

JES INTERNATIONAL HOLDINGS LIMITED

(Company Registration No. 200604831K)
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF 51% OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF SCIBOIS CO. LTD.

– CLARIFICATION ON THE SALE AND PURCHASE AGREEMENT

The Board of Directors (the “**Board**”) of JES International Holdings Limited (the “**Company**”) refers to its announcements made on 8 April 2014, 4 July 2014, 10 July 2014, 15 August 2014, 1 October 2014, 4 March 2015, and 6 April 2016 regarding the proposed acquisition of 51% of the entire issued and paid-up share capital of Scibois Co. Ltd. (the “**Earlier Announcements**”). Capitalised terms in this announcement shall have the same meanings as ascribed to them in the Earlier Announcements.

As announced on 6 April 2016, the High Court had released a judgment on 5 April 2016 (the “**Judgment**”) in relation to the legal proceedings taken by the Company against Mr Yang Shushan (“**Mr Yang**”) for breaching certain terms of the SPA dated 4 July 2014 (the “**4 July SPA**”).

In the Judgment, the honourable Judge found, *inter alia*, that a sale and purchase agreement (with the exact same terms as the 4 July SPA) which was signed by Mr Jin Xin, the former Chief Executive Officer and Chairman of the Company for and on behalf of the Company, and by Mr Yang and YN on 23 May 2014 (the “**23 May SPA**”) was intended by the signatories to be binding and effective from that date.

As the timelines for the performance of the 23 May SPA had to be re-calibrated due to Mr Yang’s failure to provide certain information, the Parties agreed that a fresh contract on the same terms as the 23 May SPA had to be executed. This was the 4 July SPA.

The honourable Judge further found that the execution of the 4 July SPA resulted in the rescission of the 23 May SPA.

The Board notes that the Company did not release an announcement regarding the 23 May SPA. The Board has now made enquires with members of the then Management and was informed that the then Management had believed that the 23 May SPA was not binding and effective in view of the circumstances (i.e. it could not be performed).

The Company further notes that the honourable Judge found the 4 July SPA to be the only operative SPA between the Parties to the Proposed Acquisition as at 4 July 2014. The 4 July SPA had been announced by the Company on the same day.

The Board will continue to update Shareholders on the above at appropriate junctures, or upon the advent of material developments in relation to the same.

BY ORDER OF THE BOARD

Jin Yu
Chief Executive Officer
14 April 2016