

RESPONSES TO SGX QUERIES

The Board of Directors (the "**Board**") of Jubilee Industries Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the queries raised by the Singapore Exchange Regulation Pte. Ltd. ("**SGX RegCo**") on 3 October 2023, in relation to the Company's announcement on 26 September 2023, entitled "Disclaimer of Opinion by Auditors on the Audited Financial Statements for the Financial Year Ended 31 March 2023" and sets out below its responses as follows:

SGX RegCo's Query:

It was disclosed that the basis for Disclaimer of Opinion is due to the following:

- The financial statements of We Total Engineering Sdn Bhd and its subsidiaries, Honfoong Plastic Industries Pte Ltd and PT Honfoong Plastic Industries ("We Total sub-group") were included in the Group's consolidated financial statements based on unaudited management accounts for the current financial year ended 31 March 2023. The Group's consolidated financial statements include the revenue, expenses, total assets and total liabilities of We Total sub-group amounting to approximately S\$22,407,000, S\$25,140,000, S\$15,200,000, and S\$6,100,000 respectively.
- The auditors were unable to carry out their audit procedures or alternative procedures as auditors of the Company on the financial statements of the We Total sub-group for the purpose of providing an opinion on the Group's consolidated financial statements. Consequently, The auditors were unable to determine what adjustments, if any, may be required to the Group's consolidated financial statements.
 1. Please explain the reasons why the auditors were not able to carry out their audit procedures or alternative procedures as auditors of the Company on the financial statements of the We Total sub-group for the purpose of providing an opinion on the Group's consolidated financial statements.
 2. How will the Company prevent the similar issues from happening going forward?

Company's Response:

1. The Group's Mechanical Business has manufacturing operations in Malaysia and Indonesia managed by its We Total sub-group.

Regular meetings and discussions were held between the Audit Committee, the Management, We Total sub-group and the appointed professionals to expedite the completion of the audit and ensure compliance with the timelines. The AC was provided with weekly progress updates, while the Management proactively followed up with the We Total sub-group.

However, higher than expected turnover occurred within the finance departments of the We Total sub-group during FY2023, including the finance manager role. The handover by exiting employees and subsequent transition to replacement hires caused further delay amidst a lack of resources and the need to reconcile key information.

In addition, further delays were caused by a server failure within the We Total sub-group, which required certain entries to be re-recorded as some information could no longer be retrieved.

Due to these unforeseen circumstances, We Total sub-group was unable to complete the audit based on the timeline set by the Group's Singapore-based Management and Group Auditor.

2. Within the We Total sub-group, enhanced employee support, feedback and communication has been put in place while more competitive compensation benefits have been offered to retain staff within its finance departments.

An external IT consultant was engaged to strengthen the systems and back-ups within the We Total sub-group to prevent loss of data due to server failure in the future.

The AC and the Board continue to closely monitor the effectiveness of the Group's financial reporting system and processes, and will take remedial action, should it be necessary. The AC will also continue to hold weekly reviews with external/internal auditors and management to follow up and fully address any outstanding issues and to ensure compliance with the timelines in the future.

BY ORDER OF THE BOARD

Dato' Terence Tea Yeok Kian
Executive Chairman and Chief Executive Officer

4 October 2023

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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