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

DISPOSAL OF SHARES IN AN INDIRECT SUBSIDIARY – SUPPLEMENTAL ANNOUNCEMENT

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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**") refers to the Company's announcement dated 14 October 2022 and 17 October 2022 ("**Announcements**"), and wishes to announce that Parties, had on 17 August 2023 entered into an addendum (the "**Addendum**"). Upon Completion, Honfoong will cease to be an indirect subsidiary of the Company and will become an indirect associated company of the Company.

The Disposal is considered a "major 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**"). Accordingly, the Disposal will be subject to, amongst others, the approval of the shareholders of the Company (the "**Shareholders**") for the Disposal in due course.

Unless otherwise defined, all capitalised terms used herein shall bear the same meaning as the Announcements.

2. PRINCPAL TERMS OF THE ADDENDUM

2.1 Under the Addendum, the Parties have agreed to amend the SPA as follows:

(a) The Seller shall sell 1,660,125 ordinary shares ("**Revised Sale Shares**"), constituting 37.1% of the entire issued and paid-up share capital of Honfoong for an aggregate consideration of S$1,855,000 ("**Revised Consideration**").

(b) The balance payment of S$355,000 shall be payable upon completion.

(c) The Longstop Date shall be extended to 29 September 2023.

2.2 The Proposed Disposal is expected to result in a gain on disposal of SGD 742,000.

3. VALUE OF HONFOONG

3.1 Pursuant to Rule 1014(5) of the Catalist Rules, the Company must appoint a competent and independent valuer to value the Sale Shares as one of the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules exceeds 75% (see section 5 below).

The Company has commissioned Chay Corporate Advisory Pte. Ltd. (the "**Independent Valuer**") to conduct an independent valuation of the market value of HF as at 31 March 2023 (the "**Business Valuation**"). The Independent Valuer has relied on an asset-based approach

which provides an indication of the value of the subject company by the total fair value of assets less the liabilities.

Based on the preliminary valuation conducted by the Independent Valuer, the fair value of the Company as at 31 March 2023 is SGD 4.4 million (the "**Indicative Valuation**"). The finalised valuation report for the Business Valuation will be issued by the Independent Valuer and included in the circular.

Assuming that the Proposed Disposal was completed on 31 March 2023 and based on the unaudited consolidated financial results for the year ended 31 March 2023, the Proposed Disposal is expected to result in a gain on disposal of SGD 742,000.

4. RATIONALE FOR THE DISPOSAL AND USE OF PROCEEDS

4.1 The rationale for entering into the Addendum is to revise the Consideration and number of Shale Shares to be sold by the Seller, as a result of, *inter alia*, the Seller converting certain loans made to Honfoong into ordinary shares.

4.2 The Company intends to utilise the entirety of the proceeds of the Disposal for general working capital purposes for the aforementioned reasons.

5. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

As a result of the Addendum, the revised relative figures based on the Group's latest announced unaudited consolidated financial statements and the Disposal, 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)	(3.15)%
Rule 1006(b)	net loss(2) attributable to the assets acquired or disposed of, compared with the group's net loss	413.56%
Rule 1006(c)	aggregate value of the Revised Consideration compared with the Company's market capitalization(3) of S$17,794,441	10.42%
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(4)
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(5)

Notes:-

(1) Based on the aggregate net asset value of the Disposal of (SGD 1,068,000) compared to the net asset value of the Group of SGD 33,883,000.

(2) Based on the net loss of SGD 244,000 attributable to the Disposal compared to the net loss of SGD 59,000 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$0.056 of the Company's shares as at 16 August 2023, being the market day immediately preceding

the date of the Addendum, the Group's market capitalization calculated based on the total number of issued shares excluding treasury shares is approximately SGD 17,794,441.

(4) Rule 1006(d) of the Catalist Rules is not applicable as the Proposed Disposal does not involve an issuance of equity securities.

(5) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company.

Under Rule 1014 of the Catalist Rule, if any of the relative figures computed on the bases set out in Rule 1006 exceeds fifty per cent (50%), the transaction is classified as a major transaction that must be made conditional upon approval by Shareholders in general meeting.

As the relative figures for the Disposal as computed on the bases set out in Rule 1006(b) exceed 50%, the Disposal will be classified as a major transaction under Chapter 10 of the Catalist Rule. The Company will seek Shareholders' approval for the major transaction in due course.

6. 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 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 2023 ("**FY2023**"). 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 FY2023; 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 FY2023.

Net Tangible Assets ("NTA") per share

	Before the Disposal	**After the Disposal**
Consolidated NTA attributable to shareholders of the Company ("**Shareholders**") (S$'000)	33,883	35,738
Weighted Average Number of Shares	313,772,279	313,772,279
NTA per Share (S$ cents)	10.80	11.39

Earnings per share

	Before the Disposal	**After the Disposal**

Loss for the period attributable to equity holders of the Company (S$'000)	3,174	2,044
Weighted average number of issued share	313,772,279	313,772,279
Loss per share (S$ cents)	1.01	0.65

7. 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. With the net proceeds, the Group will have more working capital to fund and expand its business and undertake projects and opportunities that may arise in the future, which could in turn increase the Group's revenue. The Company intends to utilise the entirety of the proceeds of the Disposal for general working capital purposes for the aforementioned reasons.

8. EGM AND CIRCULAR

An extraordinary general meeting of the Company ("**EGM**") will be convened in due course to obtain Shareholders' approval for the Disposal.

In compliance with the Catalist Rules, the circular containing, inter alia, further details on the Disposal, the finalised valuation report by the Independent Valuer, and a notice of EGM to be held, will be issued to Shareholders in due course.

9. 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.

10. 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.

11. 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.

12. 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.

13. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Addendum 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.

14. 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
22 August 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:-

Name :Mr Jerry Chua (Registered Professional, Evolve Capital Advisory Private Limited)
Address :138 Robinson Road, Oxley Tower, #13-02, Singapore 068906
Tel :(65) 6241 6626