



H O L D I N G S L T D

(Registration No. 199401749E)  
(Incorporated in the Republic of Singapore)

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## ENTRY INTO A LOAN AGREEMENT AS AN INTERESTED PERSON TRANSACTION

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### INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of JEP Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, JEP Precision Engineering Pte Ltd (“**Subsidiary**”), has on 24 May 2024 entered into a loan agreement (“**Loan Agreement**”) with UMS Holdings Limited (the “**Lender**”) pursuant to which the Lender has agreed to provide a loan of S\$13,000,000 to Subsidiary (the “**Transaction**”) subject to terms and conditions of the Loan Agreement.

### THE LENDER

The Lender is the immediate holding company of the Company. As at the date of this announcement, the Lender holds 78.88% of the issued share capital of the Company, which represented shareholdings of 325,800,536 shares.

### THE TRANSACTION

The salient terms of the Transaction are as follows:

Principal amount of Loan	S\$13,000,000 to be drawn down in one lump sum
Maturity Date	Date falling 72 months from drawdown date of the Loan
Repayment	No fixed amount of repayment with minimum S\$100,000 per month
Interest rate	Fixed at 3.70% per annum for first 12 months (renewal of interest rate to be fixed for every 12 months and shall be mutually agreed between both parties before expiration of each 12-month period)
Collateral/Security	None
Other terms	The Lender and Subsidiary are allowed to terminate this transaction with a 3-month notice period in written form.

### USE OF PROCEEDS AND RATIONALE

The Loan will be used by Subsidiary to fully pay off the Seletar Aerospace Park (SAP) term loan from DBS Bank Ltd. The Subsidiary will no longer enjoy a lower interest rate of 1.50% after the committed facilities term loan expires on 30 May 2023. As of 24 May 2024, the outstanding loan amount is S\$13,193,069. After comparing the interest rates offered by various financial institutions ranging from 3.88% to 4.50%, the Subsidiary has decided to obtain an unsecured loan from the Lender, as the interest rate is more favourable than the quotations received, including secured loans.

## INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE CATALIST RULES

Transactions entered into between an issuer’s “interested person” and the issuer, its subsidiaries or associated companies (which the listed group or its interested persons have control over) are deemed “interested person transactions” and subject to Chapter 9 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst (“Catalist Rules”).

Pursuant to Rule 909 of the SGX Listing Manual, in the case of borrowing of funds from an interested person, the value of the transaction is the interest payable on the borrowing. Based on the agreed interest rate of 3.7% per annum, the maximum value at risk to Subsidiary is S\$481,000 for the 12 months period, which represents approximately 0.74% of the latest audited consolidated net tangible assets of S\$65,181,000 for the Group as at 31 December 2023.

In view of the foregoing, shareholders’ approval for the transaction is not required under the Catalist Rules. However, the Company is disclosing the Transaction pursuant to paragraph 9 of Appendix 7A of the Catalist Rules.

Save as disclosed above, there are no other interested person transactions (“**IPTs**”) entered into by the Group with the Lender for the financial year ending 31 December 2024 and up to the date of this announcement.

Other than the general mandate obtained by the Group from its shareholders for IPTs at the AGM held on 24 April 2023, the details of the IPTs under review are shown in the table below:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to <a href="#">Rule 920</a> )
UMS Holdings Limited & its subsidiaries	<b>31 December 2024</b>
	S\$281,000 <sup>1</sup>

**Note:**

<sup>1</sup> As of the date of this announcement, there are no IPTs under review. The S\$281,000 consists of interest payable on this loan transaction and assumes a monthly repayment of S\$100,000 as repayment of the term loan. This amount is an illustrative projection assuming a loan amount of S\$13,000,000 with monthly repayments of S\$100,000.

## STATEMENT OF THE AUDIT COMMITTEE

The Audit Committee of the Company has reviewed and considered the terms and rationale of the Transaction and is of the view that the Transaction, including the applicable interest rate, are on normal commercial terms or otherwise in accordance with applicable industry norms, and are not prejudicial to the interests of the Group and the minority shareholders.

## INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Saved as disclosed herein, none of the other Directors or substantial shareholders of the Company has any interest, direct or indirect (other than through their respective shareholdings in the Company) in the Transaction.



## DOCUMENT FOR INSPECTION

A copy of the shareholder's loan agreement is available for inspection at the registered office of the Company at 16 Seletar Aerospace Crescent, Singapore 797567 for a period of three month from the date of this announcement. Please contact the Company at [ir@jep-holdings.com](mailto:ir@jep-holdings.com) prior to making any visits to arrange for a suitable time slot for the inspection.

### By Order of the Board

Zee Hoong Huay  
Executive Director

For and on behalf of Board of Directors of JEP Holdings Ltd.  
24 May 2024

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This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist

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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