



JUBILEE INDUSTRIES HOLDINGS LTD.

(Company Registration No. 200904797H)

(Incorporated in the Republic of Singapore)

("Company")

PROPOSED ACQUISITION OF WE COMPONENTS PTE. LTD.

- SUPPLEMENTAL AGREEMENT

Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Company's announcement of 18 July 2014 in relation to the proposed acquisition of WE Components Pte. Ltd.

1. The Board of Directors ("**Board**" or "**Directors**") of Jubilee Industries Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's announcement of 18 July 2014 ("**Announcement**"), and wishes to announce that the Company has today entered into a supplemental agreement with the Vendor ("**Supplemental Agreement**") to supplement and clarify the terms of the SPA and the Proposed Acquisition.
2. Pursuant to the Supplemental Agreement, the material amendments to the SPA are as follows:

Sale and Purchase

The parties have agreed that pursuant to the Proposed Acquisition, the Company will be acquiring:

- (i) the Sale Shares;
- (ii) the Target Company's subsidiaries comprising WE Components (Shanghai) Co Ltd, WE Components Co Ltd., WE Components (Hong Kong) Limited, Kin Wai Technology Ltd., WE Microelectronics Pte. Ltd. and WE Components India Pvt Ltd;
- (iii) the inventory of the Target Group as at completion ("**Inventory**");
- (iv) all plant, machinery, tools, equipment, vehicles and other chattels owned by each of the Target Group companies as at completion for the purpose of its business;
- (v) all current contracts and engagements of each of the Target Group companies in relation to its business, including without limitation, contracts entered into between each of the Target Group companies and their respective suppliers and customers; and

- (vi) such (i) amounts deposited by the Target Group companies with banks and financial institutions for purposes of establishing standby securing letters of credits issued in favour of their respective suppliers and remain outstanding as at completion; (ii) all deposits by the Target Group companies to secure services; and (iii) all prepayment by the Target Group companies ("**Deposits**"),

(collectively, "**Sale Assets**") and shall exclude:

- (a) the Target Company's subsidiaries comprising Plexus Electronics Inc., WE Technology (HK) Ltd and Plexus Technology Taiwan Co., Ltd (collectively the "**Excluded Subsidiaries**");
- (b) the Excluded Properties;
- (c) the aggregate cash balance of the Target Group companies as at completion (other than the Deposits), based on the Completion Accounts (as defined below);
- (d) all trade and other payables or other amounts owing by the Target Group companies to their creditors in connection with their respective businesses as at completion including all bank loans, trust receipts and bills payable as shown in the Completion Accounts (as defined below) ("**Accounts Payables**");
- (e) all amounts owing to the Target Group companies by their debtors in connection with their respective businesses as at completion as shown in the Completion Accounts (as defined below) ("**Accounts Receivables**");
- (f) all income tax recoverable and deferred expenses, accruing and payable to the Target Group Companies for the period up to the Completion Date, as assessed and determined by the relevant tax authorities ("**Income Tax Recoverable**") ;
- (g) all deferred tax liabilities and income tax payables, accruing and payable by the Target Group Companies for the period up to the Completion Date, as assessed and determined by the relevant tax authorities ("**Deferred Tax Liabilities / Income Tax Payables**"); and
- (h) all other assets and liabilities of each of the Target Group companies, other than the Sale Assets,

(collectively, "**Excluded Items**").

Sale of Excluded Properties

The Excluded Properties shall be disposed to the Vendor by the Target Company for an aggregate consideration of US\$5,617,000 ("**Excluded Properties Consideration**"). The Excluded Properties Consideration is equivalent to the audited net book value of the Excluded Properties as at 31 March 2014 being the last financial year end of the Target Group companies.

Completion Accounts

A consolidated balance sheet of the Target Company as at the date of completion shall be prepared jointly by the Purchaser and the Vendor ("**Completion Accounts**").

Increase in Consideration and Set-Off

The Consideration shall be increased by US\$5,617,000 (being an amount equivalent to the Excluded Properties Consideration) from US\$8,393,000 to US\$14,010,000.

Pursuant to the terms of the Supplemental Agreement, it is a condition to completion of the Proposed Acquisition that the Vendor, the Company and the Target Company shall enter into a deed of assignment wherein the Target Company shall assign the right to receive the Excluded Properties Consideration to the Company, and that the Purchaser and the Vendor shall agree to set-off the Excluded Properties Consideration against such portion of the Consideration equivalent to the Excluded Properties Consideration. The payment of the rest of the Consideration remains unchanged as per the SPA.

Additionally, a sum equivalent to the aggregate value of the Deposits (based on the Completion Accounts) shall be payable by the Purchaser to the Vendor on the date falling six (6) months after completion.

Inventory Put Option

The Vendor shall grant to the Purchaser an option to procure the Vendor to acquire all of the Inventory as at completion ("**Completion Inventory**") still held by the Target Group companies on the date falling 6 months from completion ("**Remaining Inventory**") at a price equivalent to the net book value (as at completion) of the Remaining Inventory.

In addition, the parties agree that in the event the Purchaser shall have sold or otherwise disposed of any Completion Inventory within a period of 6 months from completion, and such Completion Inventory was sold or disposed at an aggregate consideration ("**Inventory Disposal Consideration**") which is less than the aggregate net book value of such Completion Inventory ("**Disposed Inventory Value**"), the Vendor shall pay to the Purchaser the difference between the Disposed Inventory Value and the Inventory Disposal Consideration.

Accounts Receivables and Accounts Payables

- (a) In the event the Accounts Payables shall exceed the Accounts Receivables, the Vendor shall:
 - (i) simultaneous with the payment of the Final Payment by the Company to the Vendor, pay to the Company such amount of the Accounts Payables in excess of the Accounts Receivables; and
 - (ii) within seven (7) business days from the date falling six (6) months from Completion, pay to the Company such amount of the Accounts Receivables which has not been received by the Company, if any.

(b) In the event the Accounts Receivables shall exceed the Accounts Payables and on the date falling six (6) months from completion ("**Cut-off Date**"):

- (i) the aggregate amount of Accounts Receivables received by the Target Group companies ("**Collected AR**") shall exceed the Accounts Payables (as set out in the Completion Accounts), the Purchaser shall, within seven (7) business days from the Cut-off Date, pay to the Vendor such amount equivalent to the difference between the Collected AR and the Accounts Payables; or
- (ii) the Collected AR shall be less than the Accounts Payables, the Vendor shall, within seven (7) Business Days from the Cut-off Date, pay to the Purchaser the amount equivalent to the difference between the Accounts Payables (as set out in the Completion Accounts) and the Collected AR.

In the event the Target Group companies receive any outstanding Accounts Receivables after the Cut-off Date ("**Received ARs**"), the Purchaser shall pay to the Vendor such amount equivalent to the Received ARs, within seven (7) Business Days from the date such Received AR is received and recovered.

(c) The Vendor further authorises the Company to procure the Target Group companies to collect the Accounts Receivables for and on behalf of the Vendor, and thereafter to retain and apply such Accounts Receivables received by the Target Group companies towards payment and satisfaction, for and on behalf of the Vendor, of the Accounts Payables.

Income Tax Recoverable and Deferred Tax Liabilities / Income Tax Payables

The Purchaser shall, within seven (7) business days from the date any Income Tax Recoverable shall be received and recovered by the Target Group companies, pay to the Vendor such amount equivalent to the Income Tax Recoverable received and recovered.

The Vendor shall, within seven (7) business days from the date any Deferred Tax Liabilities / Income Tax Payables shall become due, pay to the Purchaser such amount equivalent to the Deferred Tax Liabilities / Income Tax Payables which is due.

3. The Supplemental Agreement, together with the SPA, is available for inspection during normal business hours at the Company's registered address at No. 2 Woodlands Sector 1, #01-35 Woodlands Spectrum 1, Singapore 738068.

BY ORDER OF THE BOARD

Foo Say Tun
Non-Executive Chairman and Independent Director
8 October 2014

This Announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (SGX-ST). The Company's Sponsor has not independently verified the contents of the Announcements.

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.

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