Securities Investors Association (Singapore)
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www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: Jasper Investments Limited

Stock code: FQ7

Meeting details:
Date: 14 Oct 2023
Time: 11.00 a.m.
Venue: 10 Collyer Quay, #27-00, Ocean Financial Centre, Singapore 049315

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Q1. The company has not generated any revenue from operations since the financial year ended 31 March 2019.

There has been a series of changes to the board and senior management team during this timeframe.
(see https://www.sgx.com/securities/company-announcements?value=JASPER%20INVESTMENTS%20LIMITED&type=company&pagesize=50&ANNC=ANNC03%2CANNC04&page=1)

The letter to shareholders in the 2022 annual report was authored by Mr. Bambang Sugeng bin Kajairi, who served as the executive chairman for 14 months until he relinquished his position on 20 September 2023. He was subsequently replaced by Mr. Dennis Goh Hao Kwang on an interim basis.

On the same date, the company announced that it had entered into a strategic collaboration framework agreement with Berlitz Marine Pte. Ltd. ("Berlitz") for the expansion and growth of the company's core business in the Marine & Offshore industry involving the acquisition, operation and management of Offshore Support Vessels for deployment in the South East Asia and Gulf Cooperation Council regions as well as in respect of other Marine & Offshore related services and supplies.

(i) **Can the company provide shareholders with more information on how it was introduced to Berlitz?**

(ii) **What due diligence has the board undertaken, and what were the discussions and considerations made before entering into the strategic collaboration framework agreement with Berlitz?**

(iii) **Would this agreement, especially with the vessel acquisition option of up to eight offshore support vessels (or more), lead to a reverse takeover of the company by Berlitz?**

In addition, the company has announced the appointment of Ms Perlin Chan Aik Ju as chief executive officer with effect from 17 October 2023. Ms Perlin Chan Aik Ju and her family are owners of Berlitz and its group of companies.

(iv) **Has the board, especially the nominating committee, evaluated the potential risks associated with the incoming CEO being placed in a conflict of interest due to her role in representing the company during its strategic collaboration with Berlitz, an entity owned by her and her family? What safeguards have been implemented to protect the interests of the company and its shareholders? Could the effectiveness of the incoming CEO be compromised under these circumstances?**

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Q2. In his letter to shareholders, the former chairman stated that it is the board's intention to grow an investment arm alongside the core maritime logistics and transportation businesses.

A few potential investment targets have been identified, including:
- a fintech with revenues of more than US$50 million
- a construction technology company with an existing trial project in Southeast Asia
- a technology service provider with stable income and profits since 1990s

(i) **Can the board confirm whether the company continues to pursue the strategy of setting up an investment arm, even in the wake of Mr. Bambang Sugeng bin Kajairi stepping down as chairman?**

(ii) **How does the board envision funding any potential new investments, considering that both the company and the group have net liability positions of $(2.7) million as of 30 June 2023?**

(iii) **Could the board provide additional details regarding the deal sourcing framework, including the geographical emphasis, industry/sector preferences, and deal size criteria?**

(iv) **What is the company's competitive advantage when it comes to investing/investments, particularly when it appears that the board has cast a wide net across various industries, including fintech, construction, and technology, in its attempt to identify potential targets?**

(v) **What is the board's track record in investments?**

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Q3. The company's independent auditor has issued a disclaimer of opinion in their independent auditor's report dated 28 September 2023 in relation to the consolidated financial statements of the group and the company for the financial year ended 31 March 2022.

The bases for disclaimer of opinion include:
- going concern
- recoverable amount of right-of-use assets
- convertible loan note

The auditor also noted that management:
- did not determine value-in-use nor fair value less costs of disposal of right-of-use asset as at 31 March 2022 and
- did not assess the classification of the convertible loan note and the carrying amount of the components (a liability component with an equity component or a liability component with a derivative liability component) (required under SFRS(I) 1-32 Financial Instruments: Presentation and SFRS(I) 9 Financial Instruments).

It appears that the company is unable to obtain an unqualified audit opinion even though the scale of the group has significantly reduced, as evidenced by the group not generating revenue from operations since the financial year ended 31 March 2019.

(i) **Can the directors in the audit committee (AC) help shareholders better understand the (individual and collective) roles played by each AC member (and especially the AC chairman) in the preparation and audit of the financial statements?**

(ii) **What are the challenges faced by management in determining the recoverable amount of right-of-use assets and assessing the classification of the convertible loan note?**

(iii) **Did the AC consider if the financial statements have been prepared in accordance with the provisions of the Companies Act, Chapter 50 and Singapore Financial Reporting Standards?**

(iv) **Lastly, as the auditors have not been able to obtain sufficient audit evidence to satisfy themselves as to the appropriateness of the use of the going concern assumption, can the board offer shareholders a comprehensive overview of the company's restructuring and recapitalisation plans? What safeguards has the board put in place to ensure that existing shareholders are not unduly diluted?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

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