Project Director, Responsible for supervising JPS's current projects and securing new projects for the Group (since 1993) Executive Director, JPS (since 1993)	None
New Sze Wei[1]	41	Brother-in-law of Jason Sim Chon Ang[1] (Executive Director and CEO of the Group and a substantial shareholder of the Company)	Operations Director, Responsible for overseeing the operations of the Group, co-ordinating and managing the projects undertaken by the Group, procuring contracts for supply and contract works and overseeing operational staff management and deployment of the Group (since 2005)	Suspended from his key executive position as Operations Director on 24 May 2016.
Sim Choon Mua	52	Brother of Jason Sim Chon Ang[1] (Executive Director and CEO of the Group and a substantial shareholder of the Company) and Sim Choon Joo (Executive Director of the Company)	Assistant Project Manager of JPS, foreman role in overseeing and managing the project work on the site (since 1995)	Resigned on 1 May 2016

Note:

(1) As announced by the Special Committee of the Company on 24 May 2016, the Special Committee resolved to suspend Mr. Jason Sim Chon Ang from his position as CEO of the Group and Mr. New Sze Wei from his key executive position as Operations Director of the Group

#19. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

We hereby confirm that we have procured all the required undertakings from all the Directors and Executive Officers of the Company (in the format set out in Appendix 7H) under Rule 720(1).

ON BEHALF OF THE BOARD
JASON HOLDINGS LIMITED

Sim Choon Joo
Executive Director

31 May 2016