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

DISPOSAL OF SHARES IN AN INDIRECT SUBSIDIARY

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1. INTRODUCTION

The Board of Directors (the "**Board**") of Jubilee Industries Holdings Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that WE Total Engineering Sdn. Bhd. ("**WETE**"), a wholly-owned subsidiary of the Company has on 14 October 2022 entered into a sale and purchase agreement (the "**SPA**") with Optium Gains International Limited (the "**Purchaser**"), for the disposal by WETE of 600,000 ordinary shares (the "**Sale Shares**") in Honfoong Plastic Industries Pte. Ltd. (the "**Honfoong**"), constituting 30% of the entire issued and paid-up share capital of Honfoong, on the terms and conditions of the SPA (the "**Disposal**").

Following the completion of the Disposal, the WETE will hold 40% of the shareholding interest in Honfoong and Honfoong will still remain an subsidiary of the Company.

The Disposal is considered a "disclosable transaction" of the Company as defined under Chapter 10 of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rule**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

2. INFORMATION RELATING TO THE GROUP AND THE PURCHASER

2.1. Information relating to Honfoong

Honfoong is a private company limited by shares incorporated in Singapore on 26 November 1979. It has an existing issued and paid-up capital of S$2 million and its principal business includes the manufacture and dealer of precision plastic and metal moulds. As of date of this announcement, the WETE owns 70% of the entire paid-up share capital of Honfoong and the remaining 30% are owned by individuals.

2.2. Information relating to the Purchaser

The information on the Purchaser provided below was provided by the Purchaser. The Board has not conducted an independent review or verification of the accuracy of the statements and information below. The Company's responsibility is limited to the proper extraction and reproduction herein in the context that is being disclosed in this announcement.

The Purchaser is a company incorporated in Hong Kong in 2008 and has a strong workforce of 150 employees. The main business of the Purchaser is the production, processing and assembly of computers, mobile phones, as well as other electronic accessories.

3. PRINCIPAL TERMS OF THE DISPOSAL

3.1 Consideration

The aggregate consideration is S$1,500,000.00 in cash (the "**Consideration**") payable to the Company upon the execution of the SPA ("**Upfront Payment**"). The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account the current market condition of the plastic manufacturing industry and the net asset value attributed to the Sale Shares.

3.2 Conditions Precedent

Completion of the SPA is conditional upon the following conditions (the "**Conditions Precedent**") having been satisfied by the Seller or the Purchaser (as the case may be) or waived in writing by the relevant Party on or before the Completion Date:

(a) the Purchaser shall in all respects be reasonably satisfied with the results of its due diligence on the Company;

(b) the execution of a deed of assignment of debt among the Company, the Seller and WE Component Pte. Ltd. ("**WEC**") in relation to the debt owing by the Company to WEC amounting to S$2,212,056;

(c) the Seller shall have delivered to the Purchaser, its confirmation that it has received the Upfront Payment from the Purchaser in full and that any Upfront Payment obligations under this Agreement have been fully discharged by the Purchaser;

(d) there having been no material breach of any of the Warranties set out in the SPA of the relevant Party as at the date of the SPA and on the Completion Date Honfoong having obtained all necessary and relevant approvals for all transactions under the SPA;

(e) the approval from the board of directors, the shareholders of the Seller and the shareholders of the ultimate holding company of the Seller being obtained for the transactions described in this Agreement at a general meeting of such shareholders, if necessary;

(f) the execution and performance of the SPA by the Parties not being prohibited or otherwise adversely affected by any relevant statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority; and

(g) that each of the representations and warranties of each Party under the SPA shall remain true and not misleading in all material respects at the Completion Date and at all times between the date of the SPA and the Completion Date.

The Seller and Purchaser shall take all steps necessary to satisfy the Conditions Precedent promptly and, in any event, no later than the Longstop Date, and a Party shall notify the other party in writing promptly upon becoming aware that any of the Conditions Precedent have been satisfied. If at any time a Party becomes aware of any event, circumstance, fact or condition that would be reasonably likely to prevent any of the Conditions Precedent being satisfied or of any breach of this Agreement, that Party shall forthwith inform the other Party in writing.

For the avoidance of doubt, the Parties further agree that in the event any of the Conditions Precedent are not fulfilled (or waived) by the Longstop Date for any reason, the S$1.5 million, being the Upfront Payment shall be promptly refunded by the Seller to the Purchaser in full without any interest or deductions whatsoever, by way of electronic transfer to the bank account of the Purchaser.

3.3 Completion

The date of completion for the SPA ("**Completion Date**") shall be the second Business Day after the Conditions Precedent are fulfilled, or such other date as mutually agreed between the Parties ("**Completion**"). Without prejudice to any other remedies available to any of the Parties, if any requirements are not complied with by any of the Parties on the Completion Date (unless waived in writing by the relevant Party), the non-defaulting Party may a) defer Completion to a Business Day which is not more than ten (10) Business Days after the Completion Date; or b) where possible, proceed to Completion as far as practicable on the basis that the relevant Party's obligation in respect of the deliverable(s) which may not have been complied with shall be held over to such future dates as may be agreed between the Parties; or c) terminate the SPA without liability on its part, in which event each Party's further rights and obligations cease immediately on termination, but termination does not affect a Party's accrued rights and obligations at the date of termination.

4. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

The relative figures in relation to the Disposal computed on the applicable bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**Catalist Rules**") and based on the Group's latest announced audited consolidated financial statements, are as follows:

Rule 1006(a)	net asset value of the assets to be disposed of, compared with the group's net asset value(1)	(1.74)%
Rule 1006(b)	net loss(2) attributable to the assets acquired or disposed of, compared with the group's net loss	8.07%
Rule 1006(c)	aggregate value of the Consideration compared with the Company's market capitalization(3) of S$9,430,121	15.91%
Rule 1006(d)	number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue	Not applicable
Rule 1006(e)	aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable

Notes:-

(1) Based on the NAV of the Disposal of S$(562,000) and the NAV of the Group of S$32,299,000.

(2) Based on the net loss of S$388,000 attributable to the Disposal and the net loss of S$4,804,000 of the Group.

(3) "**market capitalisation**" is calculated by the number of shares of the Company (excluding treasury shares) multiplied by the volume-weighted average market price of S$0.03 of the Company's shares as at 13 October 2022, being the market day immediately preceding the date of the SPA, the Group's market capitalization calculated based on the total number of issued shares excluding treasury shares is approximately S$ 9,430,121.

Catalist Rule 1007(1) states, inter alia, that if any of the relative figures computed pursuant to Catalist Rule 1006 involves a negative figure, Chapter 10 of the Catalist Rules may still be applicable to the transaction in accordance with the applicable circumstances. Firstly, having

considered paragraph 4.3(c) of Practice Note 10A of the Catalist Rules, none of the absolute relative figures of Catalist Rule 1006(b) and 1006(c) exceeds 50%. In addition, there is a gain of S$600,000 on the Disposal.

Secondly, having considered paragraph 4.4(d) of Practice Note 10A of the Catalist Rules, none of the absolute relative figures of Catalist Rule 1006(a) and 1006(c) exceeds 50%. In addition, there is a gain of S$600,000 on the Disposal.

As the relative figures in Rule 1006(c) exceeds 5% but does not exceed 50%, the Disposal is classified as a disclosable transaction under the Catalist Rules and is not subject to the approval of the shareholders.

5. FINANCIAL EFFECTS OF THE DISPOSAL

For the purposes of illustration only, the following is an analysis and illustration of the proforma financial effects of the Disposal (aggregated with the WEC Disposal) on the net tangible assets per share and earnings per share of the Company based on the latest consolidated financial results for the financial year ending 31 March 2022 ("**FY2022**"). The financial effects set out below are on the following bases and assumptions:

(a) the financial impact on the net tangible assets per share is computed based on the assumption that the Disposal had been effected at the end of FY2022; and

(b) the financial impact on the earnings per share is computed based on the assumption that the Disposal had been effected at the beginning of FY2022.

Net Tangible Assets ("NTA") per share

	Before the Disposal	**After the Disposal**
Consolidated NTA attributable to shareholders of the Company ("**Shareholders**") (S$'000)	33,245	34,745
Weighted Average Number of Shares ('000)	291,835	291,835
NTA per Share (S$ cents)	11.39	11.91

Earnings per share

	Before the Disposal	**After the Disposal**
Loss for the period attributable to equity holders of the Company (S$'000)	4,804	4,804

Weighted average number of issued share ('000)	291,835	291,835
Loss per share (S$ cents)	1.65	1.65

6. RATIONALE FOR THE DISPOSAL AND USE OF PROCEEDS

The Disposal is part of the Group's on-going efforts to rationalise its businesses and will allow the Group to capitalise on growth opportunities, unlock the value of the assets in the Target and re-strategise its financial and capital resources.

To the fullest extent permissible under the laws, the Company intends to return the full amount of the sale proceeds to the shareholders in an effective and cost efficient manner.

7. FURTHER ANNOUNCEMENTS

The Company will make an announcement disclosing further details of the Disposal and will make appropriate update announcement(s) on the Disposal at the relevant time.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this announcement, save for their shareholdings in the Company, none of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the Disposal.

9. SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including any Director who may have been delegated detailed supervision of the preparation of this announcement) have collectively and individually reviewed and approved the issue of this announcement, and have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate in all material aspects and that the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

11. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA is available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at the Company's registered office at 10 Ubi Crescent, Ubi Techpark Lobby E, #03-94/95/96, Singapore 408564 for three (3) months from the date of this announcement.

12. CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution in trading the shares in the Company as there is no certainty or assurance as at the date of this announcement that the Conditions Precedent will be fulfilled.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stock broker, bank managers, solicitors or other professional advisers if they have any doubt the actions they should take.

BY ORDER OF THE BOARD

Dato' Terence Tea Yeok Kian
Executive Chairman and Chief Executive Officer
14 October 2022

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"). The Sponsor has not independently verified the contents of this announcement.

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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