JASON HOLDINGS LIMITED

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

UNAUDITED HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015 ("HY2015")

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Canaccord Genuity Singapore Pte. Ltd. ("**Sponsor**"), 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.*

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#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 HY2015 $'000	**Unaudited HY2014 $'000**	**% Increase/ (Decrease)**
Revenue	18,241	19,487	(6.4)
Cost of sales	(13,832)	(15,863)	(12.8)
Gross profit	**4,409**	**3,624**	**21.7**
Other items of income			
Interest income	2	5	(60.0)
Other income	178	228	(21.9)
Other items of expense			
Selling and distribution expenses	(99)	(35)	182.9
Administrative expenses	(2,694)	(2,428)	11.0
Other expenses	(1,192)	(1,034)	15.3
Finance costs	(308)	(279)	10.4
Profit before income tax	**296**	**81**	**265.4**
Income tax credit	27	-	NM
Profit for the financial period, representing total comprehensive income for the financial period	**323**	**81**	**298.8**
Total comprehensive income attributable to:			
Owners of the parent	295	75	293.3
Non-controlling interest	28	6	366.7
	323	**81**	**298.8**

NM = Not meaningful

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

	Group		
	Unaudited HY2015 $'000	Unaudited HY2014 $'000	% Increase/ (Decrease)
Other income:			
Rental income	(8)	(1)	700.0
Government grants	(35)	(95)	(63.2)
Unrealised foreign exchange gain, net	(33)	-	NM
Miscellaneous income	(102)	(132)	(22.7)
	(178)	**(228)**	**(21.9)**
Interest on borrowings:			
Finance lease liabilities	30	17	76.5
Trust receipts	122	119	2.5
Trade receivable financing	94	82	14.6
Term loans and property loan	55	61	(9.8)
Bank overdrafts	7	-	NM
	308	**279**	**10.4**
Amortisation of intangible asset	32	52	(38.5)
Allowance for doubtful trade receivable - third party	146	-	NM
Depreciation of property, plant and equipment	145	154	(5.8)
Realised foreign exchange loss, net	78	7	NM
Over provision of income tax in prior financial year	(27)	-	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 30 June 2015	Audited as at 31 December 2014	Unaudited as at 30 June 2015	Audited as at 31 December 2014
	$'000	$'000	$'000	$'000
Non-current assets				
Property, plant and equipment	2,316	2,356	-	-
Intangible asset	25	56	-	-
Investment in subsidiaries	-	-	5,588	5,588
Total non-current assets	**2,341**	**2,412**	**5,588**	**5,588**
Current assets				
Inventories	11,330	10,536	-	-
Trade and other receivables	31,204	31,487	2,466	2,780
Prepayments	366	202	274	121
Cash and bank balances	502	255	1	11
Total current assets	**43,402**	**42,480**	**2,741**	**2,912**
Less:				
Current liabilities				
Trade and other payables	6,888	6,464	131	191
Amount due to a corporate shareholder of the Company	1,313	1,313	-	-
Amount due to a director of the Company	1,072	1,672	-	-
Borrowings	15,416	14,533	-	-
Total current liabilities	**24,689**	**23,982**	**131**	**191**
Net current assets	**18,713**	**18,498**	**2,610**	**2,721**
Non-current liabilities				
Borrowings	5,960	6,139	-	-
Deferred tax liabilities	15	15	-	-
Total non-current liabilities	**5,975**	**6,154**	**-**	**-**
Net assets	**15,079**	**14,756**	**8,198**	**8,309**
Equity				
Share capital	9,145	9,145	9,145	9,145
Retained earnings/ (Accumulated losses)	5,875	5,580	(947)	(836)
Equity attributable to owners of the parent	**15,020**	**14,725**	**8,198**	**8,309**
Non-controlling interest	59	31	-	-
Total equity	**15,079**	**14,756**	**8,198**	**8,309**

#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 30 June 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	64	-	73	-
Property loan	377	-	407	-
Bank overdraft	-	335	-	342
Trust receipts	-	9,093	-	8,478
Trade receivable financing	-	5,547	-	5,233
	441	**14,975**	**480**	**14,053**
Amount repayable after one year				
Finance lease liabilities	146	-	152	-
Property loan	5,814	-	5,987	-
	5,960	**-**	**6,139**	**-**

Details of any collateral

On the above borrowings (including finance leases):

Finance lease liabilities are secured by the leased assets, which will revert to the lessors in the event of default by the Group.

Trust receipts, trade receivable financing and bank overdrafts are unsecured and supported by corporate guarantees given by the Company or by personal guarantees given by the two Executive Directors of the Company.

Property loan is secured by the legal mortgage of the Group's leasehold land and building. It is supported by corporate guarantee given by the Company.

#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 HY2015 $'000	**Unaudited HY2014 $'000**
Operating activities		
Profit before income tax	296	81
Adjustments for:		
Amortisation of intangible asset	32	52
Allowance for doubtful trade receivable - third party	146	-
Depreciation of property, plant and equipment	145	154
Unrealised foreign exchange gain, net	(33)	-
Interest expense	308	279
Interest income	(2)	(5)
Operating cash flows before working capital changes	**892**	**561**
Working capital changes:		
Inventories	(794)	(222)
Trade and other receivables	168	(906)
Prepayments	(164)	(109)
Amount due to a director of the Company	(600)	-
Trade and other payables	424	(2,058)
Cash absorbed by operations	**(74)**	**(2,734)**
Interest received	2	5
Interest paid	(308)	(279)
Income tax refund	27	201
Income tax paid	-	(17)
Net cash used in operating activities	**(353)**	**(2,824)**
Investing activities		
Purchase of plant and equipment	(105)	(69)
Purchase of intangible asset	(1)	-
Net cash used in investing activities	**(106)**	**(69)**
Financing activities		
Repayments of finance lease obligations	(14)	(43)
Proceeds from bank borrowings	23,355	24,749
Repayments of bank borrowings	(22,629)	(25,750)
Net cash from/ (used in) financing activities	**712**	**(1,044)**
Net change in cash and cash equivalents	253	(3,937)
Cash and cash equivalents at beginning of financial period	(86)	7,232
Cash and cash equivalents at end of financial period	**167**	**3,295**

	Group	
Cash and cash equivalents	**Unaudited HY2015 $'000**	**Unaudited HY2014 $'000**
Cash and bank balances	502	3,295
Bank overdrafts	(335)	-
Cash and cash equivalents as per consolidated statement of cash flows	**167**	**3,295**

#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.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group	**Share capital**	**Retained earnings**	**Non-controlling interest**	**Total equity**
Unaudited:	**$'000**	**$'000**	**$'000**	**$'000**
Balance at 1 January 2015	9,145	5,580	31	14,756
Profit for the financial period	-	295	28	323
Total comprehensive income for the financial period	-	295	28	323
Balance at 30 June 2015	**9,145**	**5,875**	**59**	**15,079**
Unaudited:				
Balance at 1 January 2014	9,145	5,162	29	14,336
Profit for the financial period	-	75	6	81
Total comprehensive income for the financial period	-	75	6	81
Balance at 30 June 2014	**9,145**	**5,237**	**35**	**14,417**

Company	Share capital	Accumulated losses	Total equity
Unaudited:	**$'000**	**$'000**	**$'000**
Balance at 1 January 2015	9,145	(836)	8,309
Loss for the financial period	-	(111)	(111)
Total comprehensive income for the financial period	-	(111)	(111)
Balance at 30 June 2015	**9,145**	**(947)**	**8,198**

Unaudited:			
Balance at 1 January 2014	9,145	(771)	8,374
Profit for the financial period	-	3	3
Total comprehensive income for the financial period	-	3	3
Balance at 30 June 2014	**9,145**	**(768)**	**8,377**

#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	**Issued and paid-up share capital**
	'000	**$'000**
As at 1 January 2015 and 30 June 2015	**216,000**	**9,145**

There was no change in the Company's issued and paid-up share capital from 1 January 2015 to 30 June 2015.

The Company has no outstanding convertibles or treasury shares as at 30 June 2015 and 30 June 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 30 June 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 period 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 annual periods beginning on or after 1 January 2015, where applicable. The adoption of these standards from the effective date is not expected to result in material adjustments to the financial position, results of operations or cash flows of the Group for HY2015.

#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 HY2015	Unaudited HY2014
Profit for the financial period attributable to owners of the parent ($'000)	**295**	**75**
Number of ordinary shares in issue applicable to basic and diluted earnings per share ('000)	**216,000**	**216,000**
Basic and diluted earnings per share (cents)	**0.14**	**0.03**

The calculations for basic earnings per share for the relevant financial periods are based on the profit attributable to owners of the parent for the financial periods ended 30 June 2015 and 2014 divided by the number of ordinary shares in issue in the relevant periods.

The dilutive earnings per share for the relevant financial periods are the same as the basic earnings per share as the Group does not have any dilutive potential ordinary shares for the relevant periods.

#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 30 June 2015	Audited as at 31 December 2014	Unaudited as at 30 June 2015	Audited as at 31 December 2014
Net Asset Value (NAV) per ordinary share (cents)	**7.0**	**6.8**	**3.8**	**3.8**

NAV per ordinary share as at 30 June 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 is 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 6.4% decrease in revenue or a decrease of $1.25 million to $18.24 million in HY2015 as compared to $19.49 million in HY2014. The decrease in revenue in HY2015 was mainly contributed by the decrease in revenue contribution of (i) 13.1% or $0.79 million from the Distribution segment; and (ii) 3.4% or $0.46 million from the Projects segment.

Revenue from the Projects segment

Revenue from main contractor projects accounted for 64.9% or $11.83 million of the Group's total revenue in HY2015 as compared to 57.9% or $11.28 million in HY2014, an increase of 4.9% or $0.55 million.

Revenue from retail customer projects accounted for 6.4% or $1.17 million of the Group's total revenue in HY2015 as compared to 11.2% or $2.17 million in HY2014, a decrease of 46.0% or $1.00 million.

On aggregate, revenue contribution from the Group's overall Projects segment decreased by 3.4% or $0.46 million in HY2015.

Revenue from the Distribution segment

The Distribution segment accounted for 28.7% or $5.24 million of the Group's total revenue in HY2015 as compared to 31.0% or $6.03 million in HY2014. This decrease of 13.1% or $0.79 million was partly due to logistical transportation issues caused by flooding in Myanmar.

Gross Profit

Gross profit increased by 21.7% or $0.78 million, from $3.62 million in HY2014 to $4.41 million in HY2015. This represented an increase in gross profit margin from 18.6% in HY2014 to 24.2% in HY2015. This 5.6 percentage point increase in gross profit margin was mainly due to:

1) the Group taking on projects in the Projects and Distribution segments which allowed for higher value-added pricing, translating to higher margins for both segments;
2) a decrease in cost of timber per revenue dollar from the Projects segment, from 43.2% in HY2014 to 33.3% in FY2015. This was due to a larger decrease of $1.49 million in timber cost compared to the decrease of only $0.46 million in HY2015; and
3) various cost-cutting efforts taken by the management to improve productivity and reduce wastages on its direct costs in materials, labour costs and accessories which further boosted the gross profit margin.

Other Income

Other income decreased by 21.9% or $0.05 million to $0.18 million in HY2015 as compared to $0.23 million in HY2014. This was mainly due to a decline of $0.03 million in income from the accreditation skill certification school for timber flooring trade skilled set for foreign workers and a reduction of $0.06 million in government grants in HY2015, partially offset by $0.03 million gain in net unrealised exchange translation of foreign currency balances as at 30 June 2015.

Selling and Distribution Expenses
Selling and distribution expenses increased by 182.9% or $0.06 million to $0.10 million in HY2015 as compared to $0.04 million in HY2014. This was mainly due to increase of $0.02 million for sales referral commissions, sales and marketing expenses as well as advertising and promotion costs, respectively.

Administrative Expenses
Administrative expenses increased by 11.0% or $0.27 million to $2.70 million in HY2015 as compared to $2.43 million in HY2014. This was mainly due to increase in salary and related costs of staff and foreign workers totalling $0.34 million in HY2015.

Other Expenses
Other expenses increased by 15.3% or $0.16 million to $1.19 million in HY2015 as compared to $1.03 million in HY2014 mainly due to an allowance for doubtful trade receivable amounting to $0.15 million from a customer who was placed under judicial management during HY2015.

Finance Costs
Finance costs increased marginally by $0.03 million to $0.31 million in HY2015 as compared to $0.28 million in HY2014. This was mainly due to higher interest incurred on increased bank borrowings.

Profit Before Income Tax
The Group reported a profit before income tax of $0.30 million in HY2015 as compared to a profit before income tax of $0.08 million in HY2014, mainly due to higher gross profit.

Income Tax Expense
No income tax expense had been provided for HY2015 as the Group has unutilised tax losses from prior years' losses to offset its current income tax liability.

REVIEW OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets
The Group's total assets increased by 1.9% or $0.85 million from $44.89 million as at 31 December 2014 to $45.74 million as at 30 June 2015. Inventories increased by $0.79 million to $11.33 million as at 30 June 2015 due to stocking up of inventories for new projects scheduled to commence in the second half of 2015 and partly due to delay in commencement of some projects. Trade and other receivables decreased marginally by $0.28 million to $31.20 million as at 30 June 2015 in line with the decline in sales and tighter collection management.

Liabilities
The Group's total liabilities increased by 1.7% or $0.53 million from $30.14 million as at 31 December 2014 to $30.66 million as at 30 June 2015. Trade and other payables increased by $0.42 million to $6.89 million as at 30 June 2015 due mainly to higher purchases of inventories. Bank borrowings increased by $0.70 million to $21.38 million as at 30 June 2015 as the Group utilised more bank financing to fund its working capital requirements. There was a reduction of $0.6 million in amount due to a director of the Company to $1.07 million as at 30 June 2015.

Total Equity Attributable to Owners of the Parent
Total equity attributable to owners of the parent increased by $0.30 million from $14.73 million as at 31 December 2014 to $15.08 million as at 30 June 2015 due mainly to the profit attributable to owners of the parent for HY2015.

REVIEW OF CONSOLIDATED STATEMENT OF CASH FLOWS

In HY2015, net cash and cash equivalents of the Group increased by $0.25 million mainly due to $0.71 million net cash from financing activities attributable to net borrowing from the banks as the Group utilised more of its trade facilities to fund working capital requirements. The Group generated positive cash flows from its operations of $0.9 million but utilised more cash for its working capital, resulting in a net cash outflow in operating activities of $0.35 million. Net cash used in investing activities of $0.11 million was mainly in relation to the purchase of plant and equipment.

#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.

The property sector in Singapore remains affected by the cooling measures implemented by the government as well as the impending rise in interest rates. This, coupled with the tight labour market, has placed pressures on revenue and margins of the Group's core 'projects' segment. Notwithstanding these challenges, the Group remains focused on its core business segment of supplying and installing timber flooring. The Group will, however, be more selective in the projects it undertakes to ensure better yields.

Moving forward, the Group will continue with its diversification strategy. In terms of products and services diversification, the Group is in the process of channelling further resources into its subsidiary, White Cubic Pte Ltd, to capture a larger segment of the tile and stone industry. In terms of geographic diversification, the Group will be exploring further opportunities in China and the ASEAN region. Finally in terms of diversifying its core business, the Group will strengthen and grow its sales, trading and distribution business segment. The diversification strategy, which the Group believes will be its engine for growth into the future, has yielded good results in FY2014 and has continued to do so in HY2015.

The Group will continue to explore other merger and acquisition opportunities with a view to enhance shareholders' value.

#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 HY2015.

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

No dividend has been declared or recommended for HY2015.

#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) of the Catalist Rules.

Save for (i) interested person transactions less than $100,000; (ii) provision of guarantees by the Executive Chairman and CEO of the Group, and the Executive Director of the Company; (iii) advances from the Executive Chairman and CEO of the Group, which are interest-free; and (iv) provision of indemnities by the Executive Chairman and CEO of the Group, and the Executive Director of the Company for security bonds for foreign workers, there were no other interested person transactions entered into by the Group during HY2015.

#14. Negative confirmation pursuant to Rule 705(5) of the Catalist Rules

We, Jason Sim Chon Ang and Sim Choon Joo, being Directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for the financial period ended 30 June 2015 to be false or misleading in any material aspect.

ON BEHALF OF THE BOARD
JASON HOLDINGS LIMITED

Jason Sim Chon Ang
Executive Chairman and CEO

Sim Choon Joo
Executive Director

14 August 2015