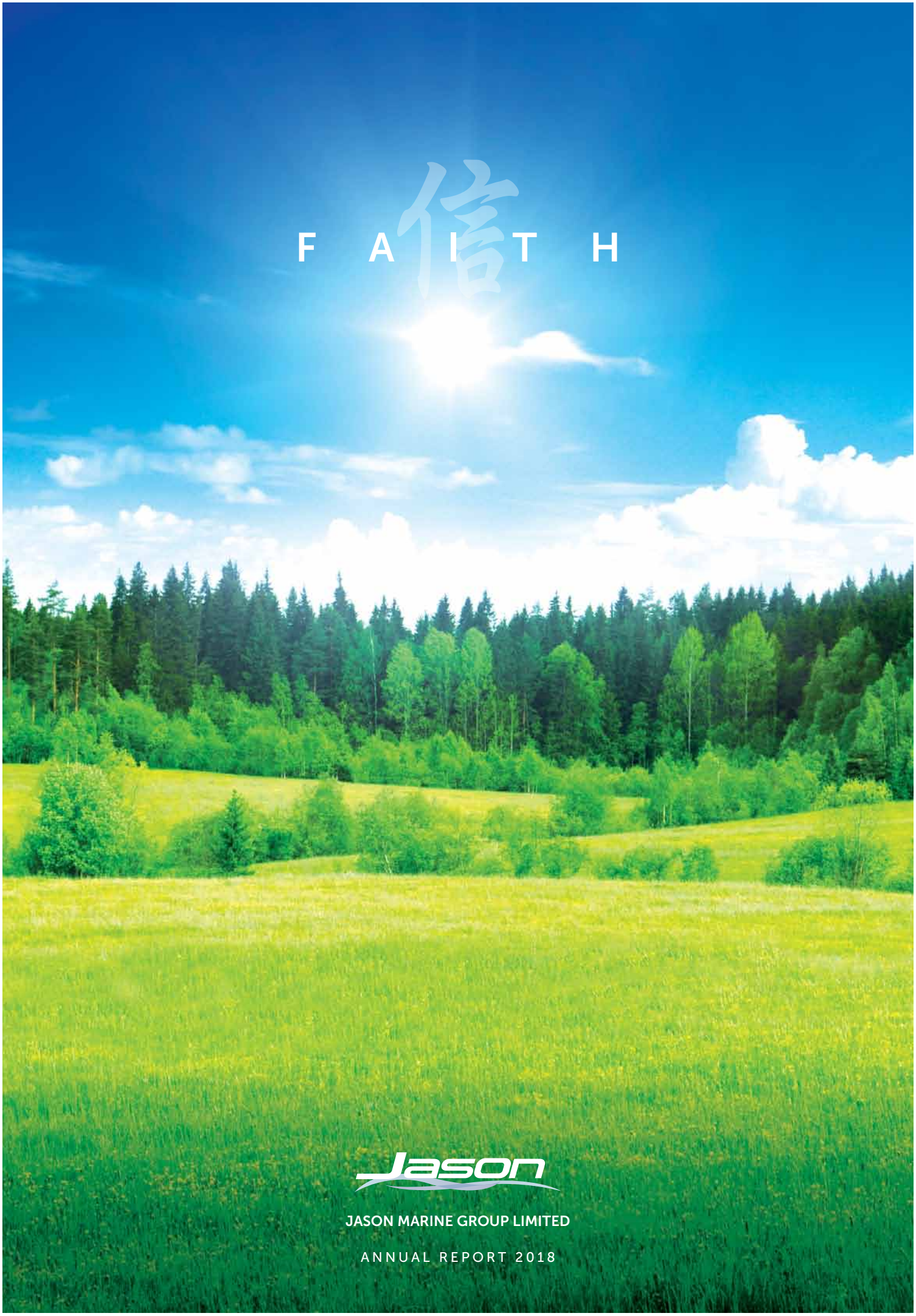

JASON MARINE GROUP LIMITED

ANNUAL REPORT 2018

The world today thrives on real-time connectivity with split-second communications and data flow to improve productivity and efficiency. Wi-Fi services for passengers on board aircraft have already revolutionised the airline industry. With the rising trend of digitalisation now unlocking many opportunities for the marine and offshore oil & gas industries, Jason Marine is well-positioned to become a key services provider in this area.

Backed by our solid track record, Jason Marine continues to expand its partnerships and capabilities as an integrated marine electronics solutions provider to remain relevant, more than able to meet the growing demand for digital connectivity at sea.

Faith in our people, capabilities, network and partners, and more importantly, their faith in us, have taken our Jason Marine reputation to new shores. God has blessed our every endeavour and we look to the future with faith as we persevere to further entrench our name and build on our foundation for sustainable growth.

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This annual report has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the **"Sponsor"**) for compliance with the Singapore Exchange Securities Trading Limited (**"SGX-ST"**) Listing Manual Section B: Rules of Catalist. 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 Ms Tan Cher Ting, Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone (65) 6337 5115.

CORPORATE PROFILE

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

Established in 1976 with its headquarters in Singapore, Jason Marine has since expanded to Indonesia, Malaysia, Thailand and into key shipbuilding markets such as South Korea and China. It carries an extensive range of supplies from renowned manufacturers and continues to add products chosen to meet customers' exacting requirements.

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

OUR VISION

To be a Global World Class Company in Marine Electronics

OUR VALUES

CHARACTER

Integrity and honesty
Positive attitude
Excellent teamwork

COMPETENCE

Excellent quality work
Deliver expected results
Innovation and creativity

COMMITMENT

Passion and drive
Walk the extra mile
Seek opportunities

OUR BUSINESS MODEL

Diverse Clients but ONE Team

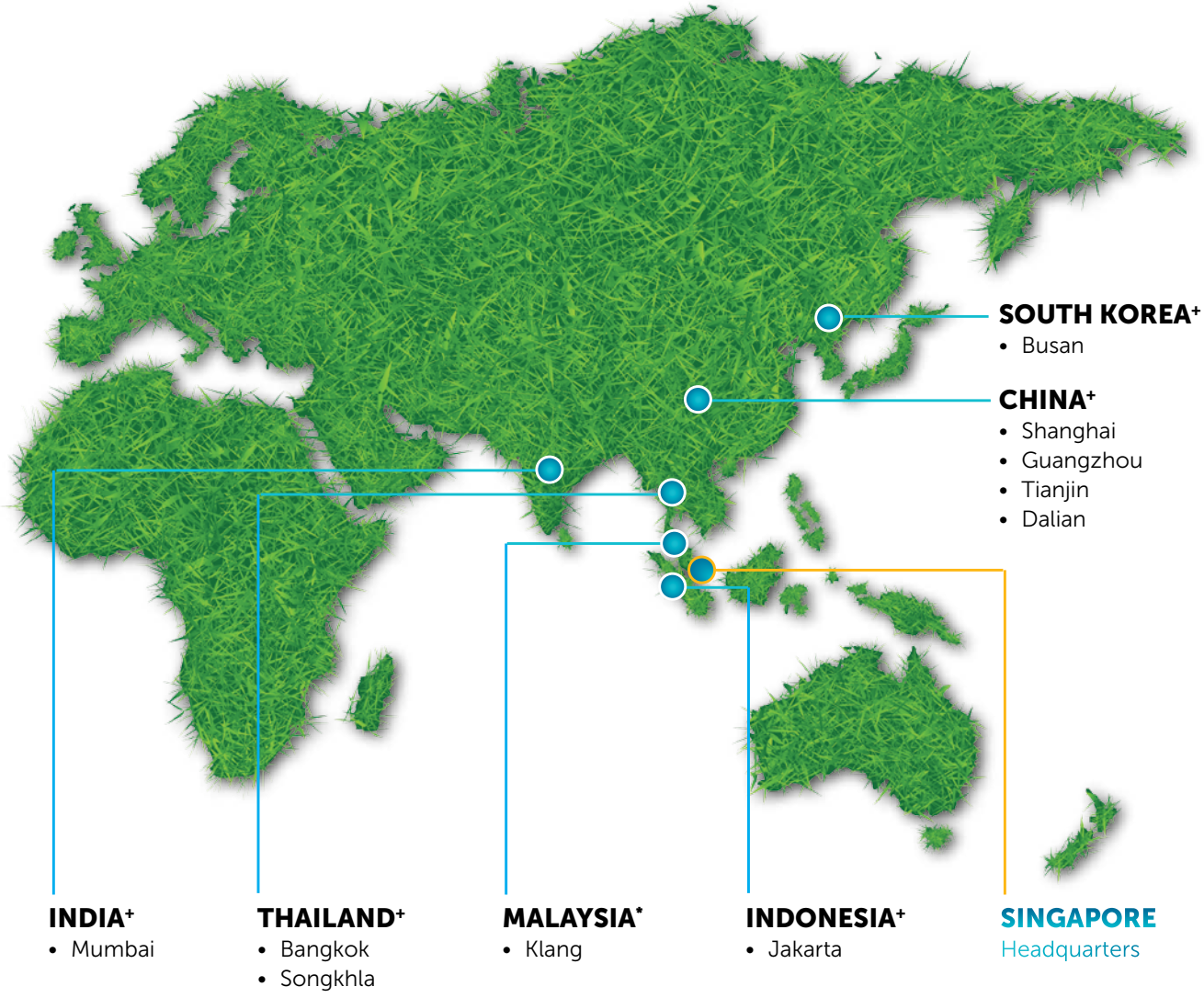
Since 1976, Jason Marine has been putting together and servicing data and communications electronic equipment, customising integrated solutions that make these machines work together in line with our clients' requirements.

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

Skilled People, Wide Network, Timely Response

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

In order to be even more effective, we intend to set up more service centres in Asia, namely India and the Middle East market.



Notes:
+ Branch Offices and Service Centre
* Service Centre only

INTEGRATED SOLUTIONS

1 SALE OF GOODS

2 RENDERING OF SERVICES

3 AIRTIME

Our integrated solutions target the following sectors

Sector	Marine – Services	Oil & gas, petrochemical, energy and marine	Marine – Leasing
Customised Integrated Solutions **- Hardware sales** **- Maintenance and support services (24/7)** **- Airtime services**	Marine electronics solutions for navigation and communication systems for all types of commercial, fishing and naval vessels, including newbuilds	Innovative and reliable products, systems and solutions for all types of applications Services include: • End-to-end services • Turnkey project systems • Front-End Engineering Design (FEED) • Consultancy • Project management • Installation and commissioning • Training	Marine electronics solutions for navigation and communication systems for all types of commercial, fishing and naval vessels, mostly retrofitted Also does leasing for VSAT[1] and ECDIS[2] equipment
	• Virtual Network Operator services • Flexible VSAT[1] bandwidth packages • Installation of hardware • Maintenance & repair		

Notes:
1 VSAT – Very Small Aperture Terminal
2 ECDIS – Electronic Chart Display and Information System

OUR COMPETITIVE EDGE

The 3Cs – **Character, Competence** and **Commitment** define the Jason Marine Group and give us a competitive edge in the industry.

CHARACTER

Upholding integrity, reliability and enthusiasm; going the extra mile

•

We strive to remain trustworthy in our relationships with partners and clients who have grown to rely on us and our willingness to go the extra mile

COMPETENCE

Staying on top of technological advancements; in-depth product knowledge

•

We develop innovative and customised solutions for various electronic equipment to work seamlessly together and meet clients' exacting requirements

COMMITMENT

Caring for our people and their training; thriving on teamwork

•

We leverage on one another's strengths in getting the job done well to deliver high customer satisfaction

MARINE –SERVICES

We provide one-stop customised solutions for the navigation, communications, automation and satellite airtime services on board a wide range of ships.

We are always trying to do things differently. For instance, besides just providing hardware and services like installation, commissioning, certification and repair in our VSAT airtime packages, we are also a network operator for Ku-band services.

We are known to be reliable. Our swift critical response time is crucial as commercial shipping has fixed sailing schedules. We were recently called to do a last minute job onboard and we completed it to the customer's satisfaction and well before the ship set sail.

We are looking to grow by expanding our sales teams and service centres in the region. We are always building on our capabilities so that we can continue to improve on our service level.

from left:

Keith Lim,
Sales Director (Marine)

Kenneth Wong,
Service Manager

Eric Wan,
Commercial Manager

OIL & GAS –SYSTEMS INTEGRATION

We have well over two decades of experience servicing and satisfying the most demanding requirements of the global oil & gas and energy industries. Today, we are a trusted solutions provider for the design, engineering, integration and management of multi-vendor communications, navigation, automation and professional IT/ICT systems in these markets.

Our job as a telecoms systems integrator is to ensure the different systems installed onboard work together seamlessly, raising operational efficiency and improving business processes. At the same time, we also enhance the safety of those on board – not only does our work comply with international regulatory requirements, it also facilitates the delivery of mission-critical solutions that can be time-sensitive.

We are well-known in the maritime, oil & gas as a systems integration, connectivity and service & maintenance provider.

Our core strengths are our time-tested and proven project management and engineering skills that enable us to provide total end to end (ETE) solutions, from Front End Engineering Design (FEED) to after sales support (warranty), and to respond quickly when problems crop up.

Our customers trust us to deliver. A recent achievement is our largest contract to-date – to integrate a wide range of silo systems on board a 220-metre semi-submersible crane vessel into one unified secured network. We won this contract after passing a stringent audit against the competition, well satisfying the evaluation criteria and requirements.

We want to grow our reach in the offshore and onshore O&G sector, as well as in renewable energy (such as floating LNG vessels) and infrastructure projects, always building on our skills and capabilities.

from left:

Thiha Aung,
Senior Proposal Engineer

Li Zhi Heng,
Engineering Manager

Shaun Teo,
Head of Business Unit, Energy

MARINE –LEASING

We are making good progress in helping to enlarge our supplier partner and customer reach. Trust is the engine of our business. We recommend products that we believe are the best for our customers – we do not 'push' our inventory or standard packaged solutions.

Earlier this year, despite knowing that a project was beyond the scope of our in-house team, our client still awarded us the contract simply because they trusted our experience, expertise and excellent work ethic. We were entrusted with engaging, directing and managing sub-contractors who had the specific skill-set required for this particular project. Pleased with our service, this client has since roped us in for subsequent similar work.

We believe in the products we represent – our thorough testing and evaluation of these equipment/solutions have built our trust in their quality and effectiveness. Our commitment on this front has enabled us to serve as gatekeepers for our customers – we can recommend them the best solutions and guide them to maximise their choices.

Our vision is to deliver 'extraordinary service' at every step of our business process, creating memorable experiences with our people from enquiry stage to after-sales service. In the medium term, we will focus on growing our revenue and expand the range of principals we represent.

from left:

Dominic Oliver,
Sales Director

Captain Tarun,
Managing Director

Dip Gajjar,
Senior Sales Manager

OUR **PEOPLE** OUR **CAPABILITIES**

Just as the earth provides the trees with the necessary ingredients for growth, the foundation of Jason Marine is well grounded on our team of committed and trustworthy people who have tirelessly helped us to grow our capabilities and industry reputation over the years.

Dear Valued Shareholders,

"It was the best of times, it was the worst of times." This much quoted phrase from Charles Dickens aptly describes the state of the global marine and offshore oil & gas industry today.

Despite the steady recovery in the world economy since 2015 and firmer crude oil prices, rising costs of operations, vessel oversupply, thinning margins and beleaguered balance sheets, especially of the offshore support services providers, continue to dampen overall sentiment so that the roll-out of new investments and maintenance projects has been slow in the industry.

And yet, we are at the edge of an exciting era where automation and digitalisation are set to transform lifestyles and how we work at sea, saving time and cost while minimising resource wastage through improved connectivity, efficiency and productivity for ship owners, operators and service providers like Jason Marine in the entire value chain. The much talked about One Belt One Road global transport infrastructure strategy also promises new trade routes and marine infrastructure which are expected to increase multi-lateral trade and open up opportunities for the Group.

The technology that can support seamless connectivity between land and sea and allow fast ship-to-ship transfer of data is already available. Indeed, the digital transformation of the world economy is slowly but surely making its way into the maritime industry.

FAITH

Our team at Jason Marine is preparing well to ride this wave of change, and my confidence is sustained by our faith in the 3 Cs – character, competence, commitment – that define our people in our partner/client relationships. We listen, analyse and then move decisively to add the necessary skills so we can develop innovative and flexible solutions that meet the needs of our customers.

The fact that Jason Marine has been servicing clients for forty-two years attests to our ability to stay relevant by nimbly adapting to changes in operating conditions. Our people and their focus on customer satisfaction is our key differentiating factor. We have faith in our people, constantly investing in their upskill or multi-skill training, and looking after their welfare and career development in the Group.

Our integrated solutions cover sale of goods, rendering of services and airtime. With growing demand for greater connectivity at sea, we have developed customized and innovative comprehensive packages that combine marine electronics equipment and systems integration with flexible satellite bandwidth, so that each client, big or small, can optimize his own operations. On top of this, we are also moving up the value chain as a Virtual Network Operator, with several of our engineers currently working to attain their Cisco Certified Network Associate (CCNA) certification.

This year, I am pleased to share some insights into how our various internal business units differentiate their services in the marketplace and enhance the Jason Marine brand and reputation for excellence in the Business Model section of this Annual Report.

Not withstanding that the outlook for the global marine and offshore oil & gas industry remains challenging, we continue to aspire to be amongst the best marine electronics solutions providers in the world – rooted in our commitment to excellence, always building on our expertise to strengthen our brand equity.

FY2018 FINANCIAL REVIEW

Although conditions in the global marine and offshore oil & gas sector have improved on the back of firmer oil prices and higher offshore capital expenditure, these have only begun to trickle down to the spending budgets of vessel and platform owners as well as service providers.

Against this backdrop, Jason Marine achieved a 1.8% higher sale of goods and maintained the revenue from the rendering of services through focused marketing of our innovative and customised package offerings. These helped to partially offset the decline in airtime sales so that the Group's revenue for the financial year ended 31 March 2018 (FY2018) declined by 4.6% to S$31.6 million.

The Group reported a net profit of S$45,000 for the year, despite a net fair value loss on derivative financial instruments of S$0.7 million. This resulted from a S$1.6 million fair value loss from the put option on 1,363,953 common stock shares in eMarine Global Inc. held by Jason Marine's wholly-owned Jason Venture Pte. Ltd. This fair value loss was partially offset by the S$0.9 million fair value gain on a derivative relating to Sense Infosys Pte. Ltd.

At the same time, Jason Marine's persistence in maintaining a healthy balance sheet and managing its overall costs resulted in a net cash position of S$17.9 million as at 31 March 2018, which translates into a net cash per share of 17.0 S¢.

PROPOSED DIVIDEND

As an extension of our gratitude to our loyal shareholders for staying with us during this difficult period, the Board has proposed a first and final tax-exempt dividend of 0.5 S¢ a share for FY2018. If approved by shareholders at the Annual General Meeting to be held on 26 July 2018, the total payout will be S$525,000.

ACKNOWLEDGEMENTS AND APPRECIATION

My Board and I would like to thank Mr Tan Lian Huat, who stepped down as the Group's Chief Executive Officer on 31 March 2018, for his strong leadership and invaluable contributions since 1982 when he was appointed a director of Jason Electronics (Pte) Ltd. Mr Tan was instrumental in pushing the Group's expansion into new markets and businesses. We shall miss his wise counsel and wish him all the best in his endeavours.

"Our team at Jason Marine is preparing well to ride this wave of change, and my confidence is sustained by our faith in the 3 Cs – character, competence, commitment – that define our people in our partner/client relationships."

I must also thank our people on the ground and our management team – they are the pillars upholding our Jason Marine brand. Your hard work, dedication and commitment to always give your best and go that extra mile to meet customers' expectations have lifted our standing as a leading marine electronics systems integrator and support services provider.

To our business partners, we are deeply grateful for your steadfast support and faith in us. Your confidence in our ability to deliver will strengthen our resolve to rise above the challenges.

Last but not least, thank you shareholders for your continued patience and trust as we work to build a sustainable business and establish a better future for everyone.

MR FOO CHEW TUCK
Executive Chairman and Chief Executive Officer

From left to right:
Sin Hang Boon | Eileen Tay-Tan Bee Kiew | Foo Chew Tuck | Eugene Wong Hin Sun

MR FOO CHEW TUCK

Executive Chairman and Chief Executive Officer

Since its inception in 1976, or 42 years ago, Jason Marine's growth and aspirations have been shaped by our founder, Mr Foo Chew Tuck, 67, whose vision for the Group has enabled it to become a leading comprehensive solutions provider of marine electronics systems. As a leader of the management team, he has demanded the highest standards of quality and service throughout the Group, helping it build strong ties with customers and partners alike that have stood the test of time, even in the most challenging of environments.

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

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

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

MR EUGENE WONG HIN SUN

Non-Independent Non-Executive Director

Mr Eugene Wong Hin Sun, 50, 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 is currently non-executive chairman of CrimsonLogic Pte Ltd and non-executive vice-chairman of Japan Foods Holding Ltd. He is also the non-independent non-executive Director of Neo Group Limited. He is also serving on the Boards of Enterprise Singapore and Agri-Food & Veterinary Authority of Singapore, both Statutory Boards of Singapore.

He currently serves as a non-executive director of several private companies, including Cargo Community Network Pte Ltd, a subsidiary of Singapore Airlines, as well as Singapore Cruise Centre Pte Ltd.

Mr Wong graduated from the National University of Singapore with a Bachelor of Business Administration (first-class honours) in 1992, and 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 (CFA) since 2001, a Chartered Director (CDir) since 2014, and a Chartered Valuer and Appraiser (CVA) in 2018. He is a Fellow of the Australia Institute of Company Directors (AICD) and the UK Institute of Directors (IoD).

MRS EILEEN TAY-TAN BEE KIEW

Lead Independent Director

Mrs Eileen Tay-Tan Bee Kiew, 65, is the lead independent non-executive director of the Group, having been appointed to the board on 15 September 2009. She has more than 38 years of experience in areas such as accounting, auditing, taxation, public listings, due diligence, mergers and acquisitions, and business advisory. She was a partner at KPMG and served as a director of several companies, both private and publicly listed, in Singapore and Australia. Currently, she is independent director and chairman of SGX-ST Catalist-listed Singapore Kitchen Equipment Limited and an independent director of SGX-ST Mainboard-listed Sunningdale Tech Ltd.

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

MR SIN HANG BOON

Independent Director

Mr Sin Hang Boon @ Sin Han Bun, 79, is an independent non-executive director of the Group, having been appointed to the board on 15 September 2009. He has more than 40 years of experience in the telecommunications industry. He began his career in 1960 as a trainee engineer with the Singapore Telephone Board (which was eventually reorganised into today's SingTel), under a localisation programme to replace the expatriate officers on loan from the then British Post Office.

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

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

MR FOO CHEW TUCK

Executive Chairman and Chief Executive Officer

The full profile of Mr Foo Chew Tuck, our Executive Chairman and Chief Executive Officer can be found on page 11 of the Annual Report.

MS ESABELLE SAW HONG GAIK

Financial Controller

Ms Saw joined the Group in July 2015, and is now our Financial Controller, responsible for overseeing Jason Marine's accounting and financial matters. She is also responsible for regulatory compliance and corporate secretarial matters of the Group.

With more than a decade of experience in audit and accounting, she is a key member of our management team. Before joining our Group, from 2013 to 2015, she was the financial manager of Hu An Cable Holdings Ltd., which is listed on both the Singapore and Taiwan bourses.

Ms Saw is a member of the Association of Chartered Certified Accountants (ACCA) in the UK and the Institute of Singapore Chartered Accountants (ISCA).

Ms Saw is a Director of Jason Elektronik (M) Sdn. Bhd.

OUR PARTNERS OUR CUSTOMERS

Just as the branches of trees reach out and spread their leaves to capture the most sunlight to stand tall in the forest, our growing network of partners and customers, supported by strategically located branch offices and service centres in East Asia, is key to the sustainability and growth of our business.

FY2018 IN REVIEW

The global marine and offshore oil & gas industry is recovering but market conditions remained difficult with weaker demand for the Group's goods and services in the financial year ended 31 March 2018 (FY2018). Against this backdrop, our team at Jason Marine continued to streamline our operations, implement new strategies and renew our marketing efforts that will strengthen our position as an integrated communications solutions provider and contribute to the sustainability of our business.

Revenue

The Group reported an overall revenue of S$31.6 million for FY2018, against FY2017's S$33.2 million. The decrease was due mainly to a lower airtime revenue.

Earnings

Jason Marine recorded a 2.3% higher gross profit of S$10.2 million in FY2018 which was due mainly to the better gross profit margin from the rendering of services segment. The Group's overall gross profit margin also rose from 30.1% in FY2017 to 32.3% in FY2018 with the improvement in its overall costs and operational efficiency. Distribution, general and administrative expenses continued to decline, falling nearly 8.9% to S$8.5 million during the year.

Jason Marine achieved a net profit of S$45,000 after accounting for a S$0.7 million net fair value loss on derivative financial instruments, with the Group re-stating its balance sheet and financial accounts to better reflect the value of its investments separately from derivative financial instruments in accordance with the Singapore Financial Reporting Standard 39 – the Financial Instruments Recognition and Measurement (FRS 39).

In FY2018, Jason Marine took in a fair value loss of S$1.6 million from the put option on 1,363,953 common stock shares in eMarine Global Inc., (eMarine Global)[1] held by Jason Marine's wholly-owned subsidiary, Jason Venture Pte. Ltd. (JV). This was partially offset by the fair value gain on a derivative relating to Sense Infosys Pte. Ltd. of S$0.9 million.

Despite the put option's fair value loss, Jason Marine's available-for-sale financial assets rose from S$0.6 million as at 31 March 2017 to S$23.5 million as at 31 March 2018. This was largely a result of the market value of its 1,363,953 common stock shares in eMarine Global, representing a 6% equity stake in the company.[2]

SEGMENT REVENUE AND PROFIT

Sale of Goods

On the back of our focused marketing efforts, revenue from the sale of goods segment rose by 1.8% to S$22.9 million in FY2018. Gross profit also increased by 1.4%, from S$7.2 million in FY2017 to S$7.3 million in FY2018 on a steady gross profit margin of 32.1%.

Rendering of Services

Revenue from rendering of services, which is from equipment leasing and provision of maintenance and support services, held up well at S$6.3 million despite the competitive environment. The segment gross profit grew 22.0% in FY2017 to S$2.6 million in FY2018 and gross profit margin increased to 41.2% from 33.9% previously.

Airtime Services

Due to lower airtime services taken up by customers, revenue for the airtime services segment decreased by S$1.9 million to S$2.5 million in FY2018. Gross profit also fell 60.8% to S$0.3 million, with gross profit margin declining from 14.3% in FY2017 to 9.9% in FY2018.

HIGHLIGHTS OF FINANCIAL POSITION AND CASHFLOW

Financial Position

Reflecting its still healthy balance sheet and prudent cost management, Jason Marine reported a net cash position of S$17.9 million as at 31 March 2018, compared with S$23.9 million as at 31 March 2017. This represents a net cash per share of 17.0 S¢ as at 31 March 2018.

Equity attributable to owners of the parent rose to S$46.4 million as at 31 March 2018, supported by a share capital of S$18.0 million, fair value adjustment reserve of S$23.0 million, and retained earnings of S$5.9 million, partially offset by treasury shares held of S$0.3 million and foreign currency translation account of S$0.1 million. Jason Marine's share capital remained the same at 1,000,000 treasury shares and 105,000,000 issued ordinary shares (excluding treasury shares) as at 31 March 2018.

The net asset value per share strengthened from 22.4 S¢ as at 31 March 2017 to 44.2 S¢ as at 31 March 2018.

Operating Activities

Operating cashflows before working capital changes was about S$2.5 million for FY2018. Due largely to an increase

in trade and other receivables of S$6.5 million, decrease in trade and other payables of S$0.7 million, and decrease in deferred revenue of S$1.4 million, partially offset by the decrease in inventories of S$1.4 million, the net cash used in operations came to S$4.8 million. After payment of income tax of S$0.5 million and interest received of S$0.1 million, the net cash used in operating activities amounted to S$5.1 million for FY2018. In FY2017, the net cash generated from operating activities was S$11.0 million.

Investing Activities

Net cash used in investing activities was about S$0.2 million. This was due mainly to the loan to iProMar (Pte) Ltd (iProMar) of S$0.2 million which was subsequently converted into new ordinary shares in the capital of iProMar by the Group's wholly-owned JV on 15 December 2017, and purchase of plant and equipment of S$0.2 million, partially offset by proceeds from the disposal of plant and equipment of S$0.2 million.

Financing Activities

No cash was generated or used in financing activities in FY2018, as with FY2017.

OPERATIONS REVIEW

To keep pace and stay ahead of advances in information and communications technology, our key people undergo specialised training programmes to arm them with the right knowledge and skills – these enable Jason Marine to widen and deepen our capabilities which could hinder us from offering our clients the best solutions.

We are also always exploring ways to do things better and improve productivity. To this end, we recently completed upgrading our email system to facilitate more seamless information sharing, including in-house training programmes, among our staff in Singapore and branch offices and service centres throughout East Asia.

OUTLOOK

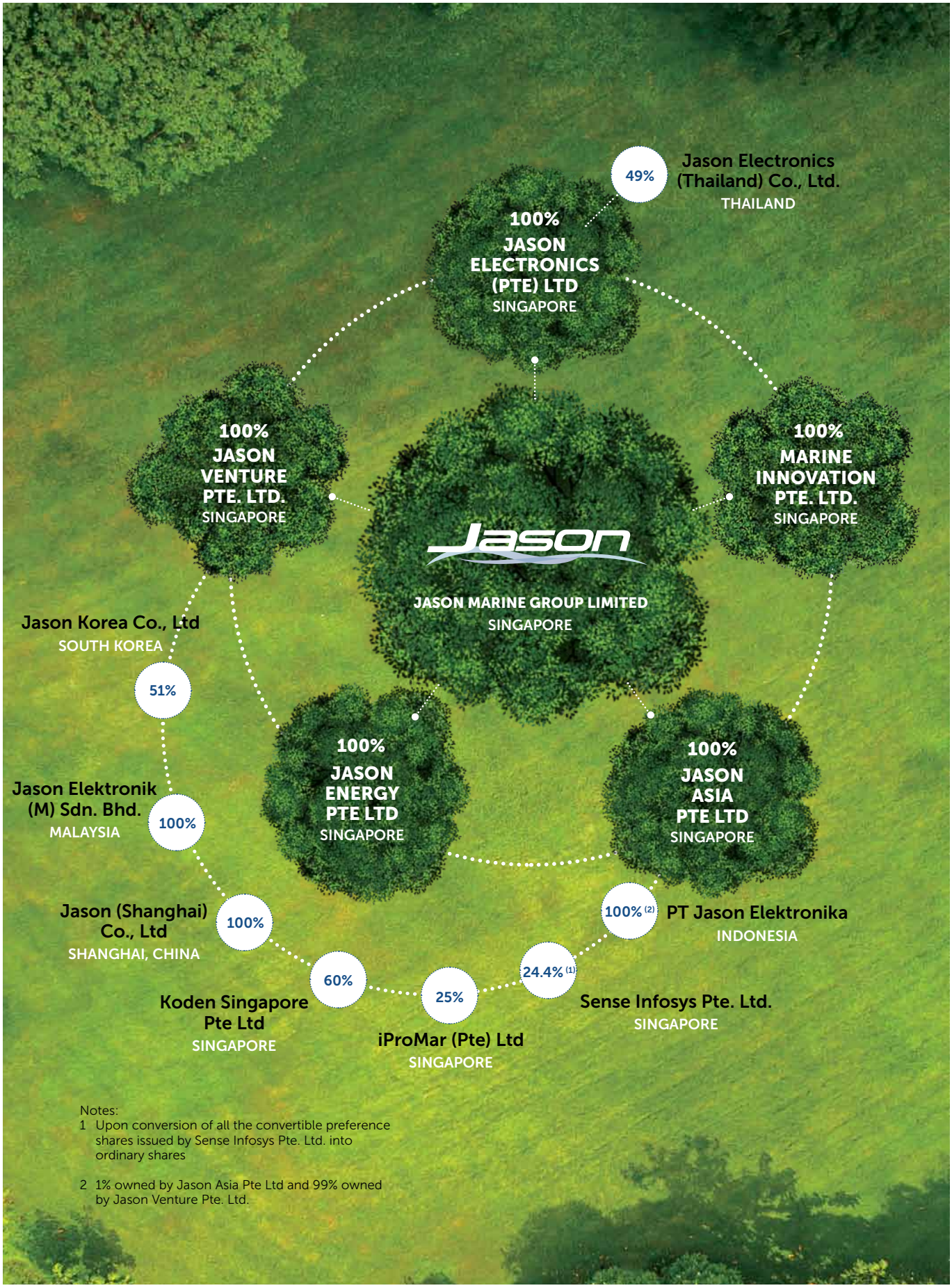
We are cautious about our prospects, as we expect the soft demand for our goods and services and intense competition to persist. Keen pricing will also likely continue to put pressure on margins.

However, we remain steadfast and resolute to overcome these difficult operating conditions, pressing on in growing our portfolio of integrated communications solutions and our capabilities, ready to embrace the digitalisation wave that is shaping the industry and push Jason Marine ahead.

(1) eMarine Global shares trade in US dollars on the US OTC Pink Market. Shareholders should note that depending on market conditions and other relevant factors, the gain, if any, that the Group may be able to realise on its investment in eMarine Global may not necessarily be the same or close to the accounting impact reflected in the Group's audited consolidated financial statements for FY2018.

(2) Under the terms of the relevant agreement, JV has the option to sell all or part of its 1,363,953 shares in eMarine Global between 1 January 2017 and 31 December 2019 to Mr Ung Gyu Kim, the CEO of eMarine Global. The exercise price of the option is 759 Korean won per share plus interest accrued at a rate of 5.38% per annum from 28 October 2011 to the date the option is exercised.

CORPORATE STRUCTURE



Notes:
1 Upon conversion of all the convertible preference shares issued by Sense Infosys Pte. Ltd. into ordinary shares

2 1% owned by Jason Asia Pte Ltd and 99% owned by Jason Venture Pte. Ltd.

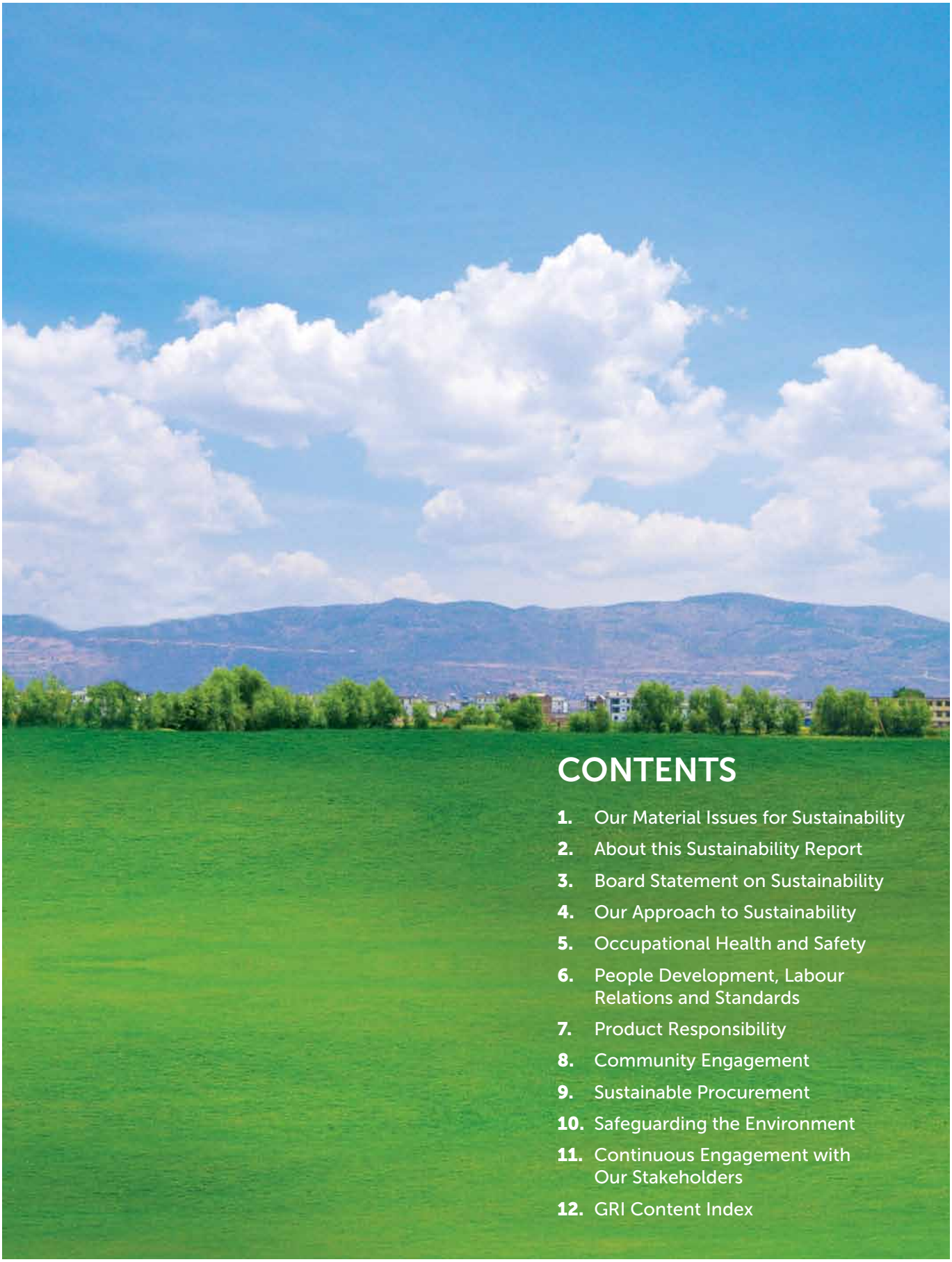
OUR **FAITH** OUR **FUTURE**

"For I know the plans I have for you,"
declares the Lord,
"plans to prosper you and not to harm you,
plans to give you hope and a future."

Jeremiah 29:11

Just as God is our Creator who holds the vast expanse of the skies, and everything in the universe and the earth together, He is also the anchor of Jason Marine's foundation, growth and hope for the future.

Intelsat S.A. (NYSE: I) operates the world's first Globalized Network, delivering high-quality, cost-effective video and broadband services anywhere in the world. Intelsat's Globalized Network combines the world's largest satellite backbone with terrestrial infrastructure, managed services and an open, interoperable architecture to enable customers to drive revenue and reach through a new generation of network services. Thousands of organizations serving billions of people worldwide rely on Intelsat to provide ubiquitous broadband connectivity, multi-format video broadcasting, secure satellite communications and seamless mobility services. The end result is an entirely new world, one that allows us to envision the impossible, connect without boundaries and transform the ways in which we live.



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OUR MATERIAL ISSUES FOR SUSTAINABILITY

Focusing On Issues That Matter to Our Stakeholders

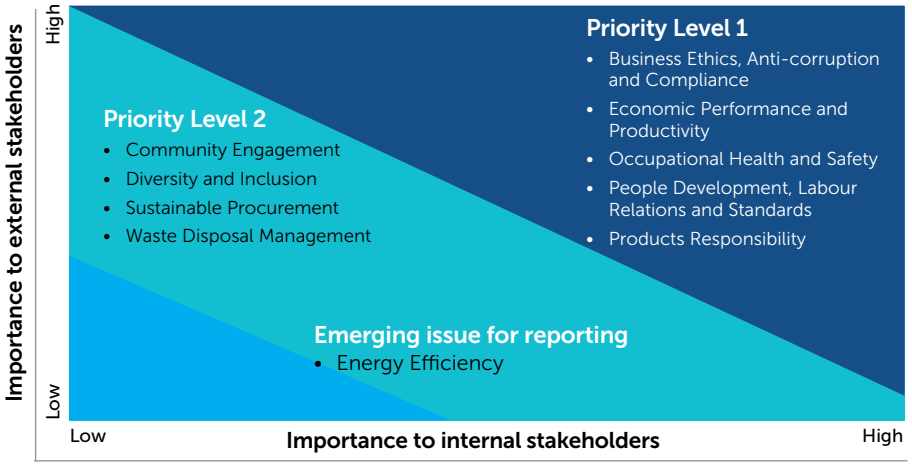
In 2016, we conducted a materiality assessment workshop with our Senior Management and representatives from key business units to identify key material issues based on the Global Reporting Initiative (GRI) guidelines and AA1000AS five-part materiality test. This year, to take into consideration their relevance to more stakeholder groups, we engaged key external and internal stakeholders on their views of the material issues that were previously identified.

A month-long survey was carried out towards the end of the reporting period by an independent consultant, Paia Consulting Pte Ltd. 79 participants from 5 stakeholder groups were invited to rate the level of importance of Jason Marine's previous material issues. We achieved an overall response rate of 71% from our stakeholders, which included customers, bankers, suppliers, employees and Board of Directors.

Re-Prioritisation of Our Material Issues

Following the stakeholder engagement exercise, two material issues have been re-prioritised. 'Product responsibility' is now of higher priority than 'Sustainable procurement', while 'Diversity and inclusion' has been added as a 'Priority Level 2' material issue.

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



Identified Material Issue	Section Reference for Information on Identified Material Issue [1]	Page Reference [1]
Priority level 1		
• Business Ethics, Anti-corruption and Compliance	Our Approach to Sustainability	22
• Economic Performance and Productivity	Financial & Operations Review, Financial Statements, Community Engagement	14-15, 26
• Occupational Health and Safety	Occupational Health and Safety	23
• People Development, Labour Relations and Standards	People Development, Labour Relations and Standards	24-25
• Product Responsibility	Product Responsibility	25
Priority level 2		
• Community Engagement	Community Engagement	26
• Diversity and Inclusion	People Development, Labour Relations and Standards	24-25
• Sustainable Procurement	Sustainable Procurement	27
• Waste Disposal Management	Safeguarding the Environment	28
Emerging key issue for reporting		
• Energy Efficiency	Safeguarding the Environment	28

Note:
(1) For each material issue identified, please refer to the relevant section of this annual report for details on the Company's policies, practices and performance for the financial year ended 31 March 2018 (FY2018) as well as targets for the next financial year (including descriptive and quantitative information where relevant) for Priority level 1 issues.

The diagram below describes how our material issues are distributed around the value chain, which in turn helps to define the boundaries of our material issues.

Jason Marine's Material Issues in its Value Chain

Stages

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

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

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

Material Issues

Business Ethics, Compliance and Anti-corruption
A responsible business upholds ethics, compliance and anti-corruption throughout the entire value chain.

Economic Performance & Productivity
It is vital that our economic performance remains healthy, in order to distribute value to our stakeholders for the long term. Besides generating revenue from our sales and services, saving costs throughout the value chain is also essential.

Occupational Health & Safety
The health and safety of our workers is most pertinent at the sales and servicing stage.

People Development, Labour Relations and Standards
Our workers at every stage of our value chain should be given development opportunities and labour rights. We abide by labour regulations such as those prescribed by Ministry of Manpower.

Product Responsibility
Product responsibility applies throughout the value chain. Procured equipment and used products should not be produced or disposed of at the expense of the natural environment or the society. At the sales and servicing stage, we ensure that key product responsibility issues such as radiation are addressed.

Sustainable Procurement
We indirectly impact our suppliers and their communities through our procurement practices.

Community Engagement
We directly impact the maritime community whom we provide products and services for. We also indirectly impact the societies where we implement community engagements, and the areas where our products are disposed.

Diversity and Inclusion
A diverse and inclusive working environment at every stage of the value chain is important for employee satisfaction and productivity. We are a signatory of the Tripartite Alliance for Fair and Progressive Employment Practices.

VALUE

ABOUT THIS SUSTAINABILITY REPORT

We are pleased to present Jason Marine's second annual Sustainability Report for our financial year ended 31 March 2018 (FY2018). This report has been prepared in accordance with the GRI Standards: Core Option, and is set out on a "comply or explain" basis in accordance with Rule 711B and Practice Note 7F of the Singapore Exchange Securities Trading Limited (SGX-ST) Listing Manual Section B: Rules of Catalist. Jason Marine has chosen the GRI framework as it is the most established international sustainability reporting standard and in respect of the extent to which such framework is applied, this report has been prepared in accordance with the Core Option.

Jason Marine has been reporting on sustainability issues since our first annual report in 2010 on topics such as Health and Safety, Employee Development, and Community. Last year, we furthered our efforts by aligning our reporting with GRI guidelines.

In September 2017, Jason Marine was also invited to share our experience in sustainability reporting at the SGX Sustainability Reporting event for Directors. We hope to have inspired other companies to embark on the sustainability reporting journey.

Being at the early stages of our reporting journey, the scope of the policies and data covered in this report pertains only to operations in Singapore, where we are headquartered, unless indicated otherwise. We aim to expand the scope of the report to our overseas operations in future reports.

We aim to seek external assurance in future.

We welcome your feedback at **csr@jason.com.sg.**

BOARD STATEMENT ON SUSTAINABILITY

The key material environmental, social and governance factors for Jason Marine have been identified and reviewed by the Executive Chairman and CEO. The board of directors of Jason Marine (Board) oversees the management and monitoring of these factors and takes them into consideration in the determination of the Group's strategic direction and policies and sustainability is a part of Jason Marine's wider strategy to create long term value for all its stakeholders.

OUR APPROACH TO SUSTAINABILITY

Sustainability Governance

At Jason Marine, we believe that good governance is the key to a sustainable business. Our policies - underpinned by our values: "Character, Competence, Commitment" - provide the framework for managing economic, environmental, social and governance (ESG) issues.

Managing environmental and social issues is part of our business model. Providing products and services that meet the requirements of customers and regulatory bodies requires stringent adherence to environmental and safety standards. Attention to social issues such as good labour practices and employee development helps to ensure excellent delivery of our products and solutions. We value relationships with our clients and the wider community, and the strong ties forged help us tide over difficult times. We believe that in the long term, these efforts will be reflected in our economic performance.

Mr Foo Chew Tuck, our Executive Chairman and CEO, has been instrumental in leading Jason Marine in our sustainability journey. He works closely with the heads of business units including finance, human resources, health and safety, and procurement, who together make up Jason Marine's Sustainability Committee.

Responsible Business and Operational Risk Management

To achieve our vision of being a world class company, having strong business ethics is of vital importance. We value integrity and honesty in our "Character", one of our core values, and believe that this is the right way to conduct a business. This value is continuously instilled in our employees and is part of the working culture at Jason Marine.

We recognise the importance of risk management as a core part of responsible business management. Our Business Continuity Management (BCM) Committee oversees the management of operational risks and mitigating actions to reduce the risk of business disruptions. Our BCM Policy is part of the Management's review to ensure continuing suitability or when significant changes occur. We have also implemented management systems including the ISO 9001:2015 (since 2009) for Quality Management and OHSAS 18001:2007 Occupational Health and Safety Management System (since 2014). Our internal audit policies and procedures provide checks and balances for our processes.

Corruption, non-compliance and violation of human rights represent significant risks to Jason Marine's business and reputation. We further address these issues below.

Business Ethics, Anti-corruption and Compliance

We take a strong stand against corruptive practices and this value has been communicated during meetings to all our employees, major suppliers and business partners. Any form of corruption is escalated to the Chairman.

During our employment process, we look out for possible conflicts of interest. Our code of conduct details Jason Marine's expectations on employee's conduct, the consequences of violation of conduct, and grievance procedures. It is made available on our intranet for all our Singapore-based staff. Business ethics is regularly communicated to the regional heads of the different business units regularly.

Compliance with rules and regulations is also a key part of being a responsible business. We keep ourselves up to date with international and local laws. For example, different ports in different countries have varying levels of security and laws regarding cargo, and controlled equipment to embargoed destinations can be a challenge. We take extra care to comply with such regulations, in addition to those on the environment, anti-competitive behavior, and health and safety.

Operating in the information communications and technology business means that data privacy and cyber-security are important aspects of business ethics and compliance. Jason Marine safeguards against these risks by implementing policies such as the Personal Data Protection Act Policy, which apply to both internal and external stakeholders. The policy applies to our employment and tender process, for example, where data privacy of applicants is respected. Access to personal data is restricted to authorized persons such as manager or Senior Management on a needs basis.

For FY2018, there were no significant fines or non-monetary sanctions for non-compliance with laws and regulations. There have also been no reported incidents of corruption during the reporting period.

It is Jason Marine's goal to maintain zero incidents of corruption. We review policies on whistle blowing, anti-corruption and business gifts annually.

OCCUPATIONAL HEALTH AND SAFETY

Health and safety for our workforce has been a key focus throughout our growth as a company. It is not only a fundamental right for our workers to be able to work in a safe environment, but when our employees' wellness is attained, our productivity increases, and we can provide the best for our customers.

Our Safety and Health Policy, which is publicly available on our website, applies to all employees and contractors, and focuses on prevention and compliance. We conduct safety risk assessments at all levels and across all operating locations.

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

Our operations in Singapore have safety management systems in place. The certifications for bizSAFE STAR and OHSAS 18001:2007 have been renewed in 2016.

Health and safety trainings on aspects such as risk assessment, fire safety, and first aid are provided for all staff according to their job requirements. Both workshop-based and field staffs are sent for relevant risk management training sessions throughout the year and are familiarised with the latest safety frameworks. Specific programmes are provided for high-risk site engineers, where they learn how to work safely at heights and in confined spaces. Relevant employees who are nominated as First-Aiders will be given CPR+AED training. In addition, we conduct health talks and activities for all our employees regularly.

We follow Ministry of Manpower (MOM)'s Workplace Safety and Health Guidelines to manage safety and health of our employees in shipyards and ships. One significant hazard that our field service engineers at shipyard or on-board vessels may be exposed to is high noise level. To prevent noise-induced deafness (NID), all engineers are required to use appropriate personal protection equipment at work. All our new engineers are required to go through audiometric tests, which are followed-up annually to monitor hearing and detect any symptoms of NID.

Accident Severity Rate per million man hours	FY2018 :	14.21
	FY2017 :	8.33
	FY2016 :	0

Accident Frequency Rate per million man hours	FY2018 :	4.74
	FY2017 :	4.16
	FY2016 :	0

Number of Injuries	FY2018 :	1
	FY2017 :	1
	FY2016 :	0

We had no fatalities during the reporting period. One of our employees injured his hand from the inappropriate use of a metal cable tie while working onboard a vessel. An incident investigation was conducted to determine the root cause and the risk assessment on performing job onboard was updated to prevent future recurrence. Results of the investigation and the revised risk assessment were disseminated to all field staff to share the important lessons learnt from the incident.

Our accident frequency rate (ASR) and accident severity rate (AFR) is 14.21 and 4.74 per million man hours worked in FY2018, which is lower than the 2017 national averages for the marine industry at 95 and 1.5 respectively[1].

We will continue to stress the importance of workplace safety and aim for an AFR and ASR of zero in the upcoming years. For the next reporting period, we will also aim to report injuries based on the updated GRI Standards for occupational health and safety, which is currently under revision.

Note:
1 Source: Workplace Safety and Health Report 2017, Ministry of Manpower Singapore

PEOPLE DEVELOPMENT, LABOUR RELATIONS AND STANDARDS

At Jason Marine, we want to be the preferred employer of our people. We endorse the values of non-discrimination and diversity, and uphold principles on human rights and good labour practices. While our employees are not covered by collective bargaining agreements, they are given the right to exercise freedom of association. Employees are given a minimum of one month's notice prior to any implementation of significant operational changes that could substantially affect them.

To monitor our performance in people management, we track data on new hires and turnover, as well as training hours, with considerations for diversity such as gender and age. These data are reviewed by our Management regularly.

All employees for our operations in Singapore hold permanent contracts and work full-time. We seldom rely on workers who are not employees.

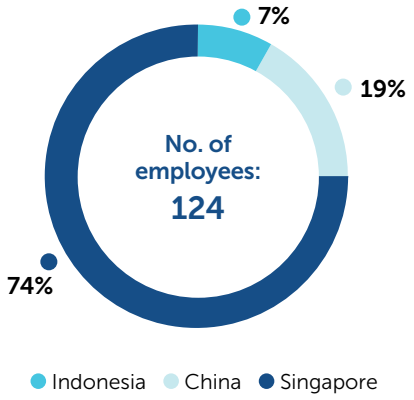
Our Singapore workforce increased from 85 employees as at 31 March 2017 to 92 employees as at 31 March 2018.

Jason Marine has been a signatory of the Tripartite Alliance for Fair and Progressive Employment Practices ("TAFEP") for more than 6 years.

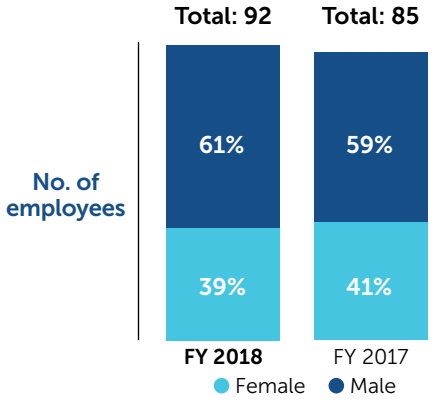
We endorse TAFEP's guidelines to implement fair and merit-based employment practices.

Jason Marine was conferred a Human Capital Partner ("HCPartner") status by TAFEP in September 2017

Global Employee Profile



Region: Singapore



Group-level new hires and turnover FY2018

	By Gender		By Age Group		
	Male	Female	< 30 years	30-50 years	>50 years
Rate of new hire	14.5%	11.3%	4.8%	17.7%	3.2%
Rate of turnover (total)	8.1%	12.9%	3.2%	13.7%	4.0%
Rate of turnover (voluntary)	6.5%	9.7%	2.4%	9.7%	4.0%

Rate of new hires and turnover in Singapore, broken down by gender

	FY2018		FY2017	
	Male	Female	Male	Female
Rate of new hire	14.1%	12.0%	8.2%	2.4%
Rate of turnover (total)	9.8%	15.2%	47.1%	21.2%
Rate of turnover (voluntary)	7.6%	13.0%	18.8%	9.4%

Rate of new hires and turnover in Singapore, broken down by age group

	FY2018			FY2017		
	< 30 years	30-50 years	>50 years	< 30 years	30-50 years	>50 years
Rate of new hire	3.3%	18.5%	4.3%	1.2%	9.4%	0%
Rate of turnover (total)	3.3%	16.3%	5.4%	17.6%	43.5%	7.2%
Rate of turnover (voluntary)	2.2%	13.0%	5.4%	5.9%	21.2%	1.1%

In view of our aging workforce, we look to attract the younger generation by reaching out to polytechnics with internship programmes, sponsorships, and providing more career advancement opportunities. We also make working at Jason Marine more attractive by increasing employee well-being with the adoption of more family friendly and quality work-life policies.

Jason Marine adheres to the TAFEP guidelines on re-employment of older employees. Although the current statutory retirement age is 62, eligible employees will be offered a re-employment contract on a yearly renewable basis, up to age 65 and up to age 67 with effect from 1 July 2017.

The Jason Marine Group employee engagement survey is conducted periodically, about once every 2 to 3 years, to determine the level of employee satisfaction and to gather feedback. Employees' inputs are considered in the formulation of human resource practices and programmes such as Corporate Social Responsibility (CSR) or Workplace Health Promotion (WHP) activities.

People Development

At Jason Marine, we believe that our people play a vital role for our success, and it is our mission that they are developed to their fullest. Talent attraction and development are thus crucial for Jason Marine, and we have policies and processes in place to ensure that our employees receive sufficient training and that their personal development goals are met. In FY2018, overall average training hours for our employees is 25.4.

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

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

In the first half of 2018, we conducted an alignment survey to ensure alignment of employees to Jason Marine's business strategies. We plan to provide more information on our global workforce in our next report.

Average no. of training hours per employee, by gender

Region: Singapore	Male	Female
FY2018	50.4	6.3
FY2017	42.5	4.6

Average no. of training hours per employee, by employee category

Region: Singapore	Executives	Non-executive	Senior Management
FY2018	32.7	34.9	29.9
FY2017	25.5	27.8	20.3

Group-level average no. of training hours per employee, FY2018

By gender	
Male	Female
36.5	5.2

By employee category		
Executives	Non-executive	Senior Management
29.5	24.7	29.9

PRODUCT RESPONSIBILITY

Integral to our mission of delighting customers is our responsibility in ensuring our customers are supplied with products that are safe. To manage this, we have identified potential impacts that may arise from the use of our equipment and systems, and have put in place measures to prevent any negative effects.

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

We comply with the Shipper's Declaration for Dangerous Goods set out by the International Air Transport Association. There have been no incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of our products and services.

Read more about our Health and Safety measures for our workers below.

We have internal indicators to track our performance in the area of product responsibility. We aim to disclose performance for this area in the next report.

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

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

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

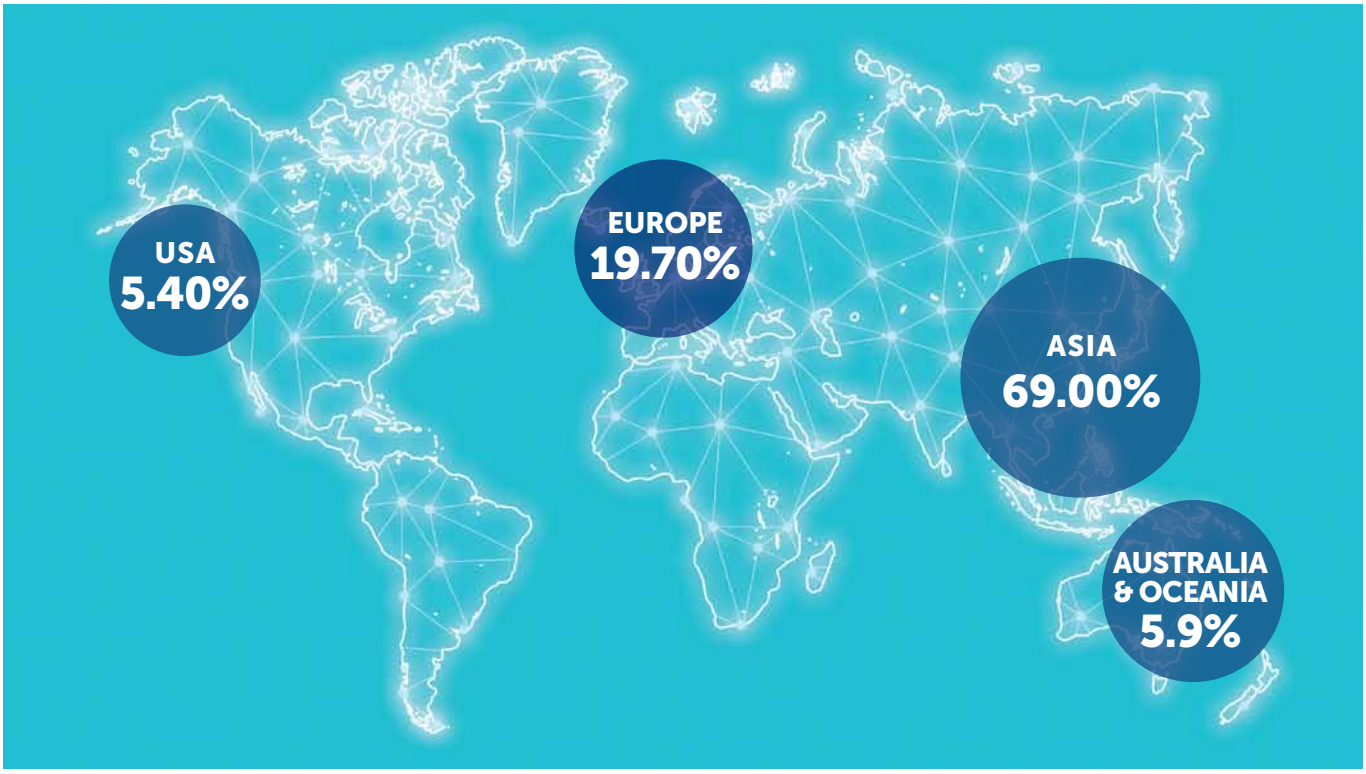
COMMUNITY ENGAGEMENT

At Jason Marine, it is our goal to be our society's preferred corporate citizen. The nature of our operations means that our main contact with the society is with the maritime community at the shipyards and vessels where we operate in, and who uses our systems and products. Through our stringent safety standards and responsible use of products as discussed in previous chapters, we ensure that any negative impacts for themaritime community are minimal.

We also aim to positively impact local communities beyond the maritime community, and we have been doing so through community development and engagement programmes. We have remained committed to meeting local communities' needs and enabling vulnerable groups of the society. Since 2012, all of Jason Marine's operations in Singapore have implemented local community development programmes by joining the Adopt-a-Precinct (AAP) scheme of South West Community Development Council. Every year, we have been contributing to our adopted precinct, the Telok Blangah community, in different ways. This year, we sponsored 50 book vouchers amounting to S$3,000 for low income children and 20 goodies bags amounting to S$600 for senior citizens through the Telok Blangah Residents' Committee's Edu Aid event in December 2017.

SUSTAINABLE PROCUREMENT

Demograhic distribution of products and services procured



Percentage of products and services purchased locally or overseas

Percentage of products and services acquired directly (from makers) or indirectly (from authorised dealers)

We procure from regional partners who provide us with high quality equipment, systems and solutions, in order to achieve the highest quality in our products and services. In line with our material issues of Business Ethics, Product Responsibility and Occupational Health and Safety, it is important to us to procure from suppliers with sound social and environmental practices. In the manufacturing stage, human rights issues and forced or child labour practices have potential negative impacts, together with the use of contentious materials such as rare earth metals in the production of the equipment. Jason Marine can indirectly influence our supply chain positively, through our supplier selection process. Extending our environmental values to our supply chain, having ISO 14001 certification is one of the consideration factors when selecting suppliers.

Our sourcing activities can also have a positive influence on the local economy. We engage local suppliers whenever possible, but due to specific legal and technical requirements for our products, a large proportion of our systems and equipment are sourced from Europe and the USA. 34% of our products and services were purchased locally (i.e. from Singapore).

We are developing a Supplier Code of Conduct which stresses legal compliance and adherence to Jason Marine's business ethics. All key suppliers are to comply with the Supplier Code of Conduct. Currently, we have clear documentation procedures for our vendor pre-qualification process and also conduct continuous evaluation of our vendors' performance.

Read more about our key partner on page 18.

SAFEGUARDING THE ENVIRONMENT

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

At Jason Marine, we reduce, reuse and recycle materials and resources whenever possible. We aim to incorporate environmental conservation measures at all stages of our production and operations right from the design stage, improve energy efficiency of our products, and minimise waste. We also comply with international guidelines on pollution management.

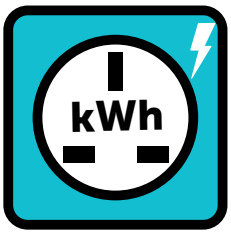
Environmental protection is no doubt a corporate responsibility. Yet we also see its value in the reduction of operational costs when material inputs and waste are reduced. For example, we reuse discarded paper boxes as our packaging material. By reusing materials, not only is waste minimised, but there are also cost savings from lower packaging expenses.

We continue to re-examine our business processes and seek innovative new ways to improve efficiency of our operations while reducing environmental impacts. As part of our Group-wide drive to adopt paperless solutions, we have leveraged our IT expertise and have gone electronic with most of our billing processes and customers' statements. We also employ energy-efficient systems that help us contain our environmental footprint while cutting operational costs. Extending our values of environmental protection to our supply chain, having ISO 14001 certification is one of the consideration factors when selecting suppliers.

Due to the mobile nature of our operations, we expect that a significant portion of our energy and greenhouse gas emissions are consumed and generated during transport of equipment and during business travel. We aim to develop processes for the monitoring of our energy and greenhouse gas emission figures in the upcoming years.

Even though the environmental impact of our office activities is relatively immaterial, we believe it is important to instill values of environmental stewardship in our people. Recycling bins for paper, stationery and computers are provided at various locations in the office to encourage our staff to reuse and recycle materials wherever feasible. We also stress the importance of proper disposal of office equipment, especially with items such as laptops and printer cartridges, to reduce negative impacts of electronic waste. Other efforts include monthly cross-departmental inspections. By regularly engaging our staff on environmental issues, we hope to be environmentally conscious in whatever we do.

Electricity consumption (kWh)
Region: Singapore



FY2018	FY2017	FY2016
232,612	210,330	342,153

CONTINUOUS ENGAGEMENT WITH OUR STAKEHOLDERS

As part of the materiality assessment process conducted in 2016, Jason Marine identified five key stakeholder groups to engage with, based on their level of influence and interest. The table below summarises our engagement methods and key topics raised.

Stakeholders	How we engage	Key topics raised
Investors	• Annual meetings	• Corporate governance • Financial performance • Business outlook
Employees	• Annual performance reviews • Annual Workplace Health Promotion activities • Employee engagement survey every 2 to 3 years	• Work-life balance • Cyber security • Career advancement • Learning and development needs
Customers	• Customer Satisfaction Surveys following services or job orders and after completion of projects	• Price of products and services • Quality, safety • Future needs and requirements
Business partners	• Business meetings • Conferences	• Meeting of sales targets • Review on financial performance and business outlook • Supply chain quality
Local community	• Community programmes in Singapore, under the Adopt-a-Precinct program, at least once a year	• Financial and logistical support to the community

Jason Marine and its subsidiaries is a member of the following associations:

- **Association of Singapore Marine Industries (ASMI)**
- **Association of Small and Medium Enterprises (ASME)**
- **Singapore International Chamber of Commerce (SICC)**
- **Singapore Business Federation (SBF)**
- **Singapore Human Resources Institute (SHRI)**
- **Singapore Chinese Chamber of Commerce and Industry (SCCCI)**
- **Singapore Institute of Directors (SID)**
- **Singapore Manufacturing Federation (SMF)**
- **Singapore Institute of Management (SIM)**
- **Global Compact Network Singapore (GCNS)**
- **Singapore Institute of International Affairs (SIIA)**
- **Singapore National Employers Federation (SNEF)**
- **International Ship Engineering Service Association (ISES)**
- **Singapore Productivity Association (SPA)**

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure Title	Page References CGFR refers to Corporate Governance and Financial Report 2018
GRI 101: Foundation 2016			
General Disclosures			
GRI 102: General Disclosures 2016	102-1	Name of the organization	Cover page
	102-2	Activities, brands, products, and services	1, 3-6
	102-3	Location of headquarters	1
	102-4	Location of operations	2
	102-5	Ownership and legal form	1
	102-6	Markets served	2
	102-7	Scale of the organization	14-15, 24
	102-8	Information on employees and other workers	24 Data on employees and other workers is compiled by our HR department.
	102-9	Supply chain	21, 27
	102-10	Significant changes to the organization and its supply chain	There were are no significant changes.
	102-11	Precautionary Principle or approach	28
	102-12	External initiatives	24
	102-13	Membership of associations	29
	102-14	Statement from senior decision-maker	8-9
	102-16	Values, principles, standards, and norms of behavior	22-23
	102-18	Governance structure	11-12, 22-23
	102-40	List of stakeholder groups	29
	102-41	Collective bargaining agreements	24
	102-42	Identifying and selecting stakeholders	29
	102-43	Approach to stakeholder engagement	20, 29
	102-44	Key topics and concerns raised	20, 29
	102-45	Entities included in the consolidated financial statements	16, 22
	102-46	Defining report content and topic Boundaries	20-21
	102-47	List of material topics	20
	102-48	Restatements of information	None
	102-49	Changes in reporting	20
	102-50	Reporting period	22

GRI Standard	Disclosure Number	Disclosure Title	Page References CGFR refers to Corporate Governance and Financial Report 2018
General Disclosures			
GRI 102: General Disclosures 2016	102-51	Date of most recent report	11 July 2017
	102-52	Reporting cycle	22
	102-53	Contact point for questions regarding the report	22
	102-54	Claims of reporting in accordance with the GRI Standards	22
	102-55	GRI content index	30-34
	102-56	External assurance	22
Material Topics			
Economic Performance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21, 26
	103-2	The management approach and its components	8-9, 14-15, 26
	103-3	Evaluation of the management approach	CGFR 13-15
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	26, CGFR 64-67, Economic value retained in FY2018 is $4,326,000.
Procurement Practices			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21, 27
	103-2	The management approach and its components	27
	103-3	Evaluation of the management approach	27
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	27 Local suppliers are suppliers based in the same country where our operations are. All countries in which Jason Marine has operations in are considered significant.
Anti-corruption			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21-23
	103-2	The management approach and its components	22-23, CGFR 4-18
	103-3	Evaluation of the management approach	22-23
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	22-23
	205-2	Communication and training about anti-corruption policies and procedures	22 Anti-corruption policies and procedures have been communicated to governance body members, employees and contractors in Singapore.
	205-3	Confirmed incidents of corruption and actions taken	23

GRI Standard	Disclosure Number	Disclosure Title	Page References CGFR refers to Corporate Governance and Financial Report 2018
Anti-competitive Behaviour			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21-23
	103-2	The management approach and its components	22-23
	103-3	Evaluation of the management approach	We plan to evaluate our management approach in the years to come.
GRI 206: Anti-competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	There have been no legal actions for anti-competitive behaviour, anti-trust, and monopoly practices.
Environmental Compliance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21-23
	103-2	The management approach and its components	22-23
	103-3	Evaluation of the management approach	We plan to evaluate our management approach in the years to come.
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	22-23
Employment			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21, 24-25
	103-2	The management approach and its components	24-25
	103-3	Evaluation of the management approach	25
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	24
Labour/ Management Relations			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21, 24-25
	103-2	The management approach and its components	24-25
	103-3	Evaluation of the management approach	25
GRI 402: Labour/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	24

GRI Standard	Disclosure Number	Disclosure Title	Page References CGFR refers to Corporate Governance and Financial Report 2018
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21, 23
	103-2	The management approach and its components	23
	103-3	Evaluation of the management approach	22-23
GRI 403: Occupational Health and Safety 2016	403-1	Workers representation in formal joint management–worker health and safety committees	23
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	23
	403-3	Workers with high incidence or high risk of diseases related to their occupation	23
Training and Education			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21, 24-25
	103-2	The management approach and its components	24-25
	103-3	Evaluation of the management approach	24-25
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	25
	404-2	Programs for upgrading employee skills and transition assistance programs	25
	404-3	Percentage of employees receiving regular performance and career development reviews	25
Non-discrimination			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21, 24-25
	103-2	The management approach and its components	24-25
	103-3	Evaluation of the management approach	25
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	There have been no reported incidents of discrimination during the reporting period.

GRI Standard	Disclosure Number	Disclosure Title	Page References CGFR refers to Corporate Governance and Financial Report 2018
Local Communities			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21, 26
	103-2	The management approach and its components	26
	103-3	Evaluation of the management approach	We plan to evaluate our management approach in the years to come.
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	26
Customer Health and Safety			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21, 25
	103-2	The management approach and its components	25
	103-3	Evaluation of the management approach	We plan to evaluate our management approach in the years to come.
GRI 416: Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	25
Socioeconomic Compliance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21-23
	103-2	The management approach and its components	22-23
	103-3	Evaluation of the management approach	We plan to evaluate our management approach in the years to come.
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	22-23

BOARD OF DIRECTORS

Foo Chew Tuck *(Executive Chairman and Chief Executive Officer)*
Wong Hin Sun Eugene *(Non-executive Director)*
Eileen Tay-Tan Bee Kiew *(Lead Independent Director)*
Sin Hang Boon @ Sin Han Bun *(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

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Pan Mi Keay

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(Appointed since financial year ended 31 March 2016)

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CIMB Bank Berhad, Singapore Branch
Citibank, N.A., Singapore Branch
The Hongkong and Shanghai Banking Corporation Limited, Singapore Office
Standard Chartered Bank, Singapore Branch

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