



We are **able.**

Jason Marine Group Limited
Annual Report 2012

Our Vision

To be a Global World Class Company in Marine Electronics

Our Values

Character

High integrity
Positive attitude
Responsible

Competence

Pursue work excellence
Deliver on time and on budget
Able to handle complex jobs

Commitment

Overcome all odds
Seek out growth opportunities
Strive for continuous improvement

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This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), this being the SGX-ST Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this annual report.

This annual report has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr Benjamin Choy, Director, Corporate Finance. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 63375115.

No industry is free from challenges or downturns. For a company to survive and thrive, it has to be able to meet those challenges head-on and find creative solutions that will keep it ahead of the race. Jason Marine has proved more than once that it has that ability to weather harsh environments, turning the odds around by leveraging on its strengths.

Customers return to us time and again because our people are able to deliver what they need, not just in skill sets and experience, but in pursuing a degree of excellence that makes them dependable. Customers choose Jason Marine because they know they will get the quality and precision they demand; because they know our people will not fail them when it matters most, executing every project with an acumen that minimises delays and maximises results.

We are able.

Corporate Profile

Jason Marine Group Limited (“Jason Marine” or the “Group”) is a leading marine electronics systems integrator and support services provider for the marine and offshore oil & gas industries. Our track record of delivering quality results safely and efficiently has helped us 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 since expanded across the region into Indonesia, Malaysia, the People’s Republic of China, Thailand and South Korea. Today, we carry a wide variety of supplies from renowned manufacturers to meet customers’ needs.

An expert in marine communication, navigation and automation systems, the Group offers one-stop solutions that span design, supply, integration, installation, testing, commissioning and maintenance. Jason Marine also sells satellite airtime services to complement its communications business.

Our Businesses

Sale of Marine Communication, Navigation and Automation Systems

Communication

Our systems cover areas such as onboard voice communications, vessel-to-vessel communications, ship-to-land communications, data transfer and Internet connections.

Navigation

Our product range includes global positioning systems and compasses, as well as other key devices for charting a ship’s position and controlling its course of movement.

Automation

We provide systems that are crucial to the smooth monitoring of electronic systems and machinery that control critical areas such as power supply, alarms and ballasts.

Rendering of Maintenance and Support Services

Apart from standard maintenance services, Jason Marine also provides statutory radio surveys and annual performance tests for marine electronics systems, on behalf of recognised maritime authorities, to certify vessel seaworthiness.

In addition to system warranty coverage, we also offer our customers operational and maintenance training for their staff. Jason Marine operates a certified service centre for Thrane & Thrane in Singapore and an authorised service centre for Raytheon Anschütz in the People’s Republic of China.

Sale of Airtime Services

Jason Marine offers bandwidth (airtime) for the satellite communication systems provided by the Group and other distributors. It is used for high-quality direct-dial voice, communication, facsimile, data transfer, telex, e-mail and high-speed Internet connections.

A young man with dark hair, wearing a white hard hat and a white work shirt with grey reflective stripes, stands with his arms crossed and a confident smile. The background is a blurred industrial setting.

We are capable.

Our people are among the most skilled and competent in the industry, because we believe in grooming talent through training and exposure and in challenging our workforce to embrace values that represent the best of what Jason Marine is. By championing their growth, we are investing in the future of Jason Marine, because their enhanced skill sets and renewed commitment to the company will see us claim new frontiers as we drive our business forward.

Key Principals

Our ability to match key technologies from our principals to the needs of our customers has set Jason Marine apart in this sector, because our people work hand in hand with customers to pinpoint the tools that they require to excel in their industries and to fashion lasting solutions that will take their businesses to new heights.

Baze Technology

One of the company's newest systems is BazePort, a cutting-edge infotainment system for offshore and maritime environments. It provides a fully interactive platform for information, entertainment and communications, including professional applications, television, radio, Internet and video on demand.

Cobham Sea Tel

The company specialises in marine stabilised antenna systems for satellite communications (two-way), as well as satellite television-at-sea (direct-broadcast satellite, direct-to-home, TV-at-Sea) and Internet-at-Sea Services. Sea Tel products combine the highest levels of performance, reliability and affordability.

FLIR

FLIR is the world leader in the design, manufacture and marketing of thermal imaging and stabilised camera systems for a wide variety of applications in the commercial, industrial and government markets.

FloScan

A leading supplier of fuel monitoring systems and software for gas and diesel engines, FloScan continues to expand its technology base to meet the needs of commercial and recreational marine vessels, general aviation aircraft and industrial generator applications that ensure accurate and reliable fuel flow measurement.

Hatteland Display

A leading technology provider of specialised display and computer products, Hatteland Display delivers high quality, customised solutions to the international maritime and industrial markets.

Jotron

Jotron's products have consistently been at the cutting edge of safety communication equipments for wide range of maritime applications.

Koden Electronics

Koden Electronics offers a wide range of marine equipment, including marine radars, echo sounders, GPS navigators & sensors, GPS compasses, chart plotters, plotter sounders, and sonars. Founded in 1947, the company continues to improve the quality and reliability of its products through intensive development.

Navico

The world's largest marine electronics company, Navico is also the parent company of Simrad, a leader in electronics technology for commercial vessels. Navico's extensive portfolio includes systems for navigation, fishing, auto steering, safety, communications and entertainment.

Raytheon

Being one of the leading suppliers of Integrated Bridge Systems (IBS), Raytheon Anschütz develops and produces all the essential components for safe ship navigation, from the gyro compass and autopilot to radars and ECDIS. All systems delivered are meticulously tested.

Rockson Automation

Rockson Automation, a Germany-based enterprise, develops engineers and services hardware and software components for the maritime market. It supplies a wide range of automation systems from simple engine-related alarm monitoring systems, to integrated control and monitoring systems for unmanned machinery.



Samyung ENC

The company is a specialised manufacturer of land-based communication equipment as well as maritime navigation and communication equipment and fishing aids. Through dedicated R&D and locally differentiated marketing, it has grown into a global player in the industry with an international base of customers.

SKIPPER Electronics

The company manufactures marine electronics for the merchant fleet as well as for fishing and navy vessels. Backed by years of research and experience, SKIPPER products are known worldwide for their reliability, quality, sophistication, offering excellent value for money.

Thrane & Thrane

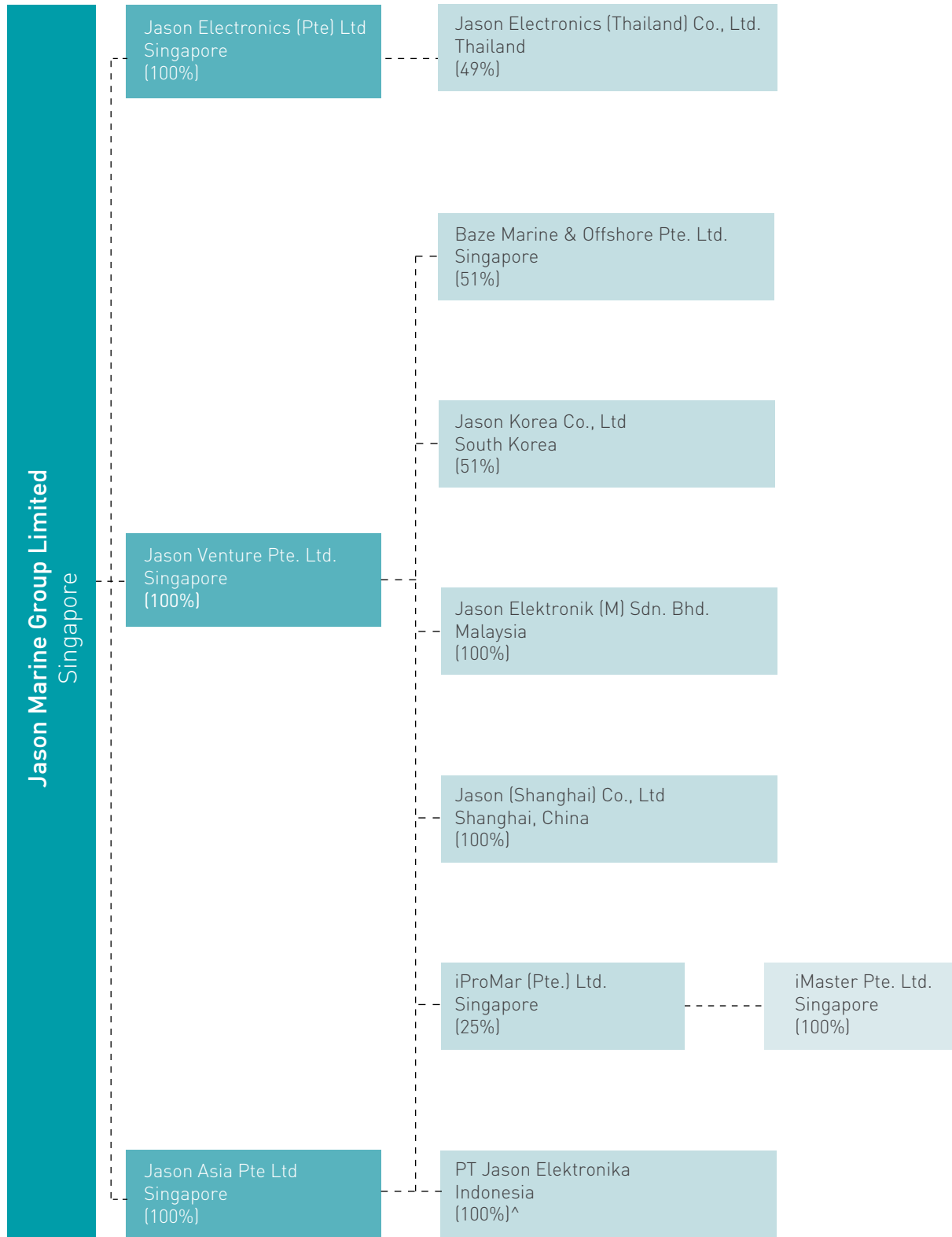
Thrane & Thrane manufactures and sells land earth stations and sophisticated technology for global mobile satellite and radio communication to a wide spectrum of customers from the aviation and maritime worlds, in addition to a large number of users on land in various industries and government sectors. When terrestrial communication technology falls short due to geographical, meteorological or technical limitations, Thrane & Thrane's sophisticated products enable people to communicate, access the Internet and watch TV everywhere. This enables tangible benefits in safety, operational efficiency, enhanced service offering and leisure usage. Thrane & Thrane's innovative communication solutions are based on cutting-edge technology, reliable design and efficient manufacturing processes.



We are dependable.

Over the years, the strength of our commitment to our customers has been demonstrated time and again in the quality of our execution. That dedication to delivering only the finest results has been deeply inculcated in our people, whose zeal and passion have helped us develop strong and enduring ties with customers worldwide. For Jason Marine, service is not an empty mantra, but our pledge to customers that they can count on us to come through for them.

Corporate Structure



^ 1% own by Jason Asia, 99% own by Jason Venture.



The key to our
success over the
years has been
our ability to
identify customers'
needs and provide
solutions that
make it possible
for them to excel in
their businesses.

Chairman's Message

Jason Marine had a tough time last year as costs rose, demand shrank and intense pricing competition set in. For the financial year ended 31 March 2012 (FY2012), the Group achieved a 12.6% increase in profit attributable to owners of the parent to S\$1.4 million. Dampened demand kept revenue flat, but improved margins from the sale of marine communication, navigation and automation systems, as well as the rendering of services, saw gross profit rising 21.9% to S\$13.2 million.

We expect the coming year to remain difficult, especially in the marine segment. Prospects are brighter in the offshore sector, which is where we intend to focus our sales and marketing efforts in the medium term.

Even though the overall operating conditions remain challenging, we are determined to seize the opportunity to lay even stronger foundations for the future, casting new pillars for growth from within Jason Marine while forging fresh relationships externally with our customers and partners in the industry.

Championing Our People

To this end, we have begun a year-long initiative to drive change at the most fundamental level – our people. Our industry is very much a service industry – customers seek us out because they know our people are both competent and committed to ensuring safe and efficient delivery of their projects. They come back to us because our people are dependable to provide good service. To retain and renew human talent, Jason Marine will actively engage and inspire our staff by championing their personal growth and development.

Initiatives to brand ourselves as an employer of choice include setting up a taskforce to review compensation, which will ensure that our people are rewarded appropriately for their efforts. Talent and drive are highly prized in this sector, so we must match what the market can offer. We have also begun long-range programmes that will empower our staff to champion their own development, while challenging them to demonstrate character, competence and commitment. They will be given opportunities to secure the training and exposure they need to acquire relevant skills and knowledge that can advance their careers. In particular, the cream of the crop will be groomed to take on key roles in the company as Jason Marine continues to strive for growth.

Championing Our Customers

We continue to seek out new and improved technologies that will enable us to develop solutions for customers and stay ahead of the game. Competition in the systems integration market is fierce, with both niche and heavyweight players fighting for a share of the market. Jason Marine will work closely with strategic partners to broaden and deepen our product and service range, leveraging on one another's strengths to hone our competitive edge.

The key to our success over the years has been our ability to identify customers' needs and provide solutions that make it possible for them to excel in their businesses. Our goal is to fully understand the challenges our customers face, so that we can help them develop the tools they need. We intend to work towards extending our network in order to be closer to our customers on the ground, serving their needs as they arise.

Another critical area we are addressing is productivity. Our goal is to strive for greater efficiency through improved processes and investment in staff training so that we can better serve our customers, in line with the government's call for companies to implement more efficient and effective processes.

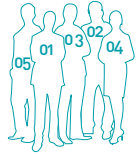
Acknowledgments

On behalf of the Board, I want to thank all our staff for their loyalty and dedication to the Group – without them, Jason Marine would not be where it is today. I would also like to take this opportunity to express our gratitude to all our other stakeholders for their continued support, in particular those investors who have held shares in Jason Marine since the very beginning. Our principals and strategic partners have played an invaluable role as well in helping us weather the rough times and sustain growth over the years.

As a gesture of appreciation, the Board is proposing to declare a dividend of 0.2 S\$ per share for FY2012 at the upcoming annual general meeting on 24 July 2012, which is up from the 0.1 S\$ per share paid out for FY2011.

Mr Foo Chew Tuck
Executive Chairman

Board of Directors



01. Mr Foo Chew Tuck Executive Chairman

For more than three decades, Jason Marine's growth and aspirations have been shaped by our founder Mr Foo Chew Tuck, 61, whose vision for the Group has enabled it to become a leader in integrated solutions for marine electronics systems. As our Executive Chairman, 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.

He has fostered equally strong bonds within Jason Marine, where his emphasis on character, competence and commitment has nurtured a robust work ethic and a powerful sense of family within the workplace. All our people at Jason Marine are part of a greater family, working hand in hand to create a brighter future for the company, which in turn makes their welfare a top priority by championing their growth and working to enrich their lives.

Our Chairman is also a firm believer in giving back to society, devoting his personal time to community services.

Almost a 40-year veteran in the marine electronics business, Mr Foo is a full member of the Singapore Institute of Directors. He earned his bachelor of science in 1988 at Oklahoma City University, where he also received a master of business administration in 1992. In addition, he has a diploma in marketing from The Chartered Institute of Marketing in the UK in 1987.



02. Mr Tan Lian Huat **Chief Executive Officer**

Mr Tan Lian Huat, 59, is our Chief Executive Officer (CEO) and was appointed to the board on 9 September 2007. He has been a director of Jason Electronics (Pte) Ltd since 1982. He is responsible for the daily management and operations of the Group, and also oversees its strategies and growth. He has been instrumental in initiating and executing the penetration of new markets for our business. Before joining the Group in 1981, he was production manager at a crystal manufacturing plant that also serviced the marine communication equipment industry.

Mr Tan obtained a diploma in marketing and sales management from the National Productivity Board in 1984, a diploma in marketing from the Marketing Institute of Singapore in 1987 and a master of business administration in strategic marketing from the University of Hull in the UK in 1993. He is a member of the Singapore Quality Institute, a fellow member of The Chartered Institute of Marketing in the UK, a management committee member of the Singapore Productivity Association and a full member of the Singapore Institute of Directors.

03. Mr Eugene Wong Hin Sun **Non-Executive Director**

Mr Eugene Wong Hin Sun, 44, is a non-independent, non-executive director of the Group, having been appointed to the board on 15 September 2009. He founded Sirius Venture Capital Pte Ltd, a venture investment company, in September 2002, and has been its managing director since its incorporation. He currently serves as a non-executive director of several private and public listed companies, including Ajisen (China) Holdings Limited, listed on Hong Kong Exchange &

Clearing Limited (HKEx), Japan Foods Holding Ltd., listed on the Catalist board of the Singapore Exchange (SGX-ST). He also sits on the board of AVA Singapore and International Enterprise ("IE") Singapore, and is the Chairman of CrimsonLogic Pte Ltd, a subsidiary of IE.

Mr Wong graduated from the National University of Singapore with a bachelor of business administration (first-class honours) in 1992, and earned 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 since 2001, and is a member of the Institute of Directors in Singapore as well as the UK.

04. Mrs Eileen Tay-Tan Bee Kiew **Independent Director**

Mrs Eileen Tay-Tan Bee Kiew, 59, is an independent non-executive director of the Group, having been appointed to the board on 15 September 2009. She has more than 35 years of experience in areas such as accounting, auditing, taxation, public listings, due diligence, mergers and acquisitions, and business advisory. She began her career in 1974 as an audit assistant with Turquand Young (now known as Ernst & Young). From 1991 to 2002, she was a partner at KPMG. From 2002 to 2011, she 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 Certified Public Accountants of Singapore (ICPAS), the Chartered Institute of Management Accountants (CIMA) in the UK and CPA Australia, as well as a Licentiate of Trinity College London.

05. Mr Sin Hang Boon **Independent Director**

Mr Sin Hang Boon @ Sin Han Bun, 73, 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). He was vice-president of SingTel's business communications group before being seconded to Belgacom S.A. in Belgium, where he served as its general manager for global alliances in 1996, and its general manager for group strategy and development from 1997 to 1998. He returned to SingTel in 1999 and served as CEO of SingTel International, the company's strategic investment arm, 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.

Senior Management

Mr James Tan Peng Huat Chief Operating Officer

Mr James Tan Peng Huat is our Chief Operating Officer. He joined our Group in 2007 as the operations manager of Jason Electronics (Pte) Ltd, and has since progressed to assume his current role in 2010, overseeing the Logistics, Purchasing, Service, Technical and Training departments. Armed with over 40 years of experience in operations, he has helped to restructure and improve overall processes to all departments, raising efficiency, performance and coordination across the Group, including assimilating the SAP system for the Group in 2010.

Before joining our Group, he was a consultant for two companies in Kuala Lumpur, serving as an operations director for a wireless broadband company in 2004, and a voice-over-IP telephony company from 2006 to 2007. He was general manager and operations director for IPC Corporation Ltd, a public-listed company in Singapore, from 1993 to 2003; and General Automation (S) Pte Ltd, a wholly owned subsidiary of California-based General Automation Inc, from 1978 to 1993.

Mr Tan holds a diploma in business administration from the National Productivity Board, a diploma in telecommunication and electronics from the Singapore Polytechnic, and a full technological certificate in electronics and communications from the City & Guilds of London Institute in the UK.

Ms Foo Hui Min Chief Financial Officer

Ms Foo Hui Min is our Chief Financial Officer. She joined our Group in March 2008, and is responsible for overseeing all accounting, financial and corporate secretarial matters related to our Group. Before joining our Group, she was the financial controller of Total Automation Pte Ltd from June 2006 to March 2008. She joined Total Automation Ltd (now known as Maveric Limited (in members' voluntary liquidation)), a company listed on the SGX-ST, in October 1998 until June 2006, when it transferred all its business to Total Automation Pte Ltd pursuant to a restructuring exercise. Her last position with the company was financial controller. She also served as the company secretary of Total Automation Pte Ltd and some of its subsidiary companies.

Ms Foo obtained a bachelor of science with a major in economics from the National University of Singapore in 1998. She also holds a professional accounting qualification from the Association of Chartered Certified Accountants (ACCA) in the UK. She is a certified public accountant (CPA Singapore), a fellow member of the ACCA and a member of the Institute of Certified Public Accountants of Singapore (ICPAS). She obtained a master of business administration from the University of Manchester in the UK in 2011.





We are adaptable.

At Jason Marine, we believe in empowering our people to take charge and rise above the challenges whatever the environment. Their ability to adapt swiftly and turn their skills to devising novel solutions allows us to meet customers' needs effectively. This dexterity continues to win over discerning customers and creates sustainable growth for the Group.

Operations Review

FY2012 in Review

The year was another difficult one for the Group as demand continued to wane while costs escalated and pricing competition intensified. This stemmed from poor trading conditions in the shipping sector, which is still caught in a prolonged downturn with low freight rates and falling asset values.

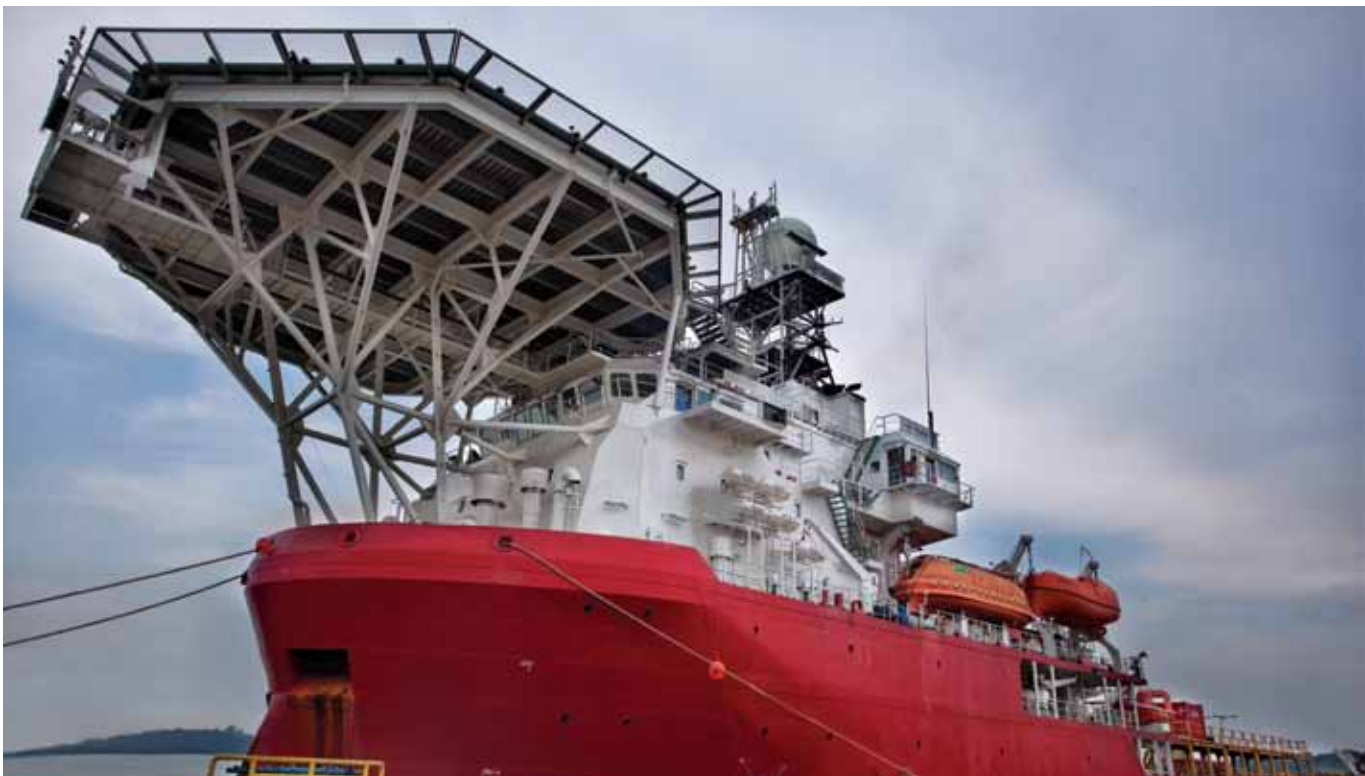
Nonetheless, Jason Marine was able to maintain its performance and remain profitable. A deliberate focus on the still buoyant offshore sector paid off, as new projects from this segment helped us to sustain revenue. We generated sales of S\$44.5 million for the financial year ended 31 March 2012 (FY2012), compared with S\$45.2 million for FY2011.

We were able to improve our gross profit margin from 23.9% to 29.6%, thereby lifting gross profit 21.9% higher to S\$13.2 million. However, higher distribution, general and administrative expenses narrowed the increase in profit after income tax attributable to owners of the parent to 12.6%, growing this from S\$1.2 million in FY2011 to S\$1.4 million in FY2012. Net profit margin edged up from 2.7% for FY2011 to 2.9% for FY2012.

Revenue and Profit by Segment

The Group derives its revenue from three core business segments – the sale of goods, the rendering of services and airtime revenue.

- **Sale of Goods.** Jason Marine executed more deliveries in FY2012, so revenue from this segment rose by 1.5% from S\$33.5 million in FY2011 to S\$34.0 million in FY2012. The segment also managed to strengthen its gross profit margin from 24.6% to 28.2%. Accordingly, gross profit expanded by 17.1% from S\$8.2 million to S\$9.6 million.
- **Rendering of Services.** Less service work was undertaken in FY2012, so the segment saw revenue slipped by 10.0% from S\$10.0 million to S\$9.0 million. It recorded a 57.9% increase in gross profit, which grew from S\$1.9 million to S\$3.0 million. The segment's gross profit margin increased from 18.9% to 33.7% due to enhanced ability in allocating costs using our SAP system.
- **Airtime Revenue.** Overall, our customers used less airtime in FY2012, so revenue from this segment decreased slightly, dipping by 6.3% from S\$1.6 million in FY2011 to S\$1.5 million in FY2012. Gross profit thus fell by 14.3% from S\$0.7 million to S\$0.6 million. The gross profit margin dropped from 41.7% to 36.8%.



Highlights of Financial and Cash Flow Positions

Financial Position

The Group maintained a healthy financial position for FY2012. By rigorously managing working capital requirements, the Group kept the balance sheet robust and improved our cash position, jacking up the level from S\$7.2 million (net of debt) as at 31 March 2011 to S\$11.9 million as at 31 March 2012. The Group repaid all its borrowings in FY2012. Equity attributable to owners of the company was up 5.4% to S\$24.7 million, in tandem with the higher net attributable profits.

Operating Activities

For FY2012, the Group generated approximately S\$2.3 million in net cash from operating activities before working capital changes. Net cash generated from working capital came to S\$3.6 million, largely because of a S\$1.2 million decrease in inventories, a S\$6.1 million decrease in trade and other receivables, a S\$0.2 million decrease in prepayments which were offset by a S\$3.9 million decrease in trade and other payables. After payment of S\$0.4 million in income tax, the Group generated S\$5.5 million in net cash from operating activities.

Investing Activities

Net cash used in investing activities amounted to approximately S\$0.6 million in FY2012. In particular, S\$0.3 million went to the purchase of plant and equipment, while S\$0.4 million was used to acquire an available-for-sale financial asset. These items were offset by S\$0.1 million in interest and dividends received. The acquisition mentioned was related to an additional investment in Hyundai e-Marine Co., Ltd (previously known as e-MLX Co., Ltd), made by the Group in May 2011.

Financing Activities

For FY2012, net cash used in financing activities came to approximately S\$1.6 million. Outgoing items included a S\$2.2 million repayment of bank borrowings and a S\$0.1 million payment of dividends, as well as a combined sum of S\$0.1 million for interest paid and repayments of obligations under finance lease. These items were offset by a S\$0.8 million reversal of fixed deposits pledged with banks.



Human Resource Initiatives



Championing Career and Personal Growth

At Jason Marine, our greatest asset is our people – they are the ones who will shape the future of our Company and make it all that it can be. Their success is critical to ours, so we have rolled out an initiative to champion their career and personal growth while laying the groundwork for a stronger, resilient Jason Marine.

Our first step in this direction was to demonstrate our commitment to this initiative, holding townhall meetings as well as small group sessions for all our staff during which we encouraged them to share their hopes and aspirations for their careers as well as issues they faced in the workplace and in achieving work-life balance. At Jason Marine, we have always treated our people like family, so this stage was completed smoothly and successfully through frank interchanges and survey responses that gave us a clear picture of their concerns and expectations.

Armed with this knowledge, we realised we needed to build a culture and an environment – a whole new mindset – that would enable our people to take ownership of their own growth and achieve their goals in a concrete, measurable fashion. To help drive this change, we then put in place a slew of new processes that challenge our people to embrace our core values of character, competence and commitment and demonstrate behaviours consistent with these values. We are also evaluating these behaviours and are convinced that with consistency, the Company's performance will be enhanced on all fronts.

To begin addressing the top concerns – compensation, development and career (CDC) – we set up a taskforce to review compensation, so our people can be assured that their remuneration packages are competitive. The Company is also developing ways to ensure that rewards are clearly linked to performance. Meanwhile,

performance management processes such as key result areas, key performance indicators and distribution guidelines are being implemented to measure employee efforts to meet or exceed performance targets.

Many of the new initiatives are already in place, engaging and motivating our staff through workshops on topics such as job fit, maximizing your human capital, self appraisal, giving and receiving feedback etc. These have helped us reshape our training and development programmes, making them more relevant. In addition, focus group discussions and open communication have helped clear the air and deepen bonds between team members and managers.

Also being rolled out are initiatives to train our managers in coaching and mentoring, a process that helps build strong bonds as well, while helping staff to overcome workplace issues and narrow performance gaps. An invaluable tool for identifying and nurturing talent, it has already helped the company to pinpoint promising individuals who can be groomed for critical leadership roles.

So far, this drive to champion employee growth has met all our interim targets, in particular those initiatives designed to address the core CDC concerns. On the compensation front, our overriding objective is to ensure that our people are paid appropriately based on their performance, commitment and skill levels. Jason Marine is in a service industry – one where talent is highly prized, especially among SME players – so these moves to strengthen our brand as an employer of choice will give us a considerable edge with our customers and partners.

Acquiring and retaining the best talent is a top priority for us, so every effort is being made to reinforce our training and development programmes, and to give our people the exposure and opportunities they need to expand and upgrade their skill sets. Their welfare – both personal and professional – matters to us, so when we work hand in hand with them to chart the right career path for them, we are investing in the future leadership of the Company.

By putting our people first, by empowering them to take charge, we are forging a new Jason Marine – an even stronger, more resilient company that will reach new heights as we stride forward into the future.

At Jason Marine, we have always treated our people like family, so this stage was completed smoothly and successfully through frank interchanges and survey responses that gave us a clear picture of their concerns and expectations.

Occupational Health and Safety

Setting Priority In Workplace Safety

At Jason Marine, the safety of our people is a top priority. We continue to improve our track record on this front by adopting industry-wide standards that reduce risks and increase productivity.

Last year, efforts to enhance risk assessment systems and stronger preventive measures earned Jason Electronics (Pte) Ltd, our wholly-owned subsidiary ("Jason Electronics"), a bizSAFE Level 3 certification from the Singapore Workplace Safety and Health (WSH) Council. A five-step programme, bizSAFE helps companies build up their risk assessment capabilities and implement a comprehensive WSH management system.

Our efforts to adopt the highest standards in workplace safety did not stop there. Since February 2011, we have laboured to further improve our safety management systems by pursuing a certification in OHSAS 18001:2007, a globally recognised specification in this area.

Widely sought after by companies keen to maintain or expand their global presence, the certification will signify that sound occupational health and safety (OHS) systems have been installed that will minimise risks and maximise performance. First developed in 1999

by the Occupational Health and Safety Assessment Series (OHSAS) Project Group – an international collaboration of representatives from various standards and certification bodies, including Det Norske Veritas (DNV) – the 18001 standards were revised in 2007 to align them with International Organization for Standardization (ISO) requirements.

Recognising the importance of obtaining this certification, especially from an acclaimed registrar such as DNV, Jason Electronics has set up a management-led safety committee that will work to ensure our target is achieved by December 2012.

Gaining certification has given companies increased access to new customers and enabled them to win previously elusive contracts. Many multinational corporations and government agencies award projects only to companies that are OHSAS-certified because they know they will benefit from reduced downtime and associated costs.

Once Jason Electronics achieves OHSAS 18001 certification, it will further signify our commitment that the health and safety of our employees and customers are being placed at the top priority.

Corporate Social Responsibility

At Jason Marine, we believe that a successful corporation is founded not only on its business achievements, but also on the positive role it plays in the community and in promoting environmental sustainability.

Since the 1970s, corporate social responsibility (CSR) has formed an integral part of the Group's vision and mission. Having made this commitment, we believe in conducting our business responsibly at all times, mindful of the impact that our operations have on society so we can build an enduring and sustainable organisation with the zeal and passion to make the world a better place for everyone to live in. To this end, we are continually seeking ways to ensure a higher quality of life for the community we are a part of, and to protect the environment where we work, live and play.

This year, we have launched a milestone initiative to fashion a lasting legacy within the company itself by

championing personal growth for all our people. By engaging and motivating them in innovative ways, including specialised workshops and mentoring schemes, Jason Marine is creating an exciting new environment where talent and performance will be rewarded as we challenge our staff to pursue personal growth and build a brighter future for all.

On the environmental front, we have directed many of our latest measures towards minimising any adverse impact that our operations might have on the environment around us, in ways that will help curtail the depletion of vital natural resources. During FY2012, we decided to take our green drive to a new height by working to recycle even greater quantities of office paper. Thanks to these efforts, we have set a fresh record for the Company, collecting 1,080 kg of office paper for recycling – more than three times the amount achieved in the previous year.

Financial Highlights

Results of Operations (S\$'000)

	31 March ended				
	FY2012	FY2011	FY2010**	FY2009**	FY2008
Revenue	44,451	45,169	51,522	70,880	58,722
Gross profit	13,164	10,803	14,884	17,623	14,533
Profit before income tax	1,399	1,386	5,394	7,721	4,127
Profit attributable to owners of the parent	1,389	1,234	4,353	6,347	3,332
Earnings Per Share (Cents)*	1.31	1.16	4.11	5.99	3.14

* For comparative purpose, earnings per share of the Group for the financial years shown were computed based on 106,000,000 ordinary shares in issue as at 31 March 2012.

Financial Position (S\$'000)

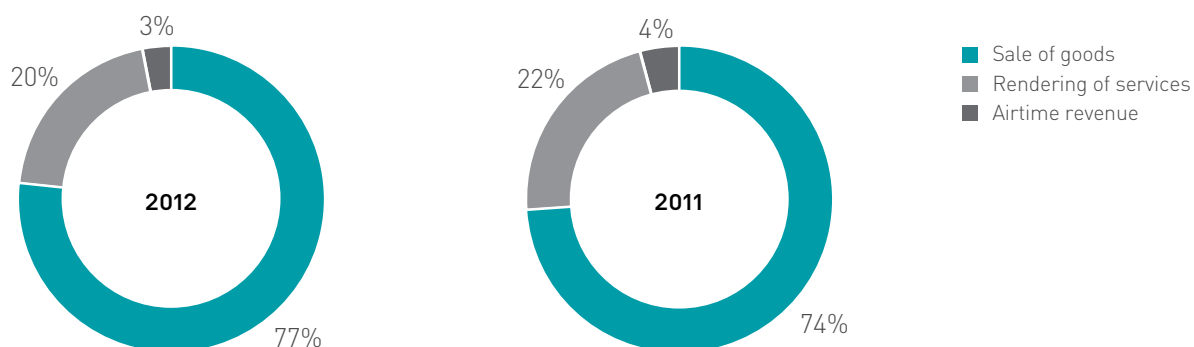
	31 March ended				
	FY2012	FY2011	FY2010**	FY2009**	FY2008
Non-current assets	2,776	2,685	1,856	1,610	1,008
Current assets	31,061	36,388	31,440	34,511	29,672
Current liabilities	9,233	15,564	11,036	21,177	22,093
Non-current liabilities	9	80	74	134	121
Capital and reserves	24,595	23,429	22,186	14,810	8,466
Net Asset Value Per Share (Cents)*	23.20	22.10	20.93	13.97	7.99

* For comparative purpose, net asset value per share of the Group for the financial years shown were computed based on 106,000,000 ordinary shares in issue as at 31 March 2012.

** Restated due to change in costing method for inventories from "first-in, first-out" basis to "weighted average" basis.

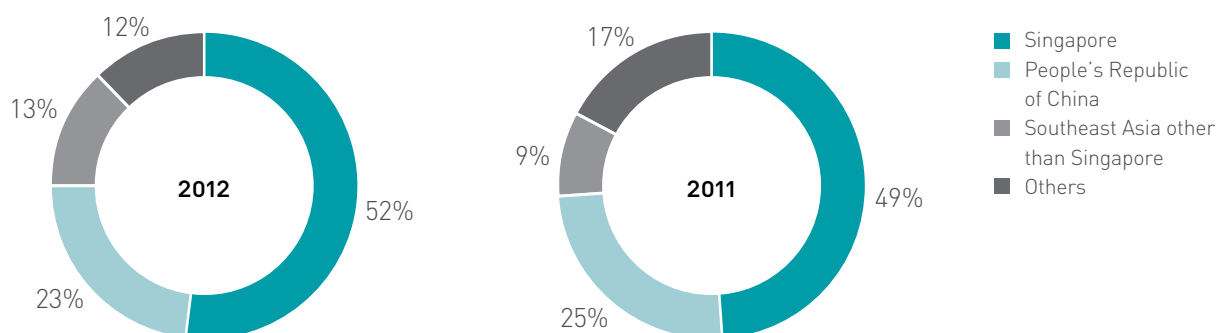
Segmental Revenue by Business and Geographical Segments

Revenue by Business Segment



	FY2012		FY2011	
	In S\$'000	In %	In S\$'000	In %
Sale of goods	33,965	77%	33,521	74%
Rendering of services	8,954	20%	10,037	22%
Airtime revenue	1,532	3%	1,611	4%
Total:	44,451	100%	45,169	100%

Revenue by Geographical Segment



	FY2012		FY2011	
	In S\$'000	In %	In S\$'000	In %
Singapore	23,205	52%	22,208	49%
People's Republic of China	10,180	23%	11,137	25%
Southeast Asia other than Singapore	5,665	13%	4,205	9%
Others	5,401	12%	7,619	17%
Total:	44,451	100%	45,169	100%

Corporate Information

Board of Directors

Foo Chew Tuck
Executive Chairman

Tan Lian Huat
Chief Executive Officer

Wong Hin Sun Eugene
Non-executive Director

Sin Hang Boon @ Sin Han Bun
Independent Director

Eileen Tay-Tan Bee Kiew
Independent Director

Audit Committee

Eileen Tay-Tan Bee Kiew
Chairperson

Sin Hang Boon @ Sin Han Bun

Wong Hin Sun Eugene

Nominating Committee

Sin Hang Boon @ Sin Han Bun
Chairman

Eileen Tay-Tan Bee Kiew

Wong Hin Sun Eugene

Remuneration Committee

Sin Hang Boon @ Sin Han Bun
Chairman

Eileen Tay-Tan Bee Kiew

Wong Hin Sun Eugene

Company Secretaries

Foo Hui Min

Pan Mi Keay

Registered Office

194 Pandan Loop
#06-05 Pantech Business Hub
Singapore 128383
Tel: +65-6872 0211
Fax: +65-6872 1800
Website: www.jason.com.sg

Share Registrar

B.A.C.S. Private Limited
63 Cantonment Road
Singapore 089758

Independent Auditors

BDO LLP
Public Accountants and Certified Public Accountants
21 Merchant Road #05-01
Royal Merukh S.E.A. Building
Singapore 058267

Partner-in-charge: Aw Vern Chun Philip
(Appointed since financial year ended 31 March 2012)

Principal Bankers

CIMB Bank Berhad, Singapore Branch
Citibank, N.A., Singapore Branch
Bank of China Limited, Singapore Branch
Australia and New Zealand Banking Group Limited

Sponsor

CIMB Bank Berhad, Singapore Branch
50 Raffles Place
#09-01 Singapore Land Tower
Singapore 048623



Jason Marine Group Limited

Co. Reg. No. 200716601W

194 Pandan Loop #06-05

Pantech Business Hub

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Corporate Governance Report and Financial Section

Jason Marine Group Limited
Annual Report 2012

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This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), this being the SGX-ST Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this annual report.

This annual report has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr Benjamin Choy, Director, Corporate Finance. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 63375115.

Corporate Governance Report

CORPORATE GOVERNANCE REPORT

The Board and Management of Jason Marine Group Limited (the “Company”) are strongly committed to high standards of corporate governance which are essential to the stability and sustainability of the Group’s performance, protection of shareholders’ interests and maximisation of long-term shareholder value.

This Report describes the Company’s corporate governance practices during the financial year 2012 with specific reference to the revised Code of Corporate Governance 2005 (the “Code”).

The revised code of Corporate Governance 2012 (the “Code 2012”) was issued on 2 May 2012. As the Code 2012 does not take effect yet, the Company will comply with the revised guidelines for the financial year commencing on or after 1 November 2012.

PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

The primary function of the Board is to protect shareholders’ interests and enhance long-term shareholder value and returns.

Besides carrying out its statutory responsibilities, the Board’s other roles are to:

- provide entrepreneurial leadership, set strategic aims and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- establish a framework of prudent and effective controls which enables the identification, assessment and management of risks;
- review management performance;
- set the Company’s values and standards to ensure that obligations to the shareholders and others are met;
- approve major investment funding and major increase or decrease in a subsidiary company’s capital;
- approve the nominations of Board Directors and appointments to the various Board committees; and
- provide oversight in the proper conduct of the Company’s business and assume responsibility for corporate governance.

The Board is of the view that it has taken objective decisions in the interests of the Company.

To assist the Board in the execution of its responsibilities, Board committees, namely, the Audit, Nominating and Remuneration Committees which are headed by Independent Directors, have been established and delegated with certain functions. Further details of the scope and functions of the various committees are provided under the sections on Principles 4, 5, 7, 8 and 11 of this Report.

The Board meets at least half-yearly prior to the announcements 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 Articles of Association provide for Board meetings by means of conference telephone, videoconferencing, audio-visual or other electronic means of communication.

Corporate Governance Report

The attendance of the Directors of meetings at the Board and Board committees during the financial year ended 31 March 2012 is tabulated below:

	Board	Audit Committee	Nominating Committee	Remuneration Committee
Number of meetings	3	3	1	1
Number of meetings attended by respective directors				
Executive Directors:				
Mr Foo Chew Tuck	3	N/A	N/A	N/A
Mr Tan Lian Huat	2	N/A	N/A	N/A
Non-Executive Director:				
Mr Wong Hin Sun Eugene	3	3	1	1
Independent Directors:				
Mr Sin Hang Boon	3	3	1	1
Mrs Eileen Tay-Tan Bee Kiew	3	3	1	1

N/A – Not Applicable.

The Company Secretary attends all Board and Board committee meetings and ensures that all Board procedures are followed and applicable rules and regulations are complied with.

The Company 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, such as the issuance of shares, dividend distributions, and other returns to shareholders, the Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to the Executive Directors and Management so as to optimise operational efficiency.

The Company will ensure that newly-appointed Directors are given guidance and orientation (which may include management presentation) which will allow the Directors 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. Upon appointment, they will also be provided with formal letters, setting out their duties and obligations.

In addition, continuous and on-going training programmes are made available to our Directors, including participation of courses on directors' duties and responsibilities as well as seminars and talks on relevant subject fields.

The Directors are conscious of the importance of the continuing education in areas such as legal and regulatory responsibility and accounting issues, so as to update and refresh themselves on matters that affect their performance as a Board, or as a Board Committee Member. Accordingly, further training for Directors will extend to relevant new laws, regulations and changing commercial risks from time to time.

The Non-executive Directors (including Independent Directors) have experience in being a director of listed companies. There has been no change in the board members since the Company's initial public offering.

Corporate Governance Report

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board comprises five Directors, out of whom two are Independent Directors, one is a Non-Executive Director and two are Executive Directors. The Independent Directors chair all the Board Committees, which play a pivotal role in supporting the Board.

The Nominating Committee ("NC") determines annually if a Director is independent in accordance with the Code's definition of "independent director" and guidance as to the existence of relationships which would deem a Director not to be independent, as specified in the Code. The Company also requires independence from the Major Shareholder in order to be considered a Director independent. In addition, the Independent Directors also review and confirm their independence on a yearly basis.

The NC is of the view that the Board has the requisite blend of expertise, skills and attributes to oversee the Company'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 Directors have many years of experience in the industries that the Group operates in.

The NC considers the Board's present size is adequate for effective debate, strategic decision-making and in exercising accountability to shareholders and delegating authority to Management, taking into account the nature and scope of the Company's operations. As the Company'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 Non-executive Directors (including the Independent Directors), provide constructive advice on the Group's strategic and business plans. They also review the performance of the Group and the effectiveness of the Board's processes and activities in meeting set objectives. The Non-executive Directors (including the Independent Directors) meet at least once a year without the presence of the Management.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company adopts a dual leadership structure, where there is a separate Chairman and Chief Executive Officer ("CEO") on the Board. The Executive Chairman of the Company, Mr. Foo Chew Tuck determines the overall strategic and expansion plans, and is responsible for the overall business development and general management of our Group. The CEO, Mr. Tan Lian Huat is responsible for the daily management and operations as well as the overseeing of our Group's strategies and growth. The Executive Chairman and CEO are not related.

The Chairman's duties include:

- leading the Board to ensure its effectiveness on all aspects of its role and setting its agenda;
- ensuring accurate, timely and clear information flow to the Directors;
- ensuring effective shareholder communication;
- encouraging constructive relations between the Board and Management;
- facilitating effective contribution of Non-executive Directors;
- encouraging constructive relations between Executive Directors and Non-executive Directors; and
- promoting high standards of corporate governance.

The Company will consider the necessity of appointing a lead independent director in the future after taking into account factors such as the board structure and size.

Corporate Governance Report

PRINCIPLE 4: BOARD MEMBERSHIP

The appointment of new Directors to the Board is recommended by the NC which comprises three Directors, namely, Mr Sin Hang Boon (Chairman of the NC), Mrs Eileen Tay-Tan Bee Kiew and Mr Wong Hin Sun Eugene. Except for Mr Wong Hin Sun Eugene, the other members are Independent Directors.

In accordance with the definition in the Code, the Chairman of the NC is not directly associated with a substantial shareholder of our Company.

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

- re-nominating Directors and determining annually the independence of Directors;
- deciding the assessment process and implementing a set of objective performance criteria to be applied from year to year for evaluation of the Board's performance; and
- evaluating 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.

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

- a) NC evaluates the balance of skills, knowledge and experience on the Board and, in the light of such evaluation and in consultation with Management, prepares a description of the role and the essential and desirable competencies for a particular appointment;
- b) where necessary, external help may be used to source for potential candidates. Directors and Management may also make suggestions;
- c) NC 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
- d) NC makes recommendations to the Board for approval.

Under the Articles of Association of the Company, Directors are required to retire at least once in every three years; and one-third of Directors shall retire by rotation at each annual general meeting. 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 guidelines set out in the Code and the declaration form completed by each Director disclosing the required information. It is of the opinion that the Board is 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.

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, in making the determination, and is satisfied that all the Directors have been able to and have adequately carried out their duties as Director notwithstanding their multiple board representations.

Corporate Governance Report

Key information regarding the Directors 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	9 September 2007	23 July 2010
Mr Tan Lian Huat	Chief Executive Officer	9 September 2007	27 July 2011
Mr Wong Hin Sun Eugene	Non-executive Director	15 September 2009	23 July 2010
Mr Sin Hang Boon	Independent Director	15 September 2009	27 July 2011
Mrs Eileen Tay-Tan Bee Kiew	Independent Director	15 September 2009	23 July 2010

PRINCIPLE 5: BOARD PERFORMANCE

The NC has implemented a formal board evaluation process in assessing the effectiveness of the Board as a whole 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.

During the financial year, Directors were requested to complete appraisal forms to assess the overall effectiveness of the Board. The results of the appraisal exercise were considered by the NC which then made recommendations to the Board, aimed at helping the Board to discharge its duties more effectively. The appraisal process focused on the following areas of evaluation:

- a) Board Structure;
- b) Board’s conduct of meetings;
- c) Board’s review of corporate strategy and planning;
- d) risk management and internal control;
- e) whistleblowing matters;
- f) measuring and monitoring performance;
- g) recruitment and evaluation;
- h) compensation for board and key executives;
- i) succession planning;
- j) financial reporting; and
- k) communication with shareholders.

PRINCIPLE 6: ACCESS TO INFORMATION

Board Members 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 Directors as and when they arise. The Board also receives regular reports pertaining to the operational and financial performance of the Group.

The Board members have separate and independent access to the Management as well as the Company Secretary.

The Company Secretary attends all Board meetings and ensures good information flows within the Board and its committees and between Management and Non-executive Directors. Minutes of the various Board committees are circulated to the whole Board for information.

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

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

Corporate Governance Report

PRINCIPLE 7: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The members of the Remuneration Committee ("RC"), comprising entirely of Non-executive Directors, are Mr Sin Hang Boon (Chairman of the RC), Mrs Eileen Tay-Tan Bee Kiew and Mr Wong Hin Sun Eugene. Mr Sin Hang Boon and Mrs Eileen Tay-Tan Bee Kiew are Independent Directors.

The RC recommends to the Board a framework of remuneration for the Directors and Management and determines specific remuneration packages and terms of employment for each Executive Director and Management. The objectives of such policy are to ensure that remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive, thereby maximising shareholders' value.

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 and benefits-in-kind are covered by the RC.

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

If necessary, the RC will seek expert advice inside and/or outside the Company on remuneration of all Directors.

PRINCIPLE 8: LEVEL AND MIX OF REMUNERATION

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

The Executive Directors have each entered into a service agreement with the Company in which the terms of their employment are stipulated. Their initial term of employment is for a period of three years from the date of admission of the Company to the Catalist. After the initial term, their employment will be automatically renewed annually, subject to termination clauses in the service agreements. The service agreements do not contain onerous renewal clauses.

Save in respect of the initial term of the service agreement of the Executive Directors, the service agreement may be terminated by giving six months' prior written notice or an amount equal to six months' salary in lieu of such notice. During the initial term of the service agreement, the notice period or amount payable in lieu of notice is twelve months.

Under the Service Agreement, each of the Executive Directors will be paid an incentive bonus based on the profit before taxation of the Group, when it equals or exceeds S\$2,000,000 for the financial year.

Non-executive 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 Chairman of each of these committees being paid twice the amount of such additional fee. Such fees are pro-rated if the Directors serve for less than one year. Such fees are subject to approval by the shareholders of the Company at the annual general meeting of the Company.

The Company has adopted the Jason Employee Share Option Scheme (the "ESOS"). The ESOS is enacted to, *inter alia*, align the interests of participants with the interests of shareholders. No option has been granted under the ESOS during the financial year in review. The RC will review the entitlement of directors for benefits under long-term incentive schemes in the future when warranted.

The Company has adopted the Jason Performance Share Plan (the "PSP") in July 2011. The PSP was implemented to complement the ESOS and to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve increased performance. No performance share has been granted under the PSP during the financial year in review.

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.

Corporate Governance Report

PRINCIPLE 9: DISCLOSURE ON REMUNERATION

A breakdown showing the level and mix of the remuneration of the directors during the financial year under review are as follows:

	Fees	Salary	Performance-related Income	Others	Total
	%	%	%	%	%
Remuneration Band (\$500,000 - \$749,000)					
Mr Foo Chew Tuck	-	71	24	5	100
Remuneration Band (Below \$250,000)					
Mr Tan Lian Huat	-	69	23	8	100
Mrs Eileen Tay-Tan Bee Kiew	100	-	-	-	100
Mr Sin Hang Boon	100	-	-	-	100
Mr Wong Hin Sun Eugene	100	-	-	-	100

The Company does not employ any immediate family of a Director or the Chief Executive Officer.

There are four senior management executives, out of which two are the Executive Directors. The gross remuneration of our senior management executives (excluding Executive Directors) of the Group is as follows:

Annual Remuneration	Name of Executive
Below \$250,000	Foo Hui Min Tan Peng Huat James

To-date, no share options have been granted pursuant to the ESOS and no performance shares have been granted under the PSP.

PRINCIPLE 10: ACCOUNTABILITY

The Board is responsible for presenting to shareholders a balanced and clear assessment of the Company's performance, position and prospects.

The Board has embraced openness and transparency in the conduct of the Company's affairs, whilst preserving the interests of the Company.

Financial reports and other price sensitive information, press releases and presentations made are disseminated to shareholders through SGXNet and are also available on the Company's website at www.jason.com.sg. The Company's annual report is sent to all shareholders and its half-year and full year reports are available on request and accessible at our Company's website.

Management provides the Board with quarterly management accounts that keep the Board informed of the Group's performance, position and prospects and consist of the consolidated income statement, analysis of sales, operating profit, pre-tax and attributable profit with details given for material items.

PRINCIPLE 11: AUDIT COMMITTEE

The Audit Committee ("AC") comprises three Non-executive Directors, namely its Chairperson, Mrs Eileen Tay-Tan Bee Kiew, Mr Sin Hang Boon and Mr Wong Hin Sun Eugene. Both Mrs Eileen Tay-Tan Bee Kiew and Mr Sin Hang Boon are Independent Directors.

Corporate Governance Report

All members of the AC have extensive management and financial experience. The Board considers them as having sufficient financial management knowledge and experience to discharge their responsibility in the AC.

The AC 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 duties and responsibilities of the AC are contained in a 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 AC performed the following main functions:

- a) recommending to the Board, the re-appointment of the external auditors;
- b) reviewing the scope, changes, results and cost-effectiveness of the external and internal audit plan and process;
- c) reviewing the Group's half-yearly 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;
- d) reviewing and evaluating, having regard to input from external and internal auditors, the adequacy of the system of internal controls and compliance functions;
- e) 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;
- f) reviewing any significant financial reporting issues and judgments and estimates made by Management, so as to ensure the integrity of the financial statements of the Company;
- g) reviewing the effectiveness of the Company's internal audit function; and
- h) 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.

The AC has met with the external auditors without the presence of the Company's Management in May 2012.

The AC has recommended that BDO LLP be nominated for re-appointment as auditors at the forthcoming annual general meeting. In recommending the re-appointment of the auditors, the AC 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 AC and Board have reviewed the appointment of different auditors for its subsidiaries and/or 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 Company has complied with the Rules 712 and 716 of the Rules of Catalist.

The AC confirms that it has undertaken a review of non-audit services provided by the external auditors. There were no non-audit services provided by the external auditors of the Company during the financial year under review.

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

Details of the activities of the AC are also provided under Principles 12 and 13 of this Report.

Corporate Governance Report

PRINCIPLE 12: INTERNAL CONTROLS

The Board is committed to maintaining a sound system of internal controls to safeguard shareholders' investments and the Group's assets.

The AC reviews on an annual basis the adequacy of the Company'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 Company's strategic objectives. 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.

In June 2011, the Company's appointed internal auditor, PricewaterhouseCoopers LLP, has conducted internal audit review based on an agreed scope of review.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by Management, AC and the Board, the AC and the Board are of the opinion that the Group's internal controls, addressing financial, operational and compliance risks, were adequate.

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 AC and 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.

PRINCIPLE 13: INTERNAL AUDIT

The internal audit function is currently outsourced to PricewaterhouseCoopers LLP, which reports directly to the AC. In the opinion of the Board, PricewaterhouseCoopers LLP meets the standards set out by both nationally and internationally recognised professional bodies.

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

The AC reviews the scope and results of the internal audit and ensures that the internal audit function is adequately resourced. Following the appointment of PricewaterhouseCoopers LLP, the AC is satisfied with the adequacy of the internal control functions.

PRINCIPLE 14: COMMUNICATION WITH SHAREHOLDERS

In line with the continuous disclosure obligations of the Company, pursuant to the Listing Manual of the Singapore Exchange Securities Trading Limited and the Singapore Companies Act, the Board's policy is that all shareholders should be informed in a comprehensive manner and on a timely basis all material developments that impact the Group.

Communication with shareholders is managed by the Board, and they are assisted via the provision of third-party investor relation services by Oaktree Advisors Pte Ltd and ShareInvestor Pte Ltd.

All announcements are released via the SGXNet including the half-year and full-year results, distribution of notices, press release, analyst briefing, presentation, announcement on acquisitions and other major developments. In addition, shareholders will receive the Annual Report together with a notice of annual general meeting, which is also accessible through the SGXNet.

Corporate Governance Report

PRINCIPLE 15: SHAREHOLDER PARTICIPATION

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

The Board encourages shareholders to attend the general meetings to ensure a greater level of shareholder participation and to meet with the Board and key management so as to stay informed of the Company's developments and to raise issues and ask the Directors or Management questions regarding the Company and its operation. The Directors and Management as well as external auditors will be present at general meetings to address shareholders' queries.

Shareholders can vote in person or appoint not more than two proxies to attend and vote on behalf of the member. There is no provision in the Company's Articles of Association that limits the number of proxies for nominee companies.

The Company will practise having separate resolutions at general meetings on each substantially separate issue.

The Company will make available minutes of general meetings to shareholders upon their requests.

MATERIAL CONTRACTS

Save for the service agreements entered into between the Executive Directors and the Company, there were no other material contracts entered into by the Company or its subsidiaries involving the interests of the Chief Executive Officer, any director or controlling shareholders subsisting at the end of the financial year ended 31 March 2012.

DEALING 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. The code prohibits securities dealings by Directors and employees while in possession of price-sensitive information and on short-term considerations. All Directors and 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.

NON-SPONSOR FEE

The Company is currently under the Singapore Exchange Securities Trading Limited Catalyst sponsor-supervised regime. The continuing sponsor of the Company is CIMB Bank Berhad, Singapore Branch (the "Sponsor"). There were no fees paid to the Sponsor for non-sponsor activities in the financial year ended 31 March 2012.

INTERESTED PERSON TRANSACTIONS

Details of the interested person transactions for the financial year presented in the format as required pursuant to Rule 907 of the Rules of Catalyst is tabled below:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and 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
Foo Chew Tuck		
Lease of office premises from:		
(i) JE Holdings Pte Ltd	179	
(ii) Unity Consultancy Pte. Ltd.	13	
(iii) Jason Harvest Pte Ltd	44	
Total:	236	Not applicable

Corporate Governance Report

In addition to the above, Mr Foo Chew Tuck, Mr Tan Lian Huat and Mr Foo Chew Yin (sibling of Mr Foo Chew Tuck) had provided guarantees and/or indemnities to secure our Group's obligations under certain credit facilities, comprising banking facilities, hire purchase facilities and surety bond undertaking. No fee was paid to the guarantors for the provision of the above guarantees. As of 31 March 2012, the guarantees provided to secure banking facilities have been fully discharged.

The Company has not obtained a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Rules of Catalist.

USE OF IPO PROCEEDS UPDATE

Use of IPO proceeds	Amount allocated S\$'000	Amount used as at 31 March 2012 S\$'000
Investments and/or joint ventures	1,500	308
General working capital	602	602
Total	2,102	910

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 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 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 risk 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 look 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.

Report of the Directors

The Directors of the Company present their report to the members together with the audited financial statements of the Group for the financial year ended 31 March 2012 and the statement of financial position of the Company as at 31 March 2012 and the statement of changes in equity of the Company for the financial year ended 31 March 2012.

1. Directors

The Directors of the Company in office at the date of this report are:

Foo Chew Tuck
Tan Lian Huat
Wong Hin Sun Eugene
Sin Hang Boon @ Sin Han Bun
Eileen Tay-Tan Bee Kiew

2. 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.

3. Directors' interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Cap. 50 (the "Act"), none of the Directors of the Company who held office at the end of the financial year had any interests in the shares or debentures of the Company or its related corporations except as detailed below:

	Shareholdings registered in the name of Directors		Shareholdings in which Directors are deemed to have an interest	
	Balance as at 1 April 2011	Balance as at 31 March 2012	Balance as at 1 April 2011	Balance as at 31 March 2012
Company	Number of ordinary shares			
Foo Chew Tuck	81,300,000	81,300,000	-	-
Tan Lian Huat	1,020,000	1,020,000	-	-
Wong Hin Sun Eugene	-	-	2,700,000	2,700,000

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 subsidiaries of the Company as at the beginning and end of the financial year.

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited, the Directors of the Company state that, according to the Register of Directors' Shareholdings, the Directors' interests as at 21 April 2012 in the shares of the Company have not changed from those disclosed as at 31 March 2012.

Report of the Directors

4. Directors' contractual benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit which by reason of a contract made by the Company or a related corporation with the Director of the Company or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in the financial statements.

5. Share options

Jason Employee Share Option Scheme

The Company has implemented a share option scheme known as the "Jason Employee Share Option Scheme" ("ESOS"). The ESOS was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 15 September 2009. The ESOS is administered by the Remuneration Committee. No share options have been granted to-date under the ESOS.

Jason Performance Share Plan

The Company has implemented a performance share plan known as the "Jason Performance Share Plan" ("PSP"). The PSP was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 27 July 2011. The PSP is administered by the Remuneration Committee. No performance shares have been granted to-date under the PSP.

The ESOS and PSP apply to group employees, executive directors and non-executive directors, who are not controlling shareholders or their associates.

There were no share options and performance shares granted by the Company or its subsidiaries during the financial year.

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 subsidiaries.

There were no unissued shares of the Company or its subsidiaries under options as at the end of the financial year.

6. Audit committee

The Audit Committee comprises the following members, who are either Non-Executive or Independent Directors. The members of the Audit 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

The Audit Committee carries out its functions in accordance with Section 201B (5) of the Companies Act, Cap. 50, and the Code of Corporate Governance, including the following:

- (i) reviews the audit plans and results of the internal and external audits;
- (ii) reviews the Group's financial and operation results and accounting policies;
- (iii) reviews financial statements of the Company and the consolidated financial statements of the Group before their submission to the Directors of the Company and the external auditors' report on those financial statements;

Report of the Directors

6. Audit committee (Continued)

- (iv) reviews the half-year and annual announcements on the results of the Group and financial position of the Company and of the Group;
- (v) ensures the co-operation and assistance given by the management to internal and external auditors;
- (vi) makes recommendations to the Board of Directors on the appointment of internal and external auditors; and
- (vii) reviews the Interested Person Transactions as defined in Chapter 9 of the Rules of Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") as required by SGX-ST and ensures that the transactions were on normal commercial terms and not prejudicial to the interests of the members of the Company.

The Audit Committee confirmed that it has undertaken a review of all non-audit services provided by the external auditors to the Group and noted that there were no non-audit services provided by the external auditors that would affect the independence of the external auditors.

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

The Audit 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. Auditors

The auditors, BDO LLP, have expressed their willingness to accept re-appointment.

8. Additional disclosure requirements of the Listing Manual of the Singapore Exchange Securities Trading Limited

The auditors of the subsidiaries and associates of the Company are disclosed in Notes 6 and 7 to the financial statements. In the opinion of the Board of Directors and Audit Committee, Rule 716 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

On behalf of the Board of Directors

.....
Foo Chew Tuck
Director

.....
Tan Lian Huat
Director

Singapore
28 June 2012

Statement by Directors

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2012 and of the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date; 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.

On behalf of the Board of Directors

.....
Foo Chew Tuck
Director

.....
Tan Lian Huat
Director

Singapore
28 June 2012

Independent Auditors' Report to the Members of Jason Marine Group Limited

Report on the financial statements

We have audited the accompanying financial statements of Jason Marine Group Limited (the "Company") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and of the Company as at 31 March 2012, the consolidated income statement, consolidated statement of comprehensive income, statements of changes in equity of the Group and of the Company and consolidated statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 19 to 74.

Management's responsibility 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 Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards, 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 profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditors' Report to the Members of Jason Marine Group Limited

Report on the financial statements (Continued)

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2012 and of the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date.

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 subsidiaries incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

.....
BDO LLP

Public Accountants and
Certified Public Accountants

Singapore
28 June 2012

Statements of Financial Position

As at 31 March 2012

		Group		Company	
	Note	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Non-current assets					
Intangible asset	4	290	474	-	-
Plant and equipment	5	700	699	-	-
Investments in subsidiaries	6	-	-	14,792	15,000
Investments in associates	7	144	132	-	-
Available-for-sale financial assets	8	1,514	1,227	-	-
Other receivable	10	123	153	-	-
Deferred tax assets	16	5	-	-	-
Total non-current assets		2,776	2,685	14,792	15,000
Current assets					
Inventories	9	5,674	7,262	-	-
Trade and other receivables	10	13,232	19,390	57	238
Prepayments		150	328	13	20
Derivative financial instruments	11	89	7	-	-
Cash and cash equivalents	12	11,916	9,401	3,828	4,226
Total current assets		31,061	36,388	3,898	4,484
Less:					
Current liabilities					
Trade and other payables	13	7,964	11,859	201	206
Advance billings		1,048	1,059	-	-
Finance lease payables	14	10	25	-	-
Bank borrowings	15	-	2,218	-	-
Current income tax payable		211	403	-	-
Total current liabilities		9,233	15,564	201	206
Net current assets		21,828	20,824	3,697	4,278
Less:					
Non-current liabilities					
Finance lease payables	14	9	19	-	-
Deferred tax liabilities	16	-	61	-	-
Total non-current liabilities		9	80	-	-
Net assets		24,595	23,429	18,489	19,278
Equity					
Share capital	17	17,967	17,967	17,967	17,967
Foreign currency translation reserve	18	20	36	-	-
Retained earnings		6,682	5,399	522	1,311
Equity attributable to owners of the parent		24,669	23,402	18,489	19,278
Non-controlling interests		(74)	27	-	-
Total equity		24,595	23,429	18,489	19,278

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

Consolidated Income Statement

For the Financial Year Ended 31 March 2012

		Group	
	Note	2012 \$'000	2011 \$'000
Revenue	19	44,451	45,169
Cost of sales		(31,287)	(34,366)
Gross profit		13,164	10,803
Other items of income			
Interest income		62	37
Other income	20	418	669
Other items of expense			
Distribution costs		(5,596)	(3,941)
General and administrative expenses		(5,978)	(5,533)
Other expenses		(648)	(598)
Finance costs	21	(37)	(16)
Share of results of associates, net of tax		14	(35)
Profit before income tax	22	1,399	1,386
Income tax expense	23	(111)	(185)
Profit for the financial year		1,288	1,201
Profit/(Loss) attributable to:			
Owners of the parent		1,389	1,234
Non-controlling interests		(101)	(33)
		1,288	1,201
Earnings per share			
- Basic and diluted	24	1.31 cents	1.16 cents

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

Consolidated Statement of Comprehensive Income

For the Financial Year Ended 31 March 2012

	Group	
	2012 \$'000	2011 \$'000
Profit for the financial year	1,288	1,201
Other comprehensive income:		
Foreign currency differences on translation of foreign operations	(16)	(20)
Income tax relating to components of other comprehensive income	-	-
Other comprehensive income for the financial year, net of tax	(16)	(20)
 Total comprehensive income for the financial year	 1,272	 1,181
 Total comprehensive income attributable to:		
Owners of the parent	1,373	1,216
Non-controlling interests	(101)	(35)
	1,272	1,181

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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2012

Group	Note	Share capital \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Equity attributable to owners of the parent \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 April 2011		17,967	36	5,399	23,402	27	23,429
Profit/(Loss) for the financial year		-	-	1,389	1,389	(101)	1,288
Other comprehensive income for the financial year							
Foreign currency differences on translation of foreign operations		-	(16)	-	(16)	-	(16)
Total comprehensive income for the financial year		-	(16)	1,389	1,373	(101)	1,272
Transactions with the owners of the parent							
Dividends	25	-	-	(106)	(106)	-	(106)
Total transactions with the owners of the parent		-	-	(106)	(106)	-	(106)
Balance at 31 March 2012		17,967	20	6,682	24,669	(74)	24,595

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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2012

Group	Share capital \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Equity attributable to owners of the parent \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 April 2010	17,967	54	4,165	22,186	-	22,186
Profit/(Loss) for the financial year	-	-	1,234	1,234	(33)	1,201
Other comprehensive income for the financial year						
Foreign currency differences on translation of foreign operations	-	(18)	-	(18)	(2)	(20)
Total comprehensive income for the financial year	-	(18)	1,234	1,216	(35)	1,181
Transactions with the non-controlling interests						
Issue of shares to non-controlling interests	-	-	-	-	62	62
Total transactions with the non-controlling interests	-	-	-	-	62	62
Balance at 31 March 2011	17,967	36	5,399	23,402	27	23,429

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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2012

Company	Note	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 April 2011		17,967	1,311	19,278
Loss for the financial year		-	(683)	(683)
Total comprehensive income for the financial year		-	(683)	(683)
Transactions with the owners of the parent				
Dividends	25	-	(106)	(106)
Total transactions with the owners of the parent		-	(106)	(106)
Balance at 31 March 2012		17,967	522	18,489
Balance at 1 April 2010		17,967	(1,236)	16,731
Profit for the financial year		-	2,547	2,547
Total comprehensive income for the financial year		-	2,547	2,547
Balance at 31 March 2011		17,967	1,311	19,278

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

Consolidated Statement of Cash Flows

For the Financial Year Ended 31 March 2012

	Group	
	2012 \$'000	2011 \$'000
Operating activities		
Profit before income tax	1,399	1,386
Adjustments for:		
Allowance for doubtful third parties trade receivables	106	99
Allowance for impairment loss on available-for-sale financial assets	128	-
Allowance for inventory obsolescence	389	-
Amortisation of intangible asset	184	76
Depreciation of plant and equipment	277	237
Dividend income	(10)	(19)
Fair value (gain)/loss arising from derivative financial instruments	(82)	7
Gain on disposals of plant and equipment	-	(24)
Interest expense	37	16
Interest income	(62)	(37)
Loss on disposal of an associate	2	-
Share of results of associates	(14)	35
Write-back of allowance for doubtful third parties trade receivables no longer required	(46)	(37)
Write-back of allowance for inventory obsolescence no longer required	-	(374)
Operating cash flows before working capital changes	2,308	1,365
Working capital changes:		
Inventories	1,199	142
Trade and other receivables	6,128	(9,095)
Prepayments	178	238
Trade and other payables	(3,895)	4,000
Advance billings	(11)	(797)
Cash generated/(absorbed by) from operations	5,907	(4,147)
Income tax paid	(369)	(1,027)
Net cash from/(used in) operating activities	5,538	(5,174)
Investing activities		
Purchase of plant and equipment	(275)	(408)
Acquisition of intangible asset	-	(550)
Acquisition of available-for-sale financial assets	(415)	(169)
Investment in an associate	-	(75)
Issue of shares to non-controlling interests	-	62
Proceeds from disposal of an associate	-	18
Proceeds from disposals of plant and equipment	-	30
Dividends received	10	19
Interest received	62	37
Net cash used in investing activities	(618)	(1,036)

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

Consolidated Statement of Cash Flows

For the Financial Year Ended 31 March 2012

		Group	
	Note	2012 \$'000	2011 \$'000
Financing activities			
Proceeds from bank borrowings		9,960	6,244
Repayment of bank borrowings		(12,178)	(4,026)
Repayment of obligations under finance leases		(25)	(77)
Reversal of fixed deposits pledged		749	23
Interest paid		(37)	(16)
Dividends paid		(106)	-
Net cash (used in)/from financing activities		(1,637)	2,148
Net change in cash and cash equivalents		3,283	(4,062)
Cash and cash equivalents at beginning of financial year		8,652	12,732
Effects of foreign exchange rate changes on cash and cash equivalents		(19)	(18)
Cash and cash equivalents at end of financial year	12	11,916	8,652

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

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

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

1. General corporate information

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

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

The statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 31 March 2012 were authorised for issue in accordance with a Directors' resolution dated 28 June 2012.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Singapore Financial Reporting Standards ("FRS"). The financial statements are presented in Singapore dollar and all values are rounded to the nearest thousand (\$'000) unless otherwise indicated. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires the management to exercise judgement in the process of applying the Group's and the Company's accounting policies and requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period, and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on the management's best knowledge of historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

Critical accounting judgements and key sources of estimation uncertainty used that are significant to the financial statements are disclosed in Note 3 to the financial statements.

During the financial year, the Group and the Company adopted the new or revised FRS and Interpretations of FRS ("INT FRS") that are relevant to their operations and effective for the current financial year. Changes to the Group's and the Company's accounting policies have been made as required in accordance with the relevant transitional provisions in the respective FRS and INT FRS. The adoption of the new or revised FRS and INT FRS did not result in any substantial changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current and prior financial years except as discussed below.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.1 Basis of preparation of financial statements (Continued)

FRS 24 (Revised) Related Party Disclosures

FRS 24 (Revised) has been adopted on 1 April 2011 and has been applied retrospectively. The revised standard clarified the definition of a related party and does not have any impact on the amounts reported for the current or prior financial years.

FRS and INT FRS issued but not yet effective

At the date of the authorisation of these financial statements, the Group and the Company have not adopted the following FRS and INT FRS that have been issued but not yet effective.

		Effective date (Annual periods beginning on or after)
FRS 1	: Amendments to FRS 1 – Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 12	: Amendments to FRS 12 – Deferred Tax: Recovery of Underlying Assets	1 January 2012
FRS 19	: Employee Benefits	1 January 2013
FRS 27	: Separate Financial Statements	1 January 2013
FRS 28	: Investments in Associates and Joint Ventures	1 January 2013
FRS 32	: Offsetting of Financial Assets and Financial Liabilities	1 January 2014
FRS 107	: Amendments to FRS 107 Disclosures – Transfer of Financial Assets	1 July 2011
FRS 107	: Offsetting of Financial Assets and Financial Liabilities	1 January 2013
FRS 110	: Consolidated Financial Statements	1 January 2013
FRS 111	: Joint Arrangements	1 January 2013
FRS 112	: Disclosure of Interests in Other Entities	1 January 2013
FRS 113	: Fair Value Measurements	1 January 2013
INT FRS 120	: Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

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

The Group and the Company expect that the adoption of the above FRS and INT FRS in future periods, if applicable, will have no material impact on the financial statements in the period of initial adoption, except as discussed below:

Amendments to FRS 1 Presentation of Items of Other Comprehensive Income

The amendments to FRS 1 changes the grouping of items presented in other comprehensive income. Items that could be reclassified to profit or loss at a future point in time would be presented separately from items which will never be reclassified. As the amendments only affect the presentation of items that are already recognised in other comprehensive income, the Group does not expect any impact on its financial position or performance upon adoption of this standard from 1 April 2013.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.1 Basis of preparation of financial statements (Continued)

FRS and INT FRS issued but not yet effective (Continued)

FRS 110 Consolidated Financial Statements

FRS 110 changes the definition of control and applies it to all investees to determine the scope of consolidation. FRS 110 requirements will apply to all types of potential subsidiary. FRS 110 requires an investor to reassess the decision on whether to consolidate an investee when events indicate that there may be a change to one of the three elements of control, i.e. power, variable returns and the ability to use power to affect returns. The Group will determine the impact of this standard when it becomes effective.

FRS 112 Disclosure of Interests in Other Entities

FRS 112 is a new and comprehensive standard on disclosure requirements for all forms of interest in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. FRS 112 requires an entity to disclose information that helps users of its financial statements to evaluate the nature and risks associated with its interests in other entities and the effects of those interests on its financial statements. The Group is currently determining the impact of the disclosure requirements. This FRS is to be applied for annual periods beginning on or after 1 January 2013. As this is a disclosure standard, it will have no impact to the financial position and financial performance of the Group when implemented.

FRS 113 Fair Value Measurements

FRS 113 provides guidance on how to measure fair values including those for both financial and non-financial items and introduces significantly enhanced disclosure about fair values. It does not address or change the requirements on when fair values should be used. When measuring fair value, an entity is required to use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. It establishes a fair value hierarchy for doing this. The Group and the Company will determine the impact of this standard when it becomes effective.

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 financial year. 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 of which control is transferred to the Group up to the effective date on which the 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 impairment loss of the asset transferred.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.2 Basis of consolidation (Continued)

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 a subsidiary 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 subsidiary. 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 a subsidiary, 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 FRS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

2.3 Business combinations

Business combinations from 1 January 2010

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of 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.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under FRS 103 are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held-for-sale in accordance with FRS 105 *Non-Current Assets Held for Sale and Discontinued Operations*, which are recognised and measured at the lower of cost and fair value less costs to sell.

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.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.3 Business combinations (Continued)

Business combinations from 1 January 2010 (Continued)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under FRS 103 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with FRS 12 *Income Taxes* and FRS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with FRS 102 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with FRS 105 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and initially measured at cost, being 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 previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in 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 gain.

Business combinations before 1 January 2010

In comparison to the above mentioned requirements, the following differences applied:

Business combinations are accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in equity.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.3 Business combinations (Continued)

Business combinations before 1 January 2010 (Continued)

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree are not reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was probable and a reliable estimate was determinable. Subsequent measurements to the contingent consideration affected goodwill.

2.4 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.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

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	7
Renovation	3
Computers	3

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.4 Plant and equipment (Continued)

The residual values, 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.

2.5 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 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.

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.

2.6 Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Investments in subsidiaries are accounted for at cost less accumulated impairment losses, if any, in the Company's separate financial statements.

2.7 Associates

Associates are entities over which the Group has significant influence, but that is neither a subsidiary nor an interest in joint venture. 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.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Associates are equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associates.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.7 Associates (Continued)

Investments in associates are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

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.

2.8 Impairment of non-financial assets

The carrying amounts of the Group's and the Company's 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, unless it reverses a previous revaluation credited to other comprehensive income, in which case it is charged to other comprehensive income up to the amount of any previous revaluation.

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.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.8 Impairment of non-financial assets (Continued)

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 unless the asset is carried at revalued amount, in which case the reversal in excess of impairment loss recognised in profit or loss in prior periods is treated as a revaluation increase. 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 normal course of business less estimated cost of completion and costs incurred in 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.

2.10 Financial assets

The Group and the Company classify their financial assets as loans and receivables and available-for-sale financial assets. The classification depends on the purpose of which the assets are acquired. The management determines the classification of the financial assets at initial recognition and re-evaluates this designation at the end of the reporting period, where allowed and appropriate.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are classified within "trade and other receivables" and "cash and cash equivalents" on the statements of financial position.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or not classified in any of the other categories. They are included in non-current assets unless the management intends to dispose of the assets within 12 months after the end of the reporting period.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.10 Financial assets (Continued)

Recognition and derecognition

Financial assets are recognised on the statements of financial position when, and only when, the Group and the Company become parties to the contractual provisions of the financial instruments.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group and the Company commit to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all risks and rewards of ownership.

On derecognition of a financial asset, the difference between the carrying amount and the net consideration proceeds is recognised in profit or loss.

Initial and subsequent measurement

Financial assets are initially recognised at fair value, plus in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less impairment losses, if any.

After initial recognition, available-for-sale financial assets are re-measured at fair value with gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gains or losses previously recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment when the available-for-sale financial assets are derecognised.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense are recognised on an effective interest basis for debt instruments.

Impairment

The Group and the Company assess at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired.

(i) Loans and receivables

An allowance for impairment loss of loans and receivables is recognised when there is objective evidence that the Group and the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.10 Financial assets (Continued)

Impairment (Continued)

(i) Loans and receivables (Continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. Any subsequent reversal of an impairment loss is recognised in profit or loss, to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date.

(ii) Available-for-sale financial assets

Significant or prolonged decline in the fair value of debt or equity security below cost, significant financial difficulties of the issuer or obligor and the disappearance of an active trading market are considerations to determine whether there is objective evidence that the available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in equity is transferred from equity to profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss. Reversals of impairment loss on debt instruments are recognised in profit or loss if the increase in fair value of the debt instrument can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

2.11 Derivative financial instruments

Derivative financial instruments held by the Group are recognised as assets or liabilities on the statement of financial position and classified as financial assets or financial liabilities at fair value through profit or loss.

The Group uses derivative financial instruments such as forward currency contracts to hedge its risks associated with foreign currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivative financial instruments are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivative financial instruments that do not qualify for hedge accounting are taken to profit or loss for the financial year.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profile.

2.12 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash and 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. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, cash at bank and fixed deposits net of fixed deposits pledged.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.13 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition.

The accounting policies adopted for other financial liabilities are set out below:

(i) Trade and other payables

Trade and other 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 the Company, and are subsequently measured at amortised cost using the effective interest method.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

(ii) Bank borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Bank borrowings are subsequently stated at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within 12 months after the end of the reporting period are presented as current borrowings even though the original term was for a period longer than 12 months and an agreement to refinance or to reschedule payments on a long-term basis is completed after the end of the reporting period and before the financial statements are authorised for issue. Other borrowings due to be settled more than 12 months after the end of the reporting period are presented as non-current borrowings in the statement of financial position of the Group.

Recognition and derecognition

Financial liabilities are recognised on the statements of financial position when, and only when, the Group and the Company become parties to the contractual provisions of the financial instruments.

Financial liabilities are derecognised when the contractual obligation has been discharged or cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.14 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of their liabilities.

Ordinary shares are classified as equity and recognised at the fair value of the consideration received by the Group and the Company. Incremental costs directly attributable to the issuance of new equity instruments are shown in the equity as a deduction from the proceeds.

2.15 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of business. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue is presented, net of rebates and discounts and sales related taxes.

Revenue from sale of goods is recognised when goods are delivered to the customer and the significant risks and rewards of ownership has been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably.

Revenue from rendering of services and airtime is recognised when the services have been performed and accepted by the customers in accordance to the relevant terms and conditions of the contracts.

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

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

2.16 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.

2.17 Leases

Group as lessee of finance leases

Leases in which the Group assumes substantially the risks and rewards of ownership are classified as finance leases.

Upon initial recognition, plant and equipment acquired through finance leases are capitalised at the lower of its fair values and the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised.

Subsequent to initial recognition, the plant and equipment is accounted for in accordance with the accounting policy applicable to that plant and equipment. Lease payments are apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to achieve a constant periodic rate of interest on the remaining balance of the finance lease liability. Finance charge is recognised in profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.17 Leases (Continued)

Group as lessee of operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the financial year in which termination takes place.

2.18 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.

2.19 Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised as expenses in profit or loss in the financial year in which they are incurred. Borrowing costs are recognised on a time-proportion basis in profit or loss using the effective interest method.

2.20 Income tax

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.

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 liability method, for temporary differences at the end of the reporting period when 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 by 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.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.20 Income tax (Continued)

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 and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

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.

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- (i) when the sales tax that is incurred on purchase of assets or services is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii) receivables and payables that are stated with the amount of sales tax included.

2.21 Foreign currencies

Items included in the individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency").

The consolidated financial statements and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollar, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements, 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.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

2. Summary of significant accounting policies (Continued)

2.21 Foreign currencies (Continued)

For the purpose of presenting consolidated financial statements, the results and financial positions, changes in equity and cash flows 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 reserve in equity.

2.22 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 recorded in the financial year in which the dividends are approved by the shareholders.

2.23 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and the Company; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and the Company.

Contingencies are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair value can be reliably determined.

2.24 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 2012

3. Critical accounting judgements and key sources of estimation uncertainty

3.1 Critical judgements 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 and financial assets

The Group and the Company follow the guidance of FRS 36 and FRS 39 in determining whether an investment in subsidiary or a financial asset is impaired. This determination requires significant judgement. The Group and the Company evaluate, among other factors, the duration and extent to which the fair value of an investment in subsidiary or financial asset is less than its cost and the financial health of and near-term business outlook for the financial asset, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

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) Amortisation of intangible asset

Intangible asset is amortised on a straight-line basis over the asset's useful life. The management estimates the useful life of the intangible asset to be 3 years. The estimated useful life that the Group places the intangible asset into productive use reflects the managements' estimate of the period the Group intends to derive future economic benefits from the intangible asset. Changes in the expected level of usage and technological developments could impact the economic useful life and the residual value of the asset, therefore future amortisation could be revised. The carrying amount of the Group's intangible asset as at 31 March 2012 was approximately \$290,000 (2011: \$474,000).

(ii) Depreciation of plant and equipment

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The management estimates the useful lives of these assets to be within 3 to 10 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the Group's plant and equipment as at 31 March 2012 was approximately \$700,000 (2011: \$699,000).

(iii) Allowance for doubtful receivables

The management establishes allowance for doubtful receivables on a case-by-case basis when they believe that payment of amounts owed is unlikely to occur. In establishing these allowances, the management considers the historical experience and changes to its customers' financial position. If the financial conditions of receivables were to deteriorate, resulting in impairment of their abilities to make the required payments, additional allowances may be required. The carrying amounts of the Group's and the Company's trade and other receivables as at 31 March 2012 were approximately \$13,355,000 and \$57,000 (2011: \$19,543,000 and \$238,000) respectively.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(iv) Allowance for inventory obsolescence

Inventories are stated at the lower of cost and net realisable value. The management primarily determines cost of inventories using the weighted average method. The 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 and estimated future demand and related pricing. In determining excess quantities, the 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 2012 was approximately \$5,674,000 (2011: \$7,262,000).

(v) Income taxes

The Group recognises expected liabilities for income tax based on estimation of the likely tax due, which requires significant judgment as to the ultimate tax determination of certain items. Where the final tax outcome of these matters differs from the amounts that were initially recognised, such differences will impact the current income tax and deferred tax provisions in the financial years in which such determination is made. The carrying amount of the Group's current income tax payable as at 31 March 2012 was approximately \$211,000 (2011: \$403,000).

The carrying amount of the Group's deferred tax liabilities as at 31 March 2012 was approximately \$Nil (2011: \$61,000). The carrying amount of the Group's deferred tax assets as at 31 March 2012 was approximately \$5,000 (2011: \$Nil).

4. Intangible asset

	Group	
	2012	2011
	\$'000	\$'000
Computer software		
Cost		
Balance at beginning of financial year	550	-
Additions	-	550
Balance at end of financial year	<u>550</u>	<u>550</u>
Accumulated amortisation		
Balance at beginning of financial year	76	-
Amortisation for the financial year	184	76
Balance at end of financial year	<u>260</u>	<u>76</u>
Carrying amount		
Balance at end of financial year	<u>290</u>	<u>474</u>

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

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
Group								
2012								
Cost								
Balance at								
1 April 2011	172	319	468	45	294	136	737	2,171
Additions	21	3	-	-	212	-	39	275
Disposals	-	-	-	-	-	-	(12)	(12)
Write-offs	(2)	-	-	-	-	-	(31)	(33)
Currency translation								
adjustment	-	-	1	-	1	(1)	-	1
Balance at								
31 March 2012	191	322	469	45	507	135	733	2,402
Accumulated depreciation								
Balance at								
1 April 2011	101	240	287	36	117	109	582	1,472
Depreciation for								
the financial year	17	15	69	1	77	14	84	277
Disposals	-	-	-	-	-	-	(12)	(12)
Write-offs	(2)	-	-	-	-	-	(31)	(33)
Currency translation								
adjustment	-	-	(1)	-	-	-	(1)	(2)
Balance at								
31 March 2012	116	255	355	37	194	123	622	1,702
Carrying amount								
Balance at								
31 March 2012	75	67	114	8	313	12	111	700

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

5. Plant and equipment (Continued)

	Office equipment \$'000	Furniture and fittings \$'000	Motor vehicles \$'000	Electrical fittings \$'000	Plant and machinery \$'000	Renovation \$'000	Computers \$'000	Total \$'000
Group 2011 Cost								
Balance at 1 April 2010	135	280	513	36	180	112	588	1,844
Additions	47	39	51	9	114	24	156	440
Disposals	(10)	-	(95)	-	-	-	(6)	(111)
Currency translation adjustment	-	-	(1)	-	-	-	(1)	(2)
Balance at 31 March 2011	172	319	468	45	294	136	737	2,171
Accumulated depreciation								
Balance at 1 April 2010	83	225	321	35	90	94	492	1,340
Depreciation for the financial year	23	15	61	1	27	15	95	237
Disposals	(5)	-	(95)	-	-	-	(5)	(105)
Balance at 31 March 2011	101	240	287	36	117	109	582	1,472
Carrying amount								
Balance at 31 March 2011	71	79	181	9	177	27	155	699

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

5. Plant and equipment (Continued)

As at the end of the reporting period, the carrying amounts of plant and equipment which were acquired under finance lease agreements were as follows:

	Group	
	2012	2011
	\$'000	\$'000
Motor vehicles	28	100

Finance leased asset is pledged as a security for the related finance lease payables.

For the purpose of consolidated statement of cash flows, the Group's additions to plant and equipment were financed as follows:

	Group	
	2012	2011
	\$'000	\$'000
Additions of plant and equipment	275	440
Acquired under finance lease agreement	-	(32)
Cash payments to acquire plant and equipment	275	408

6. Investments in subsidiaries

	Company	
	2012	2011
	\$'000	\$'000
Unquoted equity shares, at cost	15,000	15,000
Less: Allowance for impairment loss	(208)	-
	14,792	15,000

Incorporation of subsidiaries

On 14 April 2010, Jason Venture Pte. Ltd., a subsidiary, subscribed for 2,040 ordinary shares of KRW5,000 each in the issued and paid-up capital of Jason Korea Co., Ltd, a company incorporated in South Korea, for a cash consideration of KRW10,200,000 (approximately \$13,000) representing 51% equity interest in Jason Korea Co., Ltd.

On 11 January 2011, Jason Venture Pte. Ltd., a subsidiary, subscribed for 51,000 ordinary shares of \$1 each in the issued and paid-up capital of Baze Marine & Offshore Pte. Ltd., a company incorporated in Singapore, for a cash consideration of \$51,000 representing 51% equity interest in Baze Marine & Offshore Pte. Ltd.

Movement in allowance for impairment loss is as follows:

	Company	
	2012	2011
	\$'000	\$'000
Balance at beginning of financial year	-	-
Allowance made during the financial year	208	-
Balance at end of financial year	208	-

As at the end of the financial year, the Company carried out a review on the recoverable amount of its investments in subsidiaries. The review led to the recognition of an impairment loss of approximately \$208,000 (2011: \$Nil) that has been recognised in profit or loss of the Company.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

6. Investments in subsidiaries (Continued)

The details of the subsidiaries are as follows:

Name of subsidiaries (Country of incorporation/operations)	Effective equity interest held		Principal activities
	2012	2011	
	%	%	
Held by the Company			
Jason Electronics (Pte) Ltd ⁽¹⁾ (Singapore)	100	100	Design, integration, installation and commissioning of radio, satellite communication and navigational systems
Jason Asia Pte Ltd ⁽¹⁾ (Singapore)	100	100	Servicing of communication and navigational systems
Jason Venture Pte. Ltd. ⁽¹⁾ (Singapore)	100	100	Investment holding company
Held by Jason Venture Pte. Ltd.			
Jason Elektronik (M) Sdn. Bhd. ⁽²⁾ (Malaysia)	100	100	Trading and servicing of communication, navigation, and automation equipment
Jason (Shanghai) Co., Ltd ⁽³⁾ (People’s Republic of China)	100	100	Sales and service of radio, satellite communication and navigation system
PT Jason Elektronika ⁽⁴⁾ (Indonesia)	99	99	Import trading, maintenance and support services of communication, navigation and automation equipment and spares
Jason Korea Co., Ltd. ⁽⁵⁾ (South Korea)	51	51	Manufacture, sales and service of marine offshore and industrial communication, navigation and automation systems
Baze Marine & Offshore Pte. Ltd. ⁽¹⁾ (Singapore)	51	51	Marketing, sale, distribution and servicing of infotainment system manufactured under the “Bazeport” brand
Held by Jason Asia Pte Ltd			
PT Jason Elektronika ⁽⁴⁾ (Indonesia)	1	1	Import trading, maintenance and support services of communication, navigation and automation equipment and spares

⁽¹⁾ Audited by BDO LLP, Singapore

⁽²⁾ Audited by UHY Diong, Chartered Accountants, Malaysia

⁽³⁾ Audited by RSM China, Certified Public Accountants, People's Republic of China

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

⁽⁵⁾ Audited by Daesung Tax Accounting Corp., South Korea

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

7. Investments in associates

	Group	
	2012 \$'000	2011 \$'000
Unquoted equity shares, at cost	158	158
Share of post acquisition results	(14)	(26)
	<u>144</u>	<u>132</u>

The details of the associates are as follows:

Name of associates (Country of incorporation/operations)	Effective equity interest held		Principal activities
	2012 %	2011 %	
Jason Electronics (Thailand) Co., Ltd ⁽¹⁾ (Thailand)	49	49	Sales and service of radio, satellite communications and navigational system
iPromar (Pte.) Ltd. ⁽²⁾ (Singapore)	25	25	Process plant and engineering services

⁽¹⁾ Audited by BDO Limited, Thailand

⁽²⁾ Audited by Akber Ali & Co., Certified Public Accountants, Singapore

In the previous financial year, the Group increased its capital contribution by \$75,000 on its associate, iPromar (Pte.) Ltd. The increase did not change the Group's effective equity interest of the associate.

The associates' financial year end is 31 December. For the purpose of applying the equity method of accounting, the management accounts of the associates for the year ended 31 March 2012 have been used. The summarised financial information of the associates, not adjusted for the proportion of ownership interest held by the Group are as follows:

	2012 \$'000	2011 \$'000
Assets and liabilities		
Total assets	992	621
Total liabilities	<u>(611)</u>	<u>(138)</u>
Results		
Revenue	930	810
Profit/(Loss) for the financial year	<u>26</u>	<u>(177)</u>

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

8. Available-for-sale financial assets

	Group	
	2012 \$'000	2011 \$'000
Unquoted Investments		
Balance at beginning of financial year	1,227	1,058
Additions	415	169
Allowance for impairment loss	(128)	-
Balance at end of financial year	1,514	1,227

The investments in unquoted equity shares represent investments in companies engaged in the same business. As the unquoted investments do not have quoted market prices in an active market and there are no other available methods to reasonably estimate the fair values, it is not practicable to determine the fair values of the unquoted investments with sufficient reliability.

On 16 May 2011, the Group subscribed for an additional 4,118 redeemable convertible preference shares ("RCPS") in e-MLX Co., Ltd (now known as Hyundai e-Marine Co., Ltd) ("e-MLX") with a par value of KRW10,000 (approximately \$12) each for an aggregate principal amount of KRW345,000,000 (approximately \$400,000). This subscription was made entirely from internally generated funds of the Group.

Following the above transaction, the Group holds 12,354 RCPS in e-MLX with a par value of KRW10,000 (approximately \$12) each.

On 28 October 2011, the Group entered into a shareholders' agreement ("Shareholders Agreement") with Hyundai BS&C Co., Ltd. ("HBS&C") in relation to e-MLX. Pursuant to the terms of the Shareholders' Agreement, the Group converted the 12,354 RCPS held into 23,486 common shares of e-MLX, based on a conversion ratio of 1.901064 common shares for one RCPS.

In addition, under the Shareholders' Agreement, HBS&C has also granted a put option ("Put Option") to the Group in respect of the 23,486 common shares of e-MLX held. The Put Option, if exercised, will require HBS&C to acquire a part or all of the 23,486 common shares for KRW44,069 per share, plus interest accrued on the aggregate consideration at a rate 5.38% per annum for the period from the date of the Shareholders' Agreement to the date the Put Option is exercised. The Put Option may be exercised during the period from 1 January 2017 to 31 December 2017.

As at the end of the financial year, the Group determined the recoverable amount of the available-for-sale financial assets using their net asset value as at the end of the financial year. This led to a recognition of an impairment loss of approximately \$128,000 (2011: \$Nil) that has been recognised in profit or loss of the Group.

Available-for-sale financial assets are denominated in the following currencies:

	Group	
	2012 \$'000	2011 \$'000
Singapore dollar	204	204
Euro	41	169
Korean won	1,227	812
Indian rupee	42	42
	1,514	1,227

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

9. Inventories

	Group	
	2012 \$'000	2011 \$'000
Trading goods	5,674	7,262

The cost of inventories recognised as an expense and included in "cost of sales" line item in profit or loss was approximately \$23,289,000 and \$20,715,000 for the financial years ended 31 March 2012 and 2011 respectively.

During the financial year, the Group carried out a review of the realisable values of its inventories and the review led to the recognition of an allowance for inventory obsolescence of approximately \$389,000 (2011: \$Nil) and write-back of allowance for inventory obsolescence no longer required of approximately \$Nil (2011: \$374,000) that have been included in "other expenses" and "other income" line items in profit or loss respectively. The write-back of allowance for inventory obsolescence no longer required were recognised when the related inventories were subsequently sold above costs.

10. Trade and other receivables

	Group		Company	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Non-current				
Advance to staff	123	153	-	-
Current				
Trade receivables				
- third parties	12,331	18,685	-	-
- an associate	69	102	-	-
	12,400	18,787	-	-
Allowance for doubtful trade receivables – third parties	(493)	(478)	-	-
	11,907	18,309	-	-
Non-trade receivables				
- third parties	1,021	214	1	1
- subsidiaries	-	-	56	237
- an associate	21	1	-	-
	1,042	215	57	238
Security and other deposits	52	121	-	-
Advance to suppliers	160	674	-	-
Advance to staff	71	71	-	-
	13,232	19,390	57	238
Total trade and other receivables	13,355	19,543	57	238
<i>Add:</i>				
- cash and cash equivalents	11,916	9,401	3,828	4,226
Total loans and receivables	25,271	28,944	3,885	4,464

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

10. Trade and other receivables (Continued)

Trade receivables are unsecured, interest-free and generally on 30 to 90 (2011: 30 to 90) days credit terms.

The trade amount due from an associate is unsecured, interest-free and repayable within the normal trade credit terms.

The non-trade amounts due from subsidiaries and an associate are unsecured, interest-free and repayable on demand.

Advances to suppliers pertains to the payments made by the Group in advance for the purchase of inventories.

Advance to staff represents a loan of approximately \$355,000 granted to a staff. The loan is unsecured, bears interest of 3.5% per annum and repayable over 5 years commencing from April 2008. The non-current portion of advance to staff is repayable as follows:

	Group	
	2012	2011
	\$'000	\$'000
In the second year	71	71
In the third year	52	71
In the fourth year	-	11
	<u>123</u>	<u>153</u>

The non-current portion of advance to staff approximates its fair value.

Movements in allowance for doubtful third parties trade receivables are as follows:

	Group	
	2012	2011
	\$'000	\$'000
Balance at beginning of financial year	478	459
Allowance made during the financial year	106	99
Write-back of allowance during the financial year	(46)	(37)
Allowance written off during the financial year	(45)	(43)
Balance at end of financial year	<u>493</u>	<u>478</u>

Allowance for doubtful third parties trade receivables of approximately \$106,000 (2011: \$99,000) was recognised in profit or loss subsequent to a debt recovery assessment performed during the financial year.

The write-back of allowance for doubtful trade receivables amounting to approximately \$46,000 (2011: \$37,000) was recognised in profit or loss when the related trade receivables were subsequently recovered.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

10. Trade and other receivables (Continued)

Trade and other receivables are denominated in the following currencies:

	Group		Company	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Singapore dollar	6,017	12,468	57	238
United States dollar	6,419	5,711	-	-
Euro	585	1,085	-	-
Ringgit Malaysia	71	139	-	-
Chinese renminbi	68	121	-	-
Norwegian Kroner	110	-	-	-
Others	85	19	-	-
	<u>13,355</u>	<u>19,543</u>	<u>57</u>	<u>238</u>

11. Derivative financial instruments

	Group	
	2012 \$'000	2011 \$'000
Assets		
Foreign currency forward contracts	<u>89</u>	<u>7</u>

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

The Group is a party to a variety of foreign currency forward contracts in the management of its exchange rates exposures. The instruments purchased are primarily denominated in the currencies of the Group's principal markets.

As at the end of the reporting period, the total notional amounts outstanding contracts to which the Group is committed are as follows:

	Group	
	2012 \$'000	2011 \$'000
Foreign currency forward contracts	<u>8,863</u>	<u>3,185</u>

As at 31 March 2012, the fair value gain of the forward currency contracts is estimated to be approximately \$89,000 (2011: \$7,000). These amounts are based on quoted market prices for equivalent forward currency contracts at the end of the reporting period.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

12. Cash and cash equivalents

	Group		Company	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Fixed deposits	5,571	5,565	3,721	3,908
Cash and bank balances	6,345	3,836	107	318
	<u>11,916</u>	<u>9,401</u>	<u>3,828</u>	<u>4,226</u>

Fixed deposits are placed for one to three months (2011: one week to three months) from the end of the reporting period and the effective interest rates on the fixed deposits were 0.0500% to 0.8000% (2011: 0.0300% to 0.5625%) per annum.

As at 31 March 2012, fixed deposits of approximately \$Nil (2011: \$749,000) have been pledged as securities for banking facilities as disclosed in Note 15 to the financial statements.

Cash and cash equivalents are denominated in the following currencies:

	Group		Company	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Singapore dollar	8,511	7,244	3,828	4,226
United States dollar	2,385	1,549	-	-
Euro	518	157	-	-
Ringgit Malaysia	322	294	-	-
Chinese renminbi	75	51	-	-
Others	105	106	-	-
	<u>11,916</u>	<u>9,401</u>	<u>3,828</u>	<u>4,226</u>

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2012 \$'000	2011 \$'000
Cash and cash equivalents	11,916	9,401
Less: Fixed deposits pledged	-	(749)
Cash and cash equivalents included in the consolidated statement of cash flows	<u>11,916</u>	<u>8,652</u>

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

13. Trade and other payables

	Group		Company	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Trade payables				
- third parties	4,253	8,164	-	-
- non-controlling interest	26	-	-	-
	4,279	8,164	-	-
Non-trade payables				
- third parties	267	408	15	24
- non-controlling interest	29	-	-	-
	296	408	15	24
Accrued operating expenses	2,251	1,559	186	182
Customers' deposits	1,138	1,728	-	-
Total trade and other payables	7,964	11,859	201	206
Add:				
- finance lease payables	19	44	-	-
- bank borrowings	-	2,218	-	-
Total financial liabilities carried at amortised cost	7,983	14,121	201	206

Trade payables are unsecured, interest-free and repayable within the normal trade credit terms of 30 to 120 (2011: 30 to 120) days.

The trade amount due to a non-controlling interest is unsecured, interest-free and repayable within the normal credit terms.

The non-trade amount due to a non-controlling interest is unsecured, interest-free and repayable on demand.

Trade and other payables are denominated in the following currencies:

	Group		Company	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Singapore dollar	2,502	4,129	201	206
United States dollar	2,025	3,522	-	-
Euro	470	2,028	-	-
Japanese yen	5	259	-	-
British pound	31	59	-	-
Norwegian kroner	986	1,174	-	-
Chinese renminbi	1,296	106	-	-
Ringgit Malaysia	497	553	-	-
Others	152	29	-	-
	7,964	11,859	201	206

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

14. Finance lease payables

Group	Minimum lease payments \$'000	Future finance charges \$'000	Present value of minimum lease payments \$'000
2012			
Within one financial year	11	(1)	10
After one financial year but within five financial years	9	-	9
	<u>20</u>	<u>(1)</u>	<u>19</u>
2011			
Within one financial year	26	(1)	25
After one financial year but within five financial years	20	(1)	19
	<u>46</u>	<u>(2)</u>	<u>44</u>

The finance lease term is for 3 years (2011: 3 years). The effective interest rates charged during the financial year range from 3.81% to 6.00% (2011: 3.81% to 6.00%) per annum.

Interest rates are fixed at contract date and thus expose the Group to fair value interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

As at the end of the financial year, the fair values of the Group's finance lease obligations approximate their carrying amounts.

The Group's obligations under finance leases are secured by the lessors' title to the leased assets, which will revert to the lessors in the event of default by the Group.

The finance lease payables are denominated in Singapore dollar.

15. Bank borrowings

	Group	
	2012 \$'000	2011 \$'000
Trust receipts	-	<u>2,218</u>

As at 31 March 2011, trust receipts have maturity of 45 days to 2 months and bear effective interest ranging from 1.50% to 2.83% per annum.

As at the end of the reporting period, the Group's banking facilities are secured by:

- (a) fixed deposits with banks of approximately \$Nil (2011: \$749,000) as referred to in Note 12 to the financial statements;
- (b) personal guarantee of certain Directors of the Company amounting to approximately \$Nil (2011: \$862,000); and
- (c) corporate guarantee of the Company amounting to approximately \$641,000 (2011: \$2,611,000).

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

15. Bank borrowings (Continued)

As at the end of the reporting period, the Group has banking facilities as follows:

	Group	
	2012 \$'000	2011 \$'000
Banking facilities granted	12,745	16,285
Banking facilities utilised		
- trust receipts	-	2,218
- bankers' guarantee	600	1,255
- non-revolving hire purchase	41	-
	641	3,473

Bank borrowings are denominated in the following currencies:

	Group	
	2012 \$'000	2011 \$'000
Singapore dollar	-	177
United States dollar	-	443
Euro	-	1,358
Norwegian kroner	-	240
	-	2,218

16. Deferred tax assets/(liabilities)

	Group	
	2012 \$'000	2011 \$'000
<i>Deferred tax assets</i>		
Balance at beginning of financial year	-	-
Credited to profit or loss	5	-
Balance at end of financial year	5	-
<i>Deferred tax liabilities</i>		
Balance at beginning of financial year	61	58
(Credited)/Charged to profit or loss	(61)	3
Balance at end of financial year	-	61

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%.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

17. Share capital

	Group and Company			
	2012 Number of ordinary shares '000	2011 '000	2012 \$'000	2011 \$'000
Issued and fully-paid				
Balance at beginning and end of financial year	106,000	106,000	17,967	17,967

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.

18. Foreign currency translation reserve

The foreign currency translation reserve 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.

19. Revenue

	Group	
	2012 \$'000	2011 \$'000
Sale of goods	33,965	33,521
Rendering of services	8,954	10,037
Airtime revenue	1,532	1,611
	<u>44,451</u>	<u>45,169</u>

20. Other income

	Group	
	2012 \$'000	2011 \$'000
Cancellation fees	187	-
Dividend income from available-for-sale financial assets	10	19
Gain on disposals of plant and equipment	-	24
Government grants		
- capability development scheme	73	65
- jobs credit scheme	-	29
- others	72	60
Write-back of allowance for doubtful third parties trade receivables		
no longer required	46	37
Write-back of allowance for inventory obsolescence no longer required	-	374
Sundry income	30	61
	<u>418</u>	<u>669</u>

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

21. Finance costs

	Group	
	2012 \$'000	2011 \$'000
Interest expenses		
- finance leases	1	3
- trust receipts	36	13
	<u>37</u>	<u>16</u>

22. Profit before income tax

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

	Group	
	2012 \$'000	2011 \$'000
<i>Cost of sales</i>		
Depreciation of plant and equipment	<u>48</u>	<u>8</u>
<i>Distribution costs</i>		
Entertainment	251	216
Transportation and travelling	<u>214</u>	<u>175</u>
<i>General and administrative expenses</i>		
Amortisation of intangible asset	184	76
Audit fees		
- auditors of the Company	65	51
- other auditors	13	9
Depreciation of plant and equipment	229	229
Legal and professional fees	771	756
Operating lease expenses		
- rental of office equipment	31	17
- rental of office	<u>588</u>	<u>577</u>
<i>Other expenses</i>		
Allowance for doubtful third parties trade receivables	106	99
Allowance for impairment loss on available-for-sale financial assets	128	-
Allowance for inventory obsolescence	389	-
Fair value (gain)/loss arising from derivative financial instruments	(82)	7
Foreign exchange loss, net	104	491
Loss on disposal of an associate	<u>2</u>	<u>-</u>

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

22. Profit before income tax (Continued)

The profit before income tax also includes:

	Group	
	2012 \$'000	2011 \$'000
<i>Employee benefits expense</i>		
Salaries, wages and bonuses	10,564	8,537
Contributions to defined contribution plans	1,040	812
Other employee benefits	226	180
	<u>11,830</u>	<u>9,529</u>

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

	Group	
	2012 \$'000	2011 \$'000
Cost of sales	4,324	3,834
Distribution costs	4,912	3,430
General and administrative expenses	2,594	2,265
	<u>11,830</u>	<u>9,529</u>

The employee benefits expense include the remuneration of Directors as shown in Note 28 to the financial statements.

23. Income tax expense

	Group	
	2012 \$'000	2011 \$'000
Current income tax		
- current financial year	169	180
- under provision in prior financial years	8	1
	<u>177</u>	<u>181</u>
Deferred income tax		
- current financial year	-	3
- (over)/under provision in prior financial years	(66)	1
	<u>(66)</u>	<u>4</u>
Total income tax expense recognised in consolidated income statement	<u>111</u>	<u>185</u>

Domestic income tax is calculated at 17% (2011: 17%) of the estimated assessable profit for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the relevant jurisdictions.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

23. Income tax expense (Continued)

The income tax expense varied from the amount of income tax expense determined by applying the Singapore statutory income tax rate of 17% (2011: 17%) to profit before income tax as a result of the following differences:

Reconciliation of effective income tax rate

	Group	
	2012 \$'000	2011 \$'000
Profit before income tax	1,399	1,386
Share of results of associates	(14)	35
	<u>1,385</u>	<u>1,421</u>
Income tax calculated at Singapore's statutory income tax rate of 17%	235	242
Effect of different income tax rate in other countries	(51)	(48)
Expenses not deductible for income tax purposes	180	784
Income not subject to income tax	(181)	(490)
Double deduction of approved expenses	-	(4)
Tax exemption	(26)	(26)
Enhanced tax deduction	(282)	[266]
Deferred tax assets not recognised	301	18
Under provision of current income tax in prior financial years	8	1
(Over)/Under provision of deferred income tax in prior financial year	(66)	1
Others	(7)	(27)
	<u>111</u>	<u>185</u>

As at 31 March 2012, the Group has unabsorbed capital allowances and unutilised tax losses amounting to approximately \$18,000 (2011: \$Nil) and \$1,401,000 (2011: \$104,000) respectively, which are subject to agreement with the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the Company and its subsidiaries operate.

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 2.20 to the financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

24. Earnings per share

The calculation for the basic and diluted earnings per share attributable to the owners of the parent is based on the following data:

	Group	
	2012	2011
<i>Earnings</i>		
Earnings for the purpose of basic and diluted earnings per share (profit for the financial year attributable to owners of the parent) (\$'000)	1,389	1,234
<i>Number of shares</i>		
Actual number of ordinary shares for the purpose of basic and diluted earnings per share ('000)	106,000	106,000
<i>Earnings per share (in cents)</i>		
Basic and diluted	1.31	1.16

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.

25. Dividends

	Group and Company	
	2012	2011
	\$'000	\$'000
First and final tax-exempt dividend of 0.10 cents per share in respect of financial year ended 31 March 2011	106	-

The Directors of Company recommend a first and final tax-exempt dividend of 0.20 cents (2011: 0.10 cents) per share amounting to a total of \$212,000 (2011: \$106,000) be paid in respect of the current financial year ended 31 March 2012. This dividend has not been recognised as a liability at the end of the reporting period as it is subject to approval by shareholders at the Annual General Meeting of the Company.

26. Operating lease commitments

Group as a lessee

As at the end of the reporting period, commitments in respect of non-cancellable operating leases in respect of the office premise are as follows:

	Group	
	2012	2011
	\$'000	\$'000
Not later than one financial year	540	469
After one financial year but not later than five financial years	122	39
	662	508

The above operating lease commitments are based on existing rental rates. The lease agreements provide for periodic revision of such rates in the future.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

27. Contingent liabilities

At the end of the reporting period, unsecured contingent liabilities not provided for in the financial statements are as follows:

- (i) The Company has given corporate guarantees amounting to approximately \$600,000 (2011: \$2,611,000) to certain banks in respect of banking facilities granted to the subsidiaries.
- (ii) The Company has also given corporate guarantee amounting to approximately \$41,000 (2011: \$Nil) to a bank in respect of bank facilities granted to an associate.
- (iii) The Company has undertaken to provide continued financial support to certain of its subsidiaries to enable them to operate as going concerns and to meet their obligations as and when they fall due for at least 12 months from the financial year-end.

28. Significant related party transactions

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint ventures of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company is itself such a plan, the sponsoring employers are also related to the Company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Associates are related parties and include those that are associates of the holding and/or related companies.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

28. Significant related party transactions (Continued)

During the year, in addition to those disclosed elsewhere in these financial statements, the Group entities and the Company entered into the following transactions with related parties:

	Group	
	2012 \$'000	2011 \$'000
Related parties		
Rental of office premises from related parties	236	234
Associate		
Sales to an associate	187	101
Sub-contract charges from an associate	30	64
Loan disbursement	20	-
Non-controlling interest		
Purchases	66	-
Loan disbursement	30	-

Compensation of key management personnel

The remuneration of Directors of the Company who are also the key management personnel of the Group and the Company during the financial year are as follows:

	Group		Company	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Short-term benefits	793	827	-	-
Post-employment benefits	5	20	-	-
Directors' fees	155	155	155	155
	953	1,002	155	155

29. 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, Southeast Asia other than Singapore and other countries. These locations are engaged in sale of goods, rendering of services and airtime revenue.

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 resource to be allocated and of assessing performance. Unit performance is evaluated based on operation profit or loss which is similar to accounting profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

29. Segment information (Continued)

Income taxes are managed on a Group basis.

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 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 unit profit or loss.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, which approximate market prices. These intersegment transactions are eliminated on consolidation.

	Sale of goods \$'000	Rendering of services \$'000	Airtime revenue \$'000	Unallocated \$'000	Adjustments and eliminations \$'000	Total \$'000
2012						
Revenue						
External revenue	33,965	8,954	1,532	-	-	44,451
Inter-segment revenue	130	632	1	-	(763)	-
	<u>34,095</u>	<u>9,586</u>	<u>1,533</u>	<u>-</u>	<u>(763)</u>	<u>44,451</u>
Results						
Interest income	11	2	1	90	(42)	62
Interest expense	(36)	-	-	(43)	42	(37)
Depreciation of plant and equipment	(162)	(76)	(3)	(36)	-	(277)
Amortisation of intangible asset	-	-	-	(184)	-	(184)
Share of results of associates	-	-	-	-	14	14
Other non-cash expenses:						
- allowance for doubtful third parties trade receivables	(53)	(21)	(32)	-	-	(106)
- allowance for inventory obsolescence	(308)	(81)	-	-	-	(389)
- allowance for impairment loss on available-for-sale financial assets	-	-	-	(128)	-	(128)
Segment profit	<u>908</u>	<u>1,084</u>	<u>247</u>	<u>(1,344)</u>	<u>504</u>	<u>1,399</u>

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

29. Segment information (Continued)

	Sale of goods \$'000	Rendering of services \$'000	Airtime revenue \$'000	Unallocated \$'000	Adjustments and eliminations \$'000	Total \$'000
2012						
Capital expenditure						
Plant and equipment	210	31	4	30	-	275
Assets and liabilities						
Segment assets	24,915	6,873	895	20,504	(21,008)	32,179
Available-for-sale financial assets	-	-	-	1,518	(4)	1,514
Investments in associates	-	-	-	103	41	144
						<u>33,837</u>
Segment liabilities	7,380	3,257	294	4,102	(6,002)	9,031
Current income tax payable	164	38	9	-	-	211
						<u>9,242</u>
2011						
Revenue						
External revenue	33,521	10,037	1,611	-	-	45,169
Inter-segment revenue	232	671	5	-	(908)	-
	<u>33,753</u>	<u>10,708</u>	<u>1,616</u>	<u>-</u>	<u>(908)</u>	<u>45,169</u>
Results						
Interest income	8	3	1	25	-	37
Interest expense	(15)	(1)	-	(41)	41	(16)
Depreciation of plant and equipment	(116)	(84)	(2)	(35)	-	(237)
Amortisation of intangible asset	-	-	-	(76)	-	(76)
Share of results of associates	-	-	-	2	(37)	(35)
Other non-cash expenses:						
- allowance for doubtful third parties trade receivables	(86)	(13)	-	-	-	(99)
Segment profit	<u>934</u>	<u>354</u>	<u>367</u>	<u>2,473</u>	<u>(2,742)</u>	<u>1,386</u>

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

29. Segment information (Continued)

	Sale of goods \$'000	Rendering of services \$'000	Airtime revenue \$'000	Unallocated \$'000	Adjustments and eliminations \$'000	Total \$'000
2011						
Capital expenditure						
Plant and equipment	297	23	-	120	-	440
Intangible asset	-	-	-	550	-	550
Assets and liabilities						
Segment assets	26,951	8,343	1,001	5,589	(4,170)	37,714
Available-for-sale financial assets	-	-	-	1,231	(4)	1,227
Investments in associates	-	-	-	186	(54)	132
						<u>39,073</u>
Segment liabilities	12,072	4,273	564	2,473	(4,141)	15,241
Current income tax payable	-	-	-	403	-	403
						<u>15,644</u>

Geographical information

The Group's three business segments operate in four main geographical areas. Revenue is based on the country in which the customer is located.

	Group	
	2012 \$'000	2011 \$'000
Revenues from external customers		
Singapore	23,205	22,208
People's Republic of China	10,180	11,137
Southeast Asia other than Singapore	5,665	4,205
Others	5,401	7,619
	<u>44,451</u>	<u>45,169</u>
Non-current assets		
Singapore	1,136	1,180
People's Republic of China	23	192
Southeast Asia other than Singapore	88	80
Others	15	6
	<u>1,262</u>	<u>1,458</u>

Non-current assets information presented above excludes available-for-sale financial assets.

Major customer

Revenue from one customer amounting to approximately \$5,256,000 (2011: \$3,614,000) under sale of goods segment represents approximately 12% (2011: 8%) of total revenue.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

30. Financial instruments, financial risks and capital management

The Group's and the Company's activities expose them to credit risk, market risk (including interest rate risk and foreign exchange risk), and liquidity risk. The Group's and the Company's overall risk management strategy seek to minimise adverse effects from the volatility of financial markets on the Group's and the Company's financial performance.

The Board of Directors of the Company 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, exposure limits and hedging strategies, 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. Market risk exposure are measured using sensitivity analysis indicated below.

30.1 Credit risk

Credit risks refer 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.

The Group does not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics except for the top five (2011: five) trade receivables from third parties amounting to approximately \$3,332,000 (2011: \$5,637,000) as at the end of the reporting period. The Company has significant credit exposure arising from the non-trade amounts due from a subsidiary amounting to approximately \$56,000 (2011: \$237,000) as at the end of the reporting period.

The carrying amounts of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the Group's and the Company's maximum exposure to credit risk. The Group and the Company do not hold any collateral.

The Group's and the Company's major classes of financial assets are cash and cash equivalents and trade and other receivables.

Cash and cash equivalents are deposits with reputable banks.

Trade receivables that are neither past due nor impaired are substantially companies with good collection track records with the Group. The Group's historical experience in the collection of receivables falls within the recorded credit terms. The Company does not have trade receivables.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

30. Financial instruments, financial risks and capital management (Continued)

30.1 Credit risk (Continued)

The age analysis of the Group's trade receivables that are past due but not impaired is as follows:

	Group			
	Gross		Gross	
	receivables	Impairment	receivables	Impairment
	2012	2012	2011	2011
	\$'000	\$'000	\$'000	\$'000
Past due 0 to 1 month	2,075	-	4,964	-
Past due 1 to 2 months	692	-	1,156	-
Past due 2 to 3 months	436	-	814	-
Past due over 3 months	3,817	493	2,926	478

The impaired trade receivables arise mainly from sales to customers who have difficulty in settling the amounts due.

30.2 Market risk

(i) 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, Chinese renminbi and Norwegian kroner. The Company does not have exposures to foreign currency risk as it does not maintain currencies other than its functional currency.

The Group monitors its foreign currency exchange risks 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 its principal bankers to mitigate the foreign currency risks (mainly export sales and import purchases).

The carrying amounts of the Group's significant foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Group			
	Assets		Liabilities	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
United States dollar	8,804	7,260	2,025	3,965
Euro	1,103	1,242	470	3,386
Chinese renminbi	143	172	1,296	106
Norwegian kroner	110	-	986	1,174

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

30. Financial instruments, financial risks and capital management (Continued)

30.2 Market risk (Continued)

(i) Foreign exchange risk management (Continued)

Foreign currency sensitivity analysis

The Group is mainly exposed to United States dollar and Euro.

The following table details the Group's sensitivity to a 5% change in United States dollar and Euro against Singapore dollar. The sensitivity analysis assumes an instantaneous 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 and Euro 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 Profit or Loss	
	2012 \$'000	2011 \$'000
<i>United States dollar</i>		
Strengthened against Singapore dollar	339	165
Weakened against Singapore dollar	(339)	(165)
<i>Euro</i>		
Strengthened against Singapore dollar	32	(107)
Weakened against Singapore dollar	(32)	107

The potential impact on profit or loss of the Group as described in the sensitivity analysis above is attributable mainly to the Group's foreign currency exchange rate exposure on monetary assets and liabilities denominated in currencies other than functional currency of the entities within the Group.

(ii) Interest rate risk management

The Group's exposure to market risk for changes in interest rates relates primarily to fixed deposits and finance lease payables as shown in Notes 12 and 14 to the financial statements.

The Group's exposure to interest rate risks is set out in a table below under liquidity risk.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

30. Financial instruments, financial risks and capital management (Continued)

30.3 Liquidity risk

Liquidity risk refers to the risk in which the Group and the Company encounter difficulties in meeting their short-term obligations. Liquidity risks are managed by matching the payment and receipt cycle.

The Group and the Company actively manage their 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.

The following table details the Group's and the Company's remaining contractual maturity for their non-derivative financial instruments. The table has been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group and the Company are expected to receive or pay. The table includes interest and principal cash flows.

Contractual maturity analysis

Group	Within one financial year \$'000	After one financial year but within five years \$'000	Total \$'000
2012			
Financial assets			
Non-interest bearing	19,507	-	19,507
Fixed interest bearing	5,668	126	5,794
	<u>25,175</u>	<u>126</u>	<u>25,301</u>
Financial liabilities			
Non-interest bearing	7,935	-	7,935
Fixed interest bearing	40	9	49
	<u>7,975</u>	<u>9</u>	<u>7,984</u>
2011			
Financial assets			
Non-interest bearing	23,155	-	23,155
Fixed interest bearing	5,654	158	5,812
	<u>28,809</u>	<u>158</u>	<u>28,967</u>
Financial liabilities			
Non-interest bearing	11,859	-	11,859
Variable interest bearing	2,266	-	2,266
Fixed interest bearing	26	20	46
	<u>14,151</u>	<u>20</u>	<u>14,171</u>

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

30. Financial instruments, financial risks and capital management (Continued)

30.3 Liquidity risk (Continued)

Contractual maturity analysis (Continued)

	Within one financial year \$'000
Company	
2012	
Financial assets	
Non-interest bearing	164
Fixed interest bearing	3,741
	<u>3,905</u>
Financial liabilities	
Non-interest bearing	<u>201</u>
2011	
Financial assets	
Non-interest bearing	556
Fixed interest bearing	3,920
	<u>4,476</u>
Financial liabilities	
Non-interest bearing	<u>206</u>

The Group's operations are financed mainly through equity, retained earnings and finance leases. Adequate lines of credits are maintained to ensure the necessary liquidity is available when required.

30.4 Capital management policies and objectives

The Group and the Company manage their capital 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 management constantly reviews the capital structure to ensure the Group and the Company are able to service any debt obligations based on their operating cash flows. The Group's and the Company's overall strategy remains unchanged from 2011.

The management monitors capital based on gearing ratio. The gearing ratio is calculated as net debt divided by equity attributable to owners of the parent plus net debt. The Group includes within net debt, trade and other payables, finance lease payables and bank borrowings less cash and cash equivalents. Equity attributable to owners of the parent consists of share capital, foreign currency translation reserve and retained earnings.

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

30. Financial instruments, financial risk and capital management (Continued)

30.4 Capital management policies and objectives (Continued)

	Group	
	2012 \$'000	2011 \$'000
Trade and other payables	7,964	11,859
Finance lease payables	19	44
Bank borrowings	-	2,218
Less: Cash and cash equivalents	(11,916)	(9,401)
Net (cash)/debt	(3,933)	4,720
Equity attributable to owners of the parent	24,669	23,402
Total capital	20,736	28,122
Gearing ratio (%)	n.m.	16.2

The gearing ratio of the Group as at 31 March 2012 and of the Company as at 31 March 2012 and 2011 are not disclosed as it is not meaningful because the cash and cash equivalents is higher than all the Group's and the Company's liabilities respectively.

The Group is in compliance with all borrowing covenants for the financial year ended 31 March 2011. The Group is not subject to externally imposed capital requirements.

30.5 Fair value of financial assets and financial liabilities

The carrying amounts of the Group's and the Company's cash and cash equivalents, trade and other current receivables and payables approximate their respective fair values due to the relatively short term maturity of these financial instruments. The fair values of non-current asset in relation to receivable from an employee and the non-current liabilities in relation to finance lease payables are disclosed in Notes 10 and 14 to the financial statements respectively.

The fair values 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.

The management considers that the carrying amounts of the financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

Fair value hierarchy

The Group 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

Notes to the Financial Statements

For the Financial Year Ended 31 March 2012

30. Financial instruments, financial risk and capital management (Continued)

30.5 Fair value of financial assets and financial liabilities (Continued)

Fair value hierarchy (Continued)

- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group				
2012				
Available-for-sale financial assets	-	1,514	-	1,514
2011				
Available-for-sale financial assets	-	1,227	-	1,227

31. Comparative information

During the current financial year, the Group has presented "advance billings" separately from the "trade and other payables" on the face of the statement of financial position of the Group to better reflect the nature of the accounts. Accordingly, the comparative figures of the Group have been reclassified for consistency. As a result, certain line items have been amended on the face of the statement of financial position of the Group and the consolidated statement of cash flows as follows:

	As previously reported \$'000	Group After reclassification \$'000
STATEMENT OF FINANCIAL POSITION		
2011		
Trade and other payables	12,918	11,859
Advance billings	-	1,059
CONSOLIDATED STATEMENT OF CASH FLOWS		
2011		
Trade and other payables	3,203	4,000
Advance billings	-	(797)

The reclassification disclosure in the statement of financial position at the beginning of the earliest prior period presented is as follows:

	31.3.2012 \$'000	Group 31.3.2011 \$'000	1.4.2010 \$'000
Trade and other payables	7,964	11,859	7,859
Accrued billings	1,048	1,059	1,856

Apart from the above, the reclassification has no effect on the reported profit or loss, total income and expense or net assets for the period reported. Accordingly, the management did not present the full statements of financial position of the Group and the Company at the beginning of the earliest comparative period.

Shareholding Statistics

as at 18 June 2012

ISSUED AND FULLY PAID-UP CAPITAL	: S\$17,966,654
NO. OF SHARES ISSUED	: 106,000,000
CLASS OF SHARES	: ORDINARY SHARES WITH EQUAL VOTING RIGHTS
NO. OF TREASURY SHARES	: NIL

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
1 - 999	0	0.00	0	0.00
1,000 - 10,000	184	45.21	1,155,000	1.09
10,001 - 1,000,000	217	53.32	12,545,000	11.83
1,000,001 & ABOVE	6	1.47	92,300,000	87.08
TOTAL	407	100.00	106,000,000	100.00

TOP TWENTY SHAREHOLDERS

NAME OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
FOO CHEW TUCK	81,300,000	76.70
TAN FUH GIH	5,000,000	4.72
SIRIUS VENTURE CAPITAL PTE LTD	2,700,000	2.55
THOMAS TAN SOON SENG (THOMAS CHEN SHUNCHENG)	1,182,000	1.12
PHILLIP SECURITIES PTE LTD	1,098,000	1.04
TAN LIAN HUAT	1,020,000	0.96
UOB KAY HIAN PTE LTD	663,000	0.63
PANG YOKE MIN	500,000	0.47
LIM CHYE HUAT @ BOBBY LIM CHYE HUAT	400,000	0.38
TENG CHAI HAI	400,000	0.38
OCBC SECURITIES PRIVATE LTD	319,000	0.30
DBS VICKERS SECURITIES (S) PTE LTD	317,000	0.30
GOH CHAI SIN	300,000	0.28
TAY SOCK NGING	260,000	0.25
YEAP LAM YANG	250,000	0.24
WOON SEOW GEK AGNES	200,000	0.19
LIM LI SEAH	196,000	0.18
CIMB SECURITIES (S'PORE) PTE LTD	188,000	0.18
KWA CHIN TIONG ALBERT	175,000	0.17
LEE GEOK LOY	170,000	0.16
TOTAL	96,638,000	91.20

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 18 June 2012, approximately 19.79% 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

Jason Marine Group Limited

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

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Jason Marine Group Limited (the "Company") will be held at 194 Pandan Loop, #05-27 Pantech Business Hub, Singapore 128383 on Tuesday, 24 July 2012 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2012 and the Reports of the Directors and the Auditors thereon. **(Resolution 1)**
2. To declare a first and final one-tier tax exempt dividend of 0.2 Singapore cent per share in respect of the financial year ended 31 March 2012. **(Resolution 2)**
3. To approve the Directors' fees of S\$155,000 for the financial year ended 31 March 2012. (2011: S\$155,000) **(Resolution 3)**
4. To re-elect Ms Eileen Tay-Tan Bee Kiew, Director retiring under Article 98 of the Articles of Association of the Company. **(Resolution 4)**
[See Explanatory Note 1]
5. To re-appoint Mr Sin Hang Boon as a Director of the Company, who is retiring pursuant to Section 153(6) of the Companies Act, Chapter 50 (the "Companies Act"), to hold such office from the date of this Annual General Meeting until the next Annual General Meeting of the Company. **(Resolution 5)**
[See Explanatory Note 2]
6. To re-appoint Messrs BDO LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary resolutions, with or without modifications:

7. AUTHORITY TO ALLOT AND ISSUE SHARES

"THAT pursuant to Section 161 of the Companies Act and subject to Rule 806 of the Section B: Rules of Catalist of the SGX-ST Listing Manual (the "Catalist Rules"), authority be and is hereby given to the Directors of the Company to issue and allot new shares ("Shares") in the capital of the Company (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) in the capital of the Company (as calculated in accordance with paragraph (2) below), and provided further that where shareholders of the Company ("Shareholders") are not given the opportunity to participate in the same on a pro-rata basis ("non 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) 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 Singapore Exchange Securities Trading Limited ("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) shall be based on the total number of issued Shares (excluding treasury shares) 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 the exercise of share options which are outstanding or subsisting at the time such authority was conferred; and
- (c) any subsequent consolidation or subdivision of the Shares;

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 Listing Manual of the SGX-ST Section B: Rules of Catalist 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 Articles of Association of the Company for the time being; and
- (4) [unless revoked or varied by the Company in a general meeting] the authority so conferred shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note 3]

(Resolution 7)

8. AUTHORITY TO GRANT OPTIONS AND ISSUE SHARES UNDER THE JASON EMPLOYEE SHARE OPTION SCHEME

"THAT pursuant to Section 161 of the Companies Act, approval be and is hereby given to the Directors of the Company to allot and issue from time to time such number of shares in the share capital of the Company pursuant to the exercise of options granted in accordance with the provisions of the Jason Employee Share Option Scheme (the "ESOS"), and, pursuant to the ESOS, to offer and grant options from time to time in accordance with the provisions of the ESOS, provided always that the aggregate number of the ESOS Shares shall not exceed 15% of the total number of issued Shares excluding treasury shares of the Company from time to time."

[See Explanatory Note 4]

(Resolution 8)

9. AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE JASON PERFORMANCE SHARE PLAN

"THAT authority be and is hereby given to the Directors of the Company to grant awards in accordance with the Jason Performance Share Plan (the "PSP") and pursuant to Section 161 of the Companies Act, allot and issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards under the PSP, provided always that the aggregate number of additional ordinary Shares to be allotted and issued pursuant to the PSP shall not exceed 15% of the total number of issued Shares (excluding treasury shares) in the share capital of the Company from time to time."

[See Explanatory Note 5]

(Resolution 9)

Notice of Annual General Meeting

10. 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 hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

- (a) market purchase(s) (each a “Market Purchase”) on the Catalist; and/or
- (b) off-market purchase(s) (each an “Off-Market Purchase”) effected otherwise than on the Catalist 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”);

- (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 annual general meeting of the Company (“AGM”) 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 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, in which event the total number of Shares shall be taken to be the total number of Shares as altered. Any Shares which are held as treasury shares will be disregarded for purposes of computing the 10% limit;

“Relevant Period” means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Resolution; 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 (as defined hereinafter),

Notice of Annual General Meeting

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 Days 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.”

[See Explanatory Note 6]

(Resolution 10)

11. OTHER BUSINESS

To transact any other ordinary business that may be properly transacted at an Annual General Meeting of the Company.

BY ORDER OF THE BOARD

Foo Hui Min
Pan Mi Keay
Company Secretaries
9 July 2012

Notice of Annual General Meeting

NOTES:

- 1) A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or not more than two proxies to attend and vote in his stead.
- 2) A proxy need not be a member of the Company.
- 3) If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- 4) The instrument appointing a proxy must be deposited at the registered office of the Company at 194 Pandan Loop, #06-05 Pantech Business Hub, Singapore 128383 not later than 48 hours before the time appointed for the Meeting.

STATEMENT PURSUANT TO ARTICLE 59 OF THE COMPANY'S ARTICLES OF ASSOCIATION

1. Ms Eileen Tay-Tan Bee Kiew will, upon re-election as Director, continue to serve as Chairperson of the Audit Committee and she will be considered independent for the purposes of Rule 704(7) of the Rules of Catalist.
2. Mr Sin Hang Boon will, upon re-appointment as Director, continue to serve as a member of the Audit Committee and he will be considered independent for the purposes of Rule 704(7) of the Rules of Catalist.
3. Ordinary Resolution 7, if passed, will empower the Directors of the Company from the date of this Meeting until the date of the next Annual General Meeting, to allot and issue shares in the capital of the Company and/or Instruments (as defined above). The aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted) which the Directors may issue under this Resolution would not exceed 100% of the issued share capital of the Company at the time of passing 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. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company or by the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
4. Ordinary Resolution 8, if passed, will empower the Directors to offer and grant options in accordance with the provisions of the ESOS and to allot and issue new shares in the Company for the exercise of any options already granted and accepted under the ESOS. The aggregate number of new ordinary shares to be issued pursuant to the ESOS, when added to the aggregate number of new ordinary shares issued under any other share-based incentive scheme or plan for the time being in force, must not exceed 15% of the total number of issued Shares (excluding treasury shares) in the share capital of the Company.
5. Ordinary Resolution 9, if passed, will empower the Directors to grant share awards in accordance with the PSP and allot and issue new shares in the Company pursuant to the vesting of awards under the PSP up to a number not exceeding 15% of the total number of issued Shares (excluding treasury shares) in the share capital of the Company. The aggregate number of new ordinary shares to be issued pursuant to the PSP, when added to the aggregate number of new ordinary shares issued under any other share-based incentive scheme or plan for the time being in force, must not exceed 15% of the total number of issued Shares (excluding treasury shares) in the share capital of the Company.
6. Ordinary Resolution 10, if passed, will empower the Directors of the Company from the date of the above meeting until the date of the next Annual General Meeting to purchase or acquire up to 10% of the issued Shares of the Company as at the date of the passing of this Resolution. Details of the proposed Share Buyback Mandate are set out in the Appendix to this Notice of Annual General Meeting.
 - (i) As at the date of this Notice, the Company has not purchased any share by way of market acquisition for cancellation.
 - (ii) The amount of financing required for the Company to further purchase or acquire its shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as this will depend on the number of the shares purchased or acquired and the price at which such shares were purchased or acquired.
 - (iii) The financial effects of the purchase or acquisition of shares by the Company pursuant to the proposed Share Buyback Mandate on the Group's audited financial statements for the financial year ended 31 March 2012 are set out in the Appendix to this Notice of Annual General Meeting and are for illustration only.

Appendix

PROPOSED RENEWAL OF SHARE BUYBACK MANDATE

1. INTRODUCTION

- 1.1 Jason Marine Group Limited (the “**Company**”) proposes to seek approval of Shareholders of the Company (“**Shareholders**”) at the forthcoming Annual General Meeting of the Company to be held at 194 Pandan Loop, #05-27 Pantech Business Hub, Singapore 128383 on Tuesday, 24 July 2012 at 11.00 a.m. (“**2012 AGM**”) for the proposed renewal of share buyback mandate to authorise the directors from time to time to purchase or acquire shares in the capital of the Company (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 Articles of Association of the Company and the listing rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) as set out in the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) (the “**Share Buyback Mandate**”).
- 1.2 The Shareholders of the Company had at the Extraordinary General Meeting (“**EGM**”) held on 27 July 2011, approved the Share Buyback Mandate (“**2011 Mandate**”) for the Directors to exercise all the powers of the Company to purchase or acquire up to 10% of the issued ordinary share capital of the Company on the terms of that Mandate.
- 1.3 The 2011 Mandate will expire on the date of the forthcoming 2012 AGM. If the proposed resolution for the renewal of Share Buyback Mandate is approved at the 2012 AGM, the 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 Share Buyback Mandate.

2. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE

2.1 Rationale

The renewal of the Share Buyback Mandate authorising the Company to purchase or acquire its ordinary shares in the issued and paid-up share capital of the Company (“**Shares**”) would give the Company the flexibility to undertake Share purchases or acquisitions 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 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 Company has at present share-based incentive scheme and plan, namely the Jason Employee Share Option Scheme (the “**ESOS**”) and Jason Performance Share Plan (the “**PSP**”), for its employees. Share Buybacks by the Company will enable the Directors to utilise the Shares which are purchased or acquired and held as treasury shares to satisfy the Company’s obligation to furnish Shares to participants under the ESOS and the PSP, thus giving the Company greater flexibility to select the method of providing Shares to its employees which would be most beneficial to the Company and its Shareholders.

Appendix

- (c) 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 to have greater flexibility over, *inter alia*, the Company's share capital structure and its dividend policy.
- (d) 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 requires at least 10% of the total number of issued Shares (excluding treasury shares) in a class that is listed at all times to be held by the public.

2.2 Authority and Limits on the Share Buyback Mandate

The authority and limitations placed on share purchase or acquisitions of Shares under the Share Buyback Mandate, if renewed at the AGM, are substantially similar in terms to those previously approved by Shareholders at the EGM held on 27 July 2011, 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 of the Company (ascertained as at the date of the EGM held on 27 July 2011 or at the date of the forthcoming 2012 AGM at which the renewal of the Share Buyback Mandate is approved, whichever is higher), unless the share capital of the Company has been reduced in accordance with the applicable provisions of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), at any time during 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 will be disregarded for purposes of computing the 10% limit. As at the Latest Practicable Date, the Company does not hold any treasury shares.

Based on 106,000,000 Shares in issued as at 25 June 2012 (the "**Latest Practicable Date**"), 20,980,000 Shares (approximately 19.79%) are held by the public. The Company is of the view that there are sufficient number of Shares in issue held by public shareholders, which would permit the Company to undertake share purchases or acquisition up to 10% of its issued Shares without affecting the listing status of the Shares on the Catalist.

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2.2.2 Duration of Authority

Unless varied or revoked by the Company in general meeting, purchases or acquisitions of Shares pursuant to the Proposed Share Buyback Mandate may be made, at any time and from time to time, on and from the date of the forthcoming 2012 AGM, at which the renewal of Share Buyback is approved, up to the earlier of:

- (a) the date on which the next AGM 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 proposed Share Buyback Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied, whichever is earliest.

The authority conferred on the Directors by the Share Buyback Mandate to purchase or acquire Shares may be renewed at the next AGM (after the 2012 AGM) or an extraordinary general meeting to be convened immediately after the conclusion or adjournment of the next AGM. 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 made 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 Catalist 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 Catalist 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 not inconsistent with the Share Buyback Mandate, the Catalist Rules, the Companies Act and the Articles of Association, 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
- (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.

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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, 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 share buyback;
- (d) the consequences, if any, of the share purchases by the Company that will arise under the Take-over Code or other applicable takeover rules;
- (e) whether the share buyback, if made, would have any effect on the listing of the Company's Shares on the Exchange;
- (f) details of any share buyback made by the Company in the previous 12 months (whether market acquisitions or off-market acquisition in accordance with an equal access scheme), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; 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.

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 (as defined hereinafter),

(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, preceding the day on which the purchase or acquisition of Shares was made, or as the case may be, the date 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 Days 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.

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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 Articles of Association 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 Amendment Act 2005 now 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.

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:

- (i) The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.
- (ii) 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.
- (iii) 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.

Appendix

- (iv) Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:
 - (a) sell the treasury shares (or any of them) for cash;
 - (b) transfer the treasury shares (or any of them) for the purposes of or pursuant to an employees' share scheme;
 - (c) 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;
 - (d) cancel the treasury shares (or any of them); or
 - (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister of Finance.

The Directors will also consider and decide whether to purchase or acquire Shares to satisfy the Options granted under the Jason Employee Share Option Scheme or the Awards under the Jason Performance Share Plan.

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.

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 Catalist 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 ordinary 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.

Appendix

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 NTA and EPS of the Company and the Group as the resultant effect 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.

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 (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) 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.

Appendix

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 2012 and based on the assumptions set out below:

- (a) based on 106,000,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the 2012 AGM, not more than 10,600,000 Shares (representing 10% of the total number of issued Shares (excluding treasury shares) as at that date) 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 10,600,000 Shares at the Maximum Price of S\$0.130 (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 Catalist immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 10,600,000 Shares (excluding related expenses) is approximately S\$1.4 million; and
- (c) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires the 10,600,000 Shares at the Maximum Price of S\$0.149 (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 Catalist immediately preceding the Latest practicable Date), the maximum amount of funds required for the purchase of the 10,600,000 Shares (excluding related expenses) is approximately S\$1.6 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 2012 and external borrowings;
- (ii) the Share Buyback Mandate had been effective on 1 April 2011; and
- (iii) the Company had purchased or acquired 10,600,000 Shares (representing 10% of its total number of issued Shares at the Latest Practicable Date) on the Latest Practicable Date,

the financial effects of the purchase or acquisition of the 10,600,000 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,

on the audited financial statements of the Group and the Company for the financial year ended 31 March 2012 pursuant to the Share Buyback Mandate are as follows:

Appendix

Scenario 1: Purchases made out of capital and held as treasury shares

	Before Share Buyback \$'000	Group After Share Buyback assuming Market Purchase \$'000	After Share Buyback assuming Off-Market Purchase \$'000	Before Share Buyback \$'000	Company After Share Buyback assuming Market Purchase \$'000	After Share Buyback assuming Off-Market Purchase \$'000
As at 31 March 2012						
Share Capital	17,967	17,967	17,967	17,967	17,967	17,967
Reserves	20	20	20	-	-	-
Accumulated profits	6,682	6,682	6,682	522	522	522
Treasury shares	-	(1,378)	(1,579)	-	(1,378)	(1,579)
Equity attributable to the owners of the parent	24,669	23,291	23,090	18,489	17,111	16,910
NTA ⁽¹⁾	24,379	23,001	22,800	18,489	17,111	16,910
Cash and cash equivalents	11,916	10,538	10,337	3,828	2,450	2,249
Current assets	31,061	29,683	29,482	3,898	2,520	2,319
Current liabilities	9,233	9,233	9,233	201	201	201
Working capital	21,828	20,450	20,249	3,697	2,319	2,118
Total Borrowings ⁽²⁾	19	19	19	-	-	-
Profit / (loss) for the financial year	1,288	1,288	1,288	(683)	(683)	(683)
Number of issued Shares ('000)	106,000	106,000	106,000	106,000	106,000	106,000
Treasury shares ('000)	-	10,600	10,600	-	10,600	10,600
Number net of treasury shares ('000)	106,000	95,400	95,400	106,000	95,400	95,400
Financial Ratios						
NTA per Share (cents) ⁽³⁾	23.0	24.1	23.9	17.4	17.9	17.7
EPS (cents) ⁽⁴⁾	1.2	1.4	1.4	(0.6)	(0.7)	(0.7)
Current ratio (times) ⁽⁵⁾	3.4	3.2	3.2	19.4	12.5	11.5
Gearing ratio (times) ⁽⁶⁾	-*	-*	-*	-	-	-
Return on equity (%) ⁽⁷⁾	5.2	5.5	5.6	(3.7)	(4.0)	(4.0)

*Negligible

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 106,000,000 Shares in issue as at the Latest Practicable Date less treasury shares.
- (4) For illustrative purpose, EPS is calculated based on 106,000,000 Shares in issue as at the Latest Practicable Date less treasury shares.
- (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 or loss for the financial year divided by Equity attributable to the owners of the parent.

Appendix

Scenario 2: Purchases made out of capital and cancelled

As at 31 March 2012	Before Share Buyback \$'000	Group After Share Buyback assuming Market Purchase \$'000	After Share Buyback assuming Off-Market Purchase \$'000	Before Share Buyback \$'000	Company After Share Buyback assuming Market Purchase \$'000	After Share Buyback assuming Off-Market Purchase \$'000
Share Capital	17,967	17,967	17,967	17,967	17,967	17,967
Reserves	20	(1,358)	(1,559)	-	(1,378)	(1,579)
Accumulated profits	6,682	6,682	6,682	522	522	522
Equity attributable to the owners of the parent	24,669	23,291	23,090	18,489	17,111	16,910
NTA ⁽¹⁾	24,379	23,001	22,800	18,489	17,111	16,910
Cash and cash equivalents	11,916	10,538	10,337	3,828	2,450	2,249
Current assets	31,061	29,683	29,482	3,898	2,520	2,319
Current liabilities	9,233	9,233	9,233	201	201	201
Working capital	21,828	20,450	20,249	3,697	2,319	2,118
Total Borrowings ⁽²⁾	19	19	19	-	-	-
Profit / (loss) for the financial year	1,288	1,288	1,288	(683)	(683)	(683)
Number of issued Shares ('000)	106,000	95,400	95,400	106,000	95,400	95,400
Financial Ratios						
NTA per Share (cents) ⁽³⁾	23.0	24.1	23.9	17.4	17.9	17.7
EPS (cents) ⁽⁴⁾	1.2	1.4	1.4	(0.6)	(0.7)	(0.7)
Current ratio (times) ⁽⁵⁾	3.4	3.2	3.2	19.4	12.5	11.5
Gearing ratio (times) ⁽⁶⁾	~*	~*	~*	-	-	-
Return on equity (%) ⁽⁷⁾	5.2	5.5	5.6	(3.7)	(4.0)	(4.0)

*Negligible

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 106,000,000 Shares in issue as at the Latest Practicable Date and adjusted for the effect of the Share Purchase.
- (4) For illustrative purpose, EPS is calculated based on 106,000,000 Shares in issue as at the Latest Practicable Date and adjusted for the effect of the Share Purchase.
- (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 or loss for the financial year divided by Equity attributable to the owners of the parent.

Appendix

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 2012, 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), the Company may not necessarily purchase or be able to purchase the entire 10% of the total number of its issued Shares. 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 Catalist Rules

While the Catalist Rules do not expressly prohibit purchase or acquisition of shares by a Catalist company during any particular time or times, because a Catalist 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:

- (a) 1 month immediately preceding the announcement of the Company’s half-year and full-year results; and
- (b) 2 weeks immediately preceding the announcement of the Company’s quarterly results.

The Company is required under Rule 723 of the Catalist Rules to ensure that at least 10% of its Shares are in the hands of the public. The “**public**”, as defined under the Catalist 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 20,980,000 Shares, representing approximately 19.79% of the issued Shares (excluding treasury shares), 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

2.9 Take-over Code implications under the Singapore Code on Takeover and Mergers

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. 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 the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (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 they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (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.

Appendix

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. 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 SIC and/or their professional advisers at the earliest opportunity.

2.9.4 Share buybacks in the previous 12 months

The Company has not purchased or acquired any Shares during the 12-month period immediately preceding the Latest Practicable Date.

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 Shares	Options ⁽²⁾	Deemed Interest Shares	Options ⁽²⁾	Total Interest	% ⁽¹⁾
Foo Chew Tuck	81,300,000	-	-	-	81,300,000	76.70
Tan Lian Huat	1,020,000	-	-	-	1,020,000	0.96
Wong Hin Sun Eugene ⁽³⁾	-	-	2,700,000	-	2,700,000	2.55
Sin Hang Boon @ Sin Han Bun	-	-	-	-	-	-
Eileen Tay- Tan Bee Kiew	-	-	-	-	-	-
Substantial Shareholders (other than Directors)	-	-	-	-	-	-
Other Shareholder						
Sirius Venture Capital Pte. Ltd. ("Sirius Venture") ⁽³⁾	2,700,000	-	-	-	2,700,000	2.55

Notes:

- (1) The percentage is calculated based on the total issued and paid-up share capital of 106,000,000 Shares as at the Latest Practicable Date.
- (2) As at the Latest Practicable Date, no options under the ESOS have been granted.
- (3) Sirius Venture is a company incorporated in Singapore on 12 September 2002 and is principally engaged in 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.

Appendix

4. 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 10 as set out in the Notice of AGM relating to the proposed renewal of the Share Buyback Mandate.

5. ANNUAL GENERAL MEETING

The 2012 AGM, notice of which is set out on pages 76 to 80 of the 2012 Annual Report of the Company, will be held at 194 Pandan Loop, #05-27 Pantech Business Hub, Singapore 128383 on Tuesday, 24 July 2012 at 11.00 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 2012 AGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the 2012 AGM and wish to appoint a proxy to attend and vote at the 2012 AGM on their behalf must complete, sign and return the Proxy Form attached to the Annual Report 2012 in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company at 194 Pandan Loop, #06-05 Pantech Business Hub, Singapore 128383, not less than 48 hours before the time fixed for the 2012 AGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the 2012 AGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance. A Depositor shall not be regarded as a shareholder of the Company and not entitled to attend the 2012 AGM and to speak and vote thereat unless his name appears on the Depository Register at least 48 hours before the 2012 AGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm that, having made all reasonable enquiries, 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.

8. DOCUMENTS FOR INSPECTION

Copies of the following documents are 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 AGM:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the proposed rules of the Jason Performance Share Plan; and
- (c) the Annual Report of the Company for the financial year ended 31 March 2012.

Appendix

9. DISCLAIMER

This Appendix has been prepared by the Company and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), this being the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this Appendix.

This Appendix has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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 Benjamin Choy, Director, Corporate Finance. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 6337 5115.

Yours faithfully,
For and on behalf of the Board of Directors of
JASON MARINE GROUP LIMITED

Foo Chew Tuck
Executive Chairman

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JASON MARINE GROUP LIMITED

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

IMPORTANT

1. For investors who have used their CPF monies to buy Jason Marine Group Limited's shares, this Annual Report 2012 is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to vote should contact their CPF Approved Nominees.

PROXY FORM

I / We, _____

of _____

being a member/members of Jason Marine Group Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholding(s)	
		No. of Shares	%
Address			

and/or (delete where appropriate)

Name	NRIC/Passport No.	Proportion of Shareholding(s)	
		No. of Shares	%
Address			

as my/our proxy/proxies to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Annual General Meeting of the Company to be held at 194 Pandan Loop, #05-27 Pantech Business Hub, Singapore 128383 on Tuesday, 24 July 2012 at 11.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated with an "X" in the spaces provided hereunder. If no specified directions as to voting are given, the proxy/proxies will vote or abstain from voting at his/their discretion.

Resolution No.	Ordinary Resolutions	For	Against
1.	Adoption of Reports of the Directors and the Auditors and Audited Financial Statements for the financial year ended 31 March 2012.		
2.	To declare a first and final one-tier tax exempt dividend of 0.2 Singapore cent per share in respect of the financial year ended 31 March 2012.		
3.	Approval of Directors' fees of S\$155,000 for the financial year ended 31 March 2012.		
4.	Re-election of Ms Eileen Tay-Tan Bee Kiew as Director.		
5.	Re-appointment of Mr Sin Hang Boon as Director.		
6.	Re-appointment of Messrs BDO LLP as Auditors.		
7.	Authority to allot and issue shares.		
8.	Authority to grant options and to issue shares under the Jason Employee Share Option Scheme.		
9.	Authority to allot and issue shares under the Jason Performance Share Plan.		
10.	Proposed renewal of the Share Buyback Mandate.		

Dated this _____ day of _____ 2012

.....
Signature(s) of Member(s)/ Common Seal

IMPORTANT: Please read notes overleaf

Total number of Shares in:	No. of Shares held
(a) CDP Register	
(b) Register of Members	

Fold this flap for sealing

Affix Postage
Stamp Here

The Company Secretary
JASON MARINE GROUP LIMITED
194 Pandan Loop
#06-05 Pantech Business Hub
Singapore 128383

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Notes:-

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or not more than two proxies to attend and vote in his/her stead.
2. Where a member appoints two proxies, he/she shall specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the power of attorney or a duly certified copy thereof must be lodged with the instrument.
4. 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 Annual General Meeting in accordance with Section 179 of the Companies Act, Chapter 50.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 194 Pandan Loop, #06-05 Pantech Business Hub, Singapore 128383 not less than 48 hours before the time appointed for the Annual General Meeting.
6. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse the admission of any person or persons appointed under the instrument of proxy, to the Annual General Meeting.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such member(s) are not shown to have shares entered against his/her/their name(s) in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.
8. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his/her name appears on the Depository Register 48 hours before the time appointed for the Annual General Meeting.

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Jason Marine Group Limited

Co. Reg. No. 200716601W

194 Pandan Loop #06-05

Pantech Business Hub

Singapore 128383

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Website: www.jason.com.sg