

JUBILEE INDUSTRIES HOLDINGS LTD.
(Company Registration No. 200904797H)
(Incorporated in the Republic of Singapore)

PROPOSED ENTRY INTO SUPPLEMENTAL AGREEMENT BETWEEN JUBILEE INDUSTRIES HOLDINGS LTD. AND UPC ELECTRONICS PTE LIMITED REGARDING THE DISPOSAL OF 86% SHARE CAPITAL IN WE COMPONENTS PTE. LTD.

Unless otherwise defined, all capitalised terms used in this announcement shall have the meaning ascribed to them in the circular dated 13 June 2023 (“Circular”).

1. INTRODUCTION

The Board of Directors (the “**Board**”) of the Jubilee Industries Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”), in making this announcement, refers to the past announcements made on 21 June 2022, 26 October 2022, 05 January 2023, 09 March 2023, 22 March 2023 and 29 August 2023, the Circular and the other related announcements to the Extraordinary General Meeting held on 05 July 2023.

This announcement is related to the disposal of the Company’s remaining 86% shareholding the Company’s former subsidiary, WE Components Pte. Ltd. (“**WEC**”), which was completed on 29 August 2023 (“**Final Disposal**”).

The Board now wishes to announce that after discussions with UPC Electronics Pte Ltd (the “**Purchaser**”), the Company and Purchaser have agreed to modify the terms and conditions of the Sales and Purchase Agreement dated 22 March 2023 (“**Original SPA**”). In the Original SPA, the consideration payable to the Company had been divided into three (3) tranches, with the first tranche being a payment, in cash, of USD 3,000,000.00 within ten (10) business days from executing the Original SPA (“**First Tranche**”), the second tranche being for the payment of USD 7,320,000 to be paid in cash within ten (10) business days from the date of completing the Final Disposal on 29 August 2023 (“**Second Tranche**”), and the final tranche being USD 5,572,519 payable in cash fourteen (14) business days after WEC has settled any outstanding mortgages in relation to the Properties (“**Mortgage Payment**”) (“**Final Tranche**”).

The definitions for the capitalised terms, “**Properties**”, “**Offices**” and “**Warehouses**”, used below are as follows:

“**Properties**” means the three (3) Offices and the three (3) Warehouses held on trust for Accrelist Ltd, the parent company of the Company.

“**Offices**” means, collectively, the three (3) properties registered under the name of the Company, addressed at

- (i) Ubi Crescent, #03-94, Ubi Techpark Singapore 408564;
- (ii) Ubi Crescent, #03-95, Ubi Techpark Singapore 408564; and
- (iii) Ubi Crescent, #03-96, Ubi Techpark Singapore 408564

“**Warehouses**” means, collectively, the three (3) properties registered under the name of the Company, addressed at:

- (i) 52 Ubi Avenue 3, #01-28, Frontier Singapore 408867;
- (ii) 52 Ubi Avenue 3, #01-29, Frontier Singapore 408867; and
- (iii) 52 Ubi Avenue 3, #01-30, Frontier Singapore 408867

The Company and Purchaser propose to enter into a Supplemental Agreement (“SA”) to modify the Original SPA as such, in summary:

- (a) Clause 3.2.3 of the Original SPA that provides for the Final Tranche shall be modified to replace the cash consideration of USD 5,572,519 with the value of the Offices and Warehouses.

Whereas the obligation to pay the Final Tranche is only satisfied upon the conveyancing of the Offices to the Company and the successful remittance of the sales proceed from the disposal of the Warehouses by the Purchaser to a third-party buyer appointed by the Company (the “**Appointed Buyer**”) (“**Warehouses Sale**”). However, where the conveyancing of the Offices and remittance of the sales proceeds are separately performed, the Parties have agreed that the quantum of the Final Tranche shall be reduced at the time of performing the conveyancing and remittance, respectively, by USD 2,251,908.36 and USD 3,320,610.64, amounting to the Final Tranche quantum of USD 5,572,519.

- (b) Clause 5.6 of Original SPA shall be modified to make the Company’s obligation to reimburse WEC for Mortgage Payment due for performance only after the successful conveyancing of the Offices and completion of the Warehouses Sale, and for the obligation to be deemed satisfied by way of a set off against the sales proceeds from the Warehouses Sales to be received by the Company.

2. MODIFICATIONS TO THE ORIGINAL SPA

Below is a comparison of the modified clauses (the “**Modifications**”), as contained in the SA, and the original clauses from the Original SPA to illustrate the differences between the Original SPA and SA, with the other terms and conditions of the Original SPA to remain in full force and effect:

Clause Ref – Original SPA	Terms and Conditions – Original SPA	Clause Ref – SA	Modifications
NA	“ Properties ” : refers to the properties located at a) 52 Ubi Avenue 3 #01-28, #01-29, #01-30, Frontier Singapore 408867; and b) 10 Ubi Crescent #03-94, #03-95, #03-96 Ubi Techpark Singapore 408564, registered under the name of the Company;	2.1	<p>“Properties” means the three (3) Offices and the three (3) Warehouses.</p> <p>“Offices” means, collectively, the three (3) properties registered under the name of the Company, addressed at</p> <ul style="list-style-type: none"> (i) Ubi Crescent, #03-94, Ubi Techpark Singapore 408564; (ii) Ubi Crescent, #03-95, Ubi Techpark Singapore 408564; and

			<p>(iii) Ubi Crescent, #03-96, Ubi Techpark Singapore 408564</p> <p>“Warehouses” means, collectively, the three (3) properties registered under the name of the Company, addressed at</p> <p>(i) 52 Ubi Avenue 3, #01-28, Frontier Singapore 408867;</p> <p>(ii) 52 Ubi Avenue 3 #01-29, Frontier Singapore 408867; and</p> <p>(iii) 52 Ubi Avenue 3, #01-30, Frontier Singapore 408867</p>
3.2.3	The sum of USD 5,572,519 (“Final Payment”) to be paid within fourteen (14) Business Days from the completion of Clause 5.6.	2.2	<p>The Parties hereby agree to modify Clause 3 of the SPA, entitled “Consideration”, by replacing Sub-clause 3.2.3 with the following:</p> <p>The sum of USD 5,572,519 (“Final Payment”) is to be paid within six (6) months from the date of the Supplemental Agreement dated 08 April 2024. The quantum of the Final Payment shall be settled by way of the conveyance of the Offices from the Purchaser to the Seller and the sale of the Warehouses from the Purchaser to the Appointed Buyer. All costs and expenses related to the sale of the Warehouses shall be borne by the Seller or the Appointed Buyer.</p> <p>For the avoidance of doubt:</p> <p>(a) The Purchaser’s obligation is to procure the Company’s conveyance of the Offices to the Seller and sale of the Warehouses to the Appointed Buyer.</p> <p>(b) The obligation to make Final Payment shall only be satisfied upon the completion of the below requirements:</p> <p>(i) The unencumbered legal ownership of the Offices have been successfully conveyed to the Seller, which shall result in a reduction of the Final</p>

			<p>Payment quantum by USD 2,251,908.36 at the time of completing the conveyancing of the Offices; and</p> <p>(ii) after deducting the amounts owed by the Seller, as per Clause 5.6, the Seller has received the sales proceeds from the Warehouses Sale in full, which shall result in a reduction of the Final Payment quantum by USD 3,320,610.64 at the time of remitting the sales proceeds to the Seller.</p> <p>If the Warehouses Sale cannot be completed for any reason within 6 months from the date of the Supplemental Agreement dated 08 April 2024, instead of the above Clause 3.2.3(b)(ii), the Warehouses shall be transferred to the Seller ("Warehouses Transfer"). For the avoidance of doubt, the Purchaser's obligation to make Final Payment, in the event the Warehouses Sale cannot be completed, shall only be satisfied when Clause 3.2.3(b)(i) and the Warehouses Transfer have completed.</p>
5.6	<p>Within three (3) months after the Completion Date, the Purchaser shall procure the Company to make full payment and satisfaction of any outstanding mortgages (including any such fees or penalty) to the Properties ("Mortgage Payment"). Thereafter, the Purchaser shall notify the Seller of the quantum of the Mortgage Payment paid, and the Seller shall reimburse such amount to the Company within one (1) month from receipt of notification.</p>	2.3	<p>Within three (3) months after the Completion Date, the Purchaser shall procure the Company to make full payment and satisfaction of any outstanding mortgages (including any such fees or penalty) related to the Properties ("Mortgage Payment"), and thereafter, the Purchaser shall notify, in writing, the Seller of the quantum of the Mortgage Payment paid and all other amounts the Seller owes to the Purchaser in one month after the time of the Supplemental Agreement dated 08 April 2024 ("Full Payment"), and the Seller shall reimburse the Company accordingly. The Seller shall only pay the Full Payment to the Company after, in accordance with Clause 3.2.3, the sale of the Warehouses to the Appointed Buyer.</p> <p>In satisfaction of the Seller's obligation to reimburse, the Full Payment shall be set off against the sales proceeds from the</p>

			disposal of the Warehouses to be received from the Company. As per Clause 3.2.3, if the Warehouses Sale cannot be completed for any reason within 6 months from date of the Supplemental Agreement dated 08 April 2024, the Purchaser shall set off the Full Payment against all amounts already received from the Appointed Buyer. The Purchaser shall then notify the Seller of the non-completion and the remainder of the Full Payment not set off (“ Remainder ”), in writing. The Seller shall pay the Company the Remainder in cash within three (3) months from the date of the Warehouse Transfer.
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3. INFORMATION ON WEC AND THE PURCHASER

Please refer to Section 2 of the Circular.

4. RATIONALE OF THE MODIFICATIONS

The Modifications will allow the Group to diversify and strengthen its balance sheet by hedging against inflationary fluctuations by owning the Offices as non-current assets instead of cash, reducing any rental expenses associated with using the Offices under WEC’s ownership, potentially generating rental income from leasing the Office and using the Properties as collateral for future debt financing, and obtaining adequate working capital from the sales proceeds to be received from the Warehouses sale. This diversification and strengthening of the balance sheet will position the Company to better capitalise on growth opportunities, unlock the value of its assets and re-strategise its financial and capital resources.

5. CHANGES TO THE DISCLOSURE UNDER CHAPTER 10 OF THE LISTING MANUAL OF THE 1ST CIRCULAR (“DISCLOSURES”) & CHANGES TO THE FINANCIAL EFFECTS OF THE SA AND MODIFICATIONS OF THE 1ST CIRCULAR (“EFFECTS”)

The obligation to satisfy Final Tranche is to pay the Company USD 5,572,519. As agreed by the Parties, the effect of the Modifications is only to replace this cash payment of USD 5,572,519 with the completion of the conveyancing of the Offices and the remittance of the net sale proceeds from the Warehouses sale. Being that it is simply a replacement resulting in a change in mode of payment, there is no change in the variables used for computing the relative figures required under Rule 1006 of the Catalist Rules, Section 4 of the 1st Circular, Disclosures, remains unchanged.

Similarly, as the Modifications only change the mode of payment from a cash payment to receiving the legal title to the Offices and the net sale proceeds from the Warehouses Sales to satisfy the Final Payment quantum and obligation, accordingly, there is no change to the Effects as found in Section 5 of the 1st Circular.

6. SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the SA and no service contracts in relation thereto is proposed to be entered into by the Company.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the SA, other than through their respective shareholding interest, direct or indirect, in the Company.

8. INSPECTION

A copy of the SA shall be made available for inspection during normal business hours at the Company's registered office at 10 Ubi Crescent, #03-94/95/96, Ubi Techpark, Singapore 408564, for 3 months from the date of the announcement made upon entering the SA.

9. FURTHER ANNOUNCEMENT

An extraordinary general meeting of the Company ("**EGM**") will be convened in due course to obtain Shareholders' approval for the SA and Modifications. In compliance with the Catalist Rules, the circular containing, *inter alia*, further details on the SA and Modifications, and a notice of EGM to be held, will be issued to Shareholders in due course.

The Company will continue to keep shareholders updated as and when there are any material developments on the matter.

BY ORDER OF THE BOARD

Dato' Terence Tea Yeok Kian
Executive Chairman & Chief Executive Officer
11 April 2024

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor are as follows:-

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