



JEP HOLDINGS LTD.

(Registration No. 199401749E)

(Incorporated in the Republic of Singapore on 12 March 1994)

INTERESTED PERSON TRANSACTION – PURCHASE ORDER SUBMITTED TO SYNERSYS PTE LTD (“SYNERSYS”)

1. INTRODUCTION

The Board of Directors (the “Board”) of JEP Holdings Ltd. (the “Company”) wishes to announce that its subsidiary, JEP Precision Engineering Pte Ltd (“JEPS”) has on 4 July 2014 submitted a purchase order (the “PO”) to SynerSYS. Pursuant to the PO, SynerSYS will be installing a chemical line, a De-ionized water system, and a scrubber and exhaust system (collectively the “Systems”) at JEPS’ facility (the “Surface Engineering Hub”) located at 8 Buroh Street, #01-16 Singapore 627563 (the “Transaction”).

The Company holds 85% of JEPS which is involved in precision engineering works for parts used mainly in the aerospace, oil and gas industries, and other general engineering and machinery works.

SynerSYS is 51% owned by Mr Chan Wai Leong, who is a Director of the Company as well as the Chief Executive Officer of a substantial shareholder of the Company, Ellipsiz Ltd (which holds a direct interest of 18.88% in the Company). Accordingly, this Transaction would constitute an Interested Person Transaction (the “IPT”) under Chapter 9 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rule of Catalyst (the “Catalist Rules”).

2. INTERESTED PERSON TRANSACTION

The consideration paid to SynerSYS in return for its services is SGD903,020.00 (the “Consideration”). The value of the Transaction to the Company, being the Company’s effective interest in the Transaction (based on the equity interest of the Company in JEPS), amounts to SGD767,567.00 (the “**Transaction Value**”), representing approximately 3.81% of the latest audited net tangible assets (the “NTA”) of the Company and its subsidiaries (collectively, the “Group”).

Accordingly, the IPT will not require the approval of the shareholders of the Company as the Transaction Value is less than 5% of the NTA of the Group.

3. DETAILS OF THE IPT

To set up a secondary chemical process to facilitate the manufacturing activities of and to increase the range of engineering services provided by JEPS, which includes the setting up of the Systems at the Surface Engineering Hub.

The terms of payment comprise (i) a down payment of 30% of the Consideration upon confirmation of the order, and (ii) payment of the balance 70% of the Consideration upon complete delivery of SynerSYS’ services. The Consideration was arrived at on an arm’s length basis between the Company and SynerSYS.

4. RATIONALE FOR THE IPT

The job was awarded to Synergys on the basis of its ability to provide efficient services in respect of the installation and management of the Systems; and in the interests of overall cost savings, as Synergys is able to provide competitive rates to the Group.

5. AUDIT COMMITTEE'S STATEMENT

The Audit Committee and the Board of Directors are of the view that the IPT is entered into on an arm's length basis on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

6. OTHER IPTS

Saved for the IPT disclosed in this announcement, there are no other interested person transactions with Mr Chan Wai Leong and his associates for the financial year ending 31 December 2014 to date. There are also no interested person transactions with other interested persons of the Company for the financial year ending 31 December 2014 to date.

7. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Saved as disclosed above, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the IPT.

By Order of the Board

Joe Lau
Executive Chairman and Chief Executive Officer

For and on behalf of
Board of Directors of
JEP Holdings Ltd.

Date: 4 July 2014

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services 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. 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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