

JUBILEE INDUSTRIES HOLDINGS LTD.

(Company Registration No. 200904797H)

(Incorporated in the Republic of Singapore)

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- (1) **PROPOSED PLACEMENT OF AN AGGREGATE OF 30,000,000 ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (“PLACEMENT SHARES”) AT THE ISSUE PRICE OF S\$0.05 PER SHARE; AND**
- (2) **PROPOSED ISSUE OF AN AGGREGATE OF 30,000,000 NON-LISTED, TRANSFERABLE WARRANTS CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) SHARE EACH IN THE CAPITAL OF THE COMPANY AT THE EXERCISE PRICE OF S\$0.05 PER WARRANT, ON THE BASIS OF ONE (1) WARRANT FOR ONE (1) PLACEMENT SHARE.**

(COLLECTIVELY, THE “PROPOSED PLACEMENT”)

1. INTRODUCTION

- 1.1 The board of directors (the **“Board”**) of the Company (and together with the Company’s subsidiaries, the **“Group”**) wishes to announce that the Company had on 24 July 2021 entered into conditional placement letters (the **“Placement Letters”**) with the Placees (as defined below) to purchase or subscribe for 30,000,000 ordinary shares in the capital of the Company (**“Placement Shares”**) at an issue price of S\$0.05 (**“Placement Price”**) upon the terms and subject to the conditions set out in the Placement Letters. Assuming that the Placement Shares are fully placed out, the aggregate issue price for the aggregate Placement Shares will be approximately S\$1,500,000.
- 1.2 Pursuant to the Placement Letters, the Company will allot and issue to the following persons (collectively, the **“Placees”** and each a **“Placee”**) the number of Placement Shares set out against their respective names as below:

S/N	Name of Placee ⁽¹⁾	Number of Placement Shares	Aggregate Placement Price (\$)	As a percentage of the Company's issued share capital as at the date of this Announcement (%) ⁽²⁾	As a percentage of the Company's issued share capital after Placement Shares & Introducer Shares (%) ⁽³⁾	As a percentage of the Company's issued share capital after Placement Shares, Introducer Shares & Warrant Shares (%) ⁽⁴⁾
1.	Levin Lee Keng Weng	2,000,000	100,000	0.8	0.7	0.6
2.	Koh Leena Maria	4,000,000	200,000	1.6	1.4	1.3
3.	Ng Eng Tiong	2,000,000	100,000	0.8	0.7	0.6
4.	Ng Chuen Guan	14,000,000	700,000	5.5	5.0	4.5
5.	Chew Leok Chuan	2,000,000	100,000	0.8	0.7	0.6
6.	Ong Eric	4,000,000	200,000	1.6	1.4	1.3
7.	Lee Bee Seng	2,000,000	100,000	0.8	0.7	0.6

Notes:

- (1) Please refer to Section 2 of this Announcement for further information on the Placees.
 - (2) Based on the existing and paid-up capital of 253,437,373 ordinary shares (excluding 3,420,500 treasury shares) as at the date of this Announcement.
 - (3) Based on the enlarged share capital of 284,337,373 ordinary shares (excluding 3,420,500 treasury shares) immediately following the allotment and issuance of 30,000,000 Placement Shares and 900,000 Introducer Shares but before the allotment and issuance of any Warrant Shares (as defined below).
 - (4) Based on the enlarged share capital of 314,337,373 ordinary shares (excluding 3,420,500 treasury shares) immediately following the allotment and issuance of 30,000,000 Placement Shares and 900,000 Introducer Shares and assuming that all Warrants have been fully exercised into 30,000,000 Warrant Shares.
- 1.3 The Placement Price represents a discount of approximately 5.66% over the volume weighted average price of S\$0.053 for trades done on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the full market day on 19 July 2021 (being the last full market day on which the Shares were traded prior to the day on which the Placement Letters were signed).
 - 1.4 In addition, the Company has agreed to constitute 30,000,000 non-listed, transferable warrants (the “**Warrants**”) to the Placees, on the basis of one (1) Warrant for every one (1) Placement Shares subscribed by the Placees. Each Warrant carries the right to subscribe for one (1) Share at the exercise price of S\$0.05 (the “**Exercise Price**”). The Warrants are exercisable at the Exercise Price into new ordinary shares in the capital of the Company (the “**Warrant Shares**”).
 - 1.5 The Exercise Price of S\$0.05 for the Warrants represents a discount of approximately 5.66% to the volume weighted average price of S\$0.053 for trades done on the SGX-ST for the full market day on 19 July 2021 (being the last full market day on which the ordinary shares in the capital of the Company (“**Shares**”) were traded prior to the day on which the Placement Letters were signed).
 - 1.6 The Placement Shares and Warrant Shares, when allotted and issued, will rank in all respects *pari passu* with the existing issued Shares and be free from all pre-emption rights, charges, liens and other encumbrances and with all rights and benefits attaching thereto save that they will not rank for any dividend, rights, allotments or other distributions, the Record Date (as defined below) of which falls on or before the completion of the Proposed Placement. “**Record Date**” means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.
 - 1.7 The offer of the Placement Shares and Warrants is made pursuant to the exemption under Section 272B of the Securities and Futures Act (Cap. 289) of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement.
 - 1.8 No placement agent was appointed in connection with the Proposed Placement.

2. THE PLACEES

- 2.1 The Placees were introduced to the Company through the Introducer (defined below). The Placees are individuals who are private investors identified through the network and contact of the Introducer and have expressed interest to invest in the Company for personal investment purposes. None of the Placees is an investment company or fund, nor will they

be holding the Placement Shares in trust or as a nominee. The rationale for placing to the Placees is for the fundraising purposes as set out in Section 6 below. As at the date of this Announcement, the Placees do not hold any Shares or warrants in the Company.

2.2 The Placees have confirmed that:

- (a) they have no existing connection (including business relationships) with the Company, its Directors and substantial shareholders, and are not persons to whom the Company is prohibited from issuing shares to, as provided under Rule 812 of the SGX-ST Listing Manual Section B: Rules of Catalist (the **"Catalist Rules"**); and
- (b) they are not acting in concert (as contemplated in the Singapore Code of Takeovers and Mergers) with any party in the acquisition of the Placement Shares.

3. THE INTRODUCER

- 3.1 The Placees were introduced to the Company by Lye Won Fui, who is an unrelated third party (the **"Introducer"**). In consideration of the administrative services provided by the Introducer to introduce the Placees to the Company, the Company has agreed to pay to the Introducer, an introduction fee of 3.0% per Placement Share for which the Introducer has procured successful subscription (**"Introducer Fee"**). The Introducer Fee was mutually agreed upon between the Company and the Introducer on commercial terms, and no part of the Introducer Fee will be shared with the Placees.
- 3.2 The Introducer Fee shall be fully satisfied by the issuance and delivery of up to 900,000 Shares of the Company at the Placement Price (**"Introducer Shares"**), assuming that all Placement Shares are placed out, subject to the terms and conditions of the Introducer Agreement.
- 3.3 The Introducer Shares when allotted and issued, will rank in all respects *pari passu* with the existing issued Shares and be free from all pre-emption rights, charges, liens and other encumbrances and with all rights and benefits attaching thereto save that they will not rank for any dividend, rights, allotments or other distributions, the Record Date of which falls on or before such date of issue of the Introducer Shares.
- 3.4 The Introducer does not hold any Shares in the Company as at the date of this Announcement.
- 3.5 The Introducer has confirmed that:
 - (a) he has no connections (including business relationships) with the Company, its Directors and substantial shareholders and is not a person to whom the Company is prohibited from issuing shares to, as provided by Rule 812 of the Catalist Rules; and
 - (b) he is not acting in concert (as contemplated in the Singapore Code of Takeovers and Mergers) with any party in the receipt of the Introducer Shares.

4. SALIENT TERMS OF THE PLACEMENT LETTERS

4.1 Conditions Precedent

The completion of the Proposed Placement is conditional upon the following conditions (**"Conditions Precedent"**), *inter alia*:

- (a) the approval (the "**Listing Approval**") granted by the SGX-ST for the listing of and quotation for the Placement Shares, the Introducer Shares and the Warrant Shares on the SGX-ST pursuant to the additional listing application to be submitted by the Company to the SGX-ST for the same, and where such Listing Approval is subject to conditions, (i) such conditions being reasonably acceptable to the Placees, the Introducer and the Company and (ii) if such conditions are required to be fulfilled on or before the completion of the Proposed Placement, such conditions having been fulfilled on or before such date, and such Listing Approval remaining in full force and effect as of completion;
 - (b) the general share issue mandate pursuant to section 161 of the Companies Act and Rule 806 of the Catalist Rules of the SGX-ST from the shareholders of the Company being in force, available and sufficient for the allotment and issue of such number of the Placement Shares, the Introducer Shares and the Warrant Shares;
 - (c) the transactions contemplated in the Placement Letters not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Letters by any legislative, executive or regulatory body or authority of Singapore or elsewhere which is applicable to the Company; and
 - (d) the representations, warranties and undertakings by each of the Company and the Placees remaining true and correct in all material respects and each of them having performed all of its obligations thereunder to be performed on or before completion.
- 4.2 Subject to the provisions of the relevant Placement Letters (including the Conditions Precedent), Completion shall take place on the date falling three (3) Business Days after all Conditions Precedent have been satisfied or waived (as the case may be) (or such other date as the relevant parties may agree in writing).
- 4.3 The Company will be submitting an application, through its Sponsor, RHT Capital Pte. Ltd. to the SGX-ST to obtain the Listing Approval for the listing and quotation notice in respect of the Placement Shares, the Warrant Shares and the Introducer Shares on the Catalist of the SGX-ST from SGX-ST. The Company will make the necessary announcement once the Listing Approval has been obtained from the SGX-ST.

5. WARRANTS ISSUE

- 5.1 The issue of the Warrants to each of the Placees is subject to and in accordance with the following terms, *inter alia*, set out in the deed poll to be executed by the Company for the purposes of constituting the Warrants:
- (a) **Exercise Period.** The Warrants are exercisable within one year from the date of the issue of the Warrants unless such date is a date on which the Register of Members is closed or is not a Market Day, in which event the Warrants shall expire on the date prior to the closure of the Register of Members or the immediately preceding Market Day, as the case may be (but excluding such period(s) during which the Register of Warrantholders may be closed) (the "**Expiration Date**").
 - (b) **Adjustments.** The Exercise Price and the number of Warrants would be subject to adjustment in the event of, *inter alia*, rights, bonus or other capitalisation issues. Any such adjustments shall (unless otherwise provided under the Catalist Rules) be announced by the Company.

- (c) **Transferability.** The Warrants shall be transferable.
- (d) **Expiry.** The expiry of the Warrants will be announced by the Company, and the notice of the Expiration Date will be sent to the relevant Placee at least one (1) month before the Expiration Date.
- (e) **Alterations.** Any material alteration to the terms of the Warrants to the advantage of the relevant Placee shall be approved by the Shareholders in a general meeting.

6. USE OF PROCEEDS AND RATIONALE

- 6.1 The Company is proposing to undertake the Proposed Placement to strengthen its general working capital base for its two business segments, namely the Mechanical Business Unit and the Electronics Business Unit, given that, whilst the current working capital position of the Group is sufficient for present purposes, the increase in the general working capital base will allow the Group to capitalise on growth opportunities in its existing businesses in order to undertake projects and/or transactions, which could in turn, increase the Group's revenue.
- 6.2 Based on the Placement Price, the estimated amount of proceeds from the allotment and issue of the Placement Shares, net of the estimated expenses of approximately S\$40,000, is approximately S\$1,460,000 (the "**Placement Proceeds**"). Assuming the Warrants are fully exercised into Warrant Shares, the estimated amount of additional proceeds that may be raised, net of the estimated expenses of approximately S\$20,000, is approximately S\$1,480,000 (the "**Warrant Proceeds**", and together with the Placement Proceeds, the "**Net Proceeds**").
- 6.3 The Company intends to utilise the entirety of the Net Proceeds for general working capital purposes as stated in paragraph 6.1 above.
- 6.4 The Company will make periodic announcement(s) as to the use of the proceeds from the Proposed Placement as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the proceeds raised from the Proposed Placement in the Company's interim and full-year financial statements issued under Rule 705 of the Catalist Rules and the Company's annual report. Where the proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcements and status report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.
- 6.5 Pending the deployment of the proceeds from the Proposed Placement, such proceeds may be placed as deposits with financial institutions or invested in short term money markets or debt instruments or for any other purposes on a short-term basis as the directors of the Board (the "**Directors**") may deem fit, from time to time.

7. GENERAL MANDATE FOR THE ISSUE OF THE PLACEMENT SHARES, WARRANT SHARES AND INTRODUCER SHARES

- 7.1 It is intended that the Placement Shares and Warrant Shares to be issued to the Placees as well as the Introducer Shares to be issued to the Introducer, will be issued pursuant to the

share issue mandate (the “**Share Issue Mandate**”) that was approved by shareholders of the Company (the “**Shareholders**”) at the annual general meeting of the Company convened on 26 November 2020 (the “**2020 AGM**”) or, if the Proposed Placement is not completed prior to the expiry of the Share Issue Mandate approved at the 2020 AGM, it is intended that the Placement Shares, Introducer Shares and Warrant Shares will be issued pursuant to the Share Issue Mandate to be approved by shareholders of the Company at the upcoming annual general meeting of the Company to be convened on 30 July 2021 (the “**2021 AGM**”). As mentioned above, it is a Condition Precedent that a Share Issue Mandate would be in force, available and sufficient for the allotment and issue of the relevant Shares. Pursuant to the Share Issue Mandate, the Directors have the authority to, amongst others, allot and issue Shares whether by way of bonus issue, rights issue or otherwise and/or make or grant offers, agreements or options (collectively, the “**Instruments**”) that might or would require Shares to be issued, provided that the aggregate number of Shares (including Shares to be issued pursuant to the Instruments) and Instruments shall not exceed 100.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the annual general meeting (“**AGM**”), of which the aggregate number of Shares and Instruments to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed 50.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM.

- 7.2 The Placement Shares, when allotted and issued in full, will consist of 30,000,000 Shares and will represent (i) approximately 11.84% of the Company’s existing and paid-up capital of 253,437,373 Shares (excluding 3,420,500 treasury shares) as at the date of this Announcement, (ii) approximately 10.55% of the enlarged issued and paid-up share capital of 284,337,373 Shares (excluding 3,420,500 treasury shares) upon completion of the Proposed Placement (assuming that no further Shares are issued on or prior to the completion of the Proposed Placement) and upon issuance of the Introducer Shares in full, and (iii) 9.54% of the enlarged issued and paid-up share capital of 314,337,373 Shares (excluding 3,420,500 treasury shares) upon completion of the Proposed Placement (assuming that no further Shares are issued on or prior to the completion of the Proposed Placement), upon issuance of the Introducer Shares in full and assuming all Warrants have been exercised in full.
- 7.3 The Introducer Shares, when allotted and issued in full, will consist of 900,000 Shares and will represent (i) approximately 0.36% of the Company’s existing and paid-up capital of 253,437,373 Shares (excluding 3,420,500 treasury shares) as at the date of this Announcement, (ii) approximately 0.32% of the enlarged issued and paid-up share capital of 284,337,373 Shares (excluding 3,420,500 treasury shares) upon completion of the Proposed Placement (assuming that no further Shares are issued on or prior to completion of the Proposed Placement) and upon issuance of the Introducer Shares in full, and (iii) approximately 0.29% of the enlarged issued and paid-up share capital of 314,337,373 Shares (excluding 3,420,500 treasury shares) upon completion of the Proposed Placement (assuming that no further Shares are issued on or prior to the completion of the Proposed Placement) and upon issuance of the Introducer Shares in full and assuming all Warrants have been exercised in full.
- 7.4 The Warrant Shares, when allotted and issued in full, will consist of 30,000,000 Shares and will represent (i) approximately 11.84% of the Company’s existing and paid-up capital of 253,437,373 Shares (excluding 3,420,500 treasury shares) as at the date of this Announcement, (ii) approximately 10.55% of the enlarged issued and paid-up share capital of 284,337,373 Shares (excluding 3,420,500 treasury shares) upon completion of the Proposed Placement (assuming that no further Shares are issued on or prior to the completion of the Proposed Placement) and upon issuance of the Introducer Shares in full,

and (iii) approximately 9.54% of the enlarged issued and paid-up share capital of 314,337,373 Shares (excluding 3,420,500 treasury shares) upon completion of the Proposed Placement (assuming that no further Shares are issued on or prior to the completion of the Proposed Placement), upon issuance of the Introducer Shares in full and assuming that all Warrants have been exercised in full.

- 7.5 The Placement Shares, Introducer Shares and Warrant Shares, when allotted and issued in full, will consist of 60,900,000 Shares representing (i) approximately 24.03% of the Company's existing and paid-up capital of 253,437,373 Shares (excluding 3,420,500 treasury shares) as at the date of this Announcement, (ii) approximately 21.42% of the enlarged issued and paid-up share capital of 284,337,373 Shares (excluding 3,420,500 treasury shares) upon completion of the Proposed Placement (assuming that no further Shares are issued on or prior to the completion of the Proposed Placement) and upon issuance of the Introducer Shares in full, and (iii) approximately 19.37% of the enlarged issued and paid-up share capital of 314,337,373 Shares (excluding 3,420,500 treasury shares) upon completion of the Proposed Placement (assuming that no further Shares are issued on or prior to the completion of the Proposed Placement), upon issuance of the Introducer Shares in full and assuming that all Warrants have been exercised in full.
- 7.6 As at the date of the 2020 AGM, the Company had an issued share capital of 253,437,373 Shares (excluding 3,420,500 treasury shares). As at the date of this Announcement, no Shares had been issued pursuant to the Share Issue Mandate approved at the 2020 AGM. Assuming that no further Shares would be issued until the 2021 AGM, the issued share capital of the Company on the date of the 2021 AGM would also be 253,437,373 Shares (excluding 3,420,500 treasury shares). Accordingly, 253,437,373 Shares may be issued pursuant to the Share Issue Mandate, of which the maximum number of Shares that can be issued other than on a pro rata basis is 126,718,687 Shares. Therefore, the 60,900,000 Placement Shares and Warrant Shares that may be issued to the Placees and the Introducer Shares that may be issued to the Introducer pursuant to the Proposed Placement falls within the limits of the Share Issue Mandate.

8. FINANCIAL EFFECTS

- 8.1 As at the date of this Announcement, the issued and paid up capital of the Company (excluding treasury shares) is S\$74,429,413 divided into 253,437,373 Shares (excluding 3,420,500 treasury shares). When allotted and issued in full, the placement of the Placement Shares and the Introducer Shares will increase the existing issued and paid-up share capital of the Company by approximately S\$1,545,000 to S\$75,974,413 divided into 284,337,373 Shares (excluding treasury shares). Upon the full exercise of the Warrants into Warrant Shares, the existing issued and paid-up share capital of the Company will increase by another approximately S\$1,500,000 to S\$77,474,413, divided into 314,337,373 Shares.
- 8.2 The financial effects of the Proposed Placement on the net tangible assets ("**NTA**") per Share and the earnings per Share ("**EPS**") are prepared for illustrative purposes only and do not purport to reflect the actual future results and financial position of the Group following completion of the Proposed Placement. The financial effects have been computed based on the following bases and assumptions:

- (a) the audited financial statements of the Group for the financial year ended 31 March 2021 ("**FY2021**");

- (b) the effect of the allotment and issuance of Placement Shares, allotment and issuance of the Introducer Shares in full, and the full exercise of the Warrants into Warrant Shares on the NTA per Share is computed based on the assumption that the allotment and issuance of Placement Shares, allotment and issuance of the Introducer Shares in full, and the full exercise of the Warrants into Warrant Shares was completed on 31 March 2021; and
- (c) the effect of the allotment and issuance of Placement Shares, allotment and issuance of Introducer Shares in full, and the full exercise of the Warrants into Warrant Shares on the EPS per Share is computed based on the assumption that the Proposed Placement was completed on 1 April 2020.

8.3 The EPS and the NTA per Share based on the unaudited financial statements accounts of the Group for FY2021 are computed as follows:

	Before the Proposed Placement	After allotment and issue of Placement Shares and Introducer Shares in full	After allotment and issuance of Placement Shares, Introducer Shares and Warrant Shares
Profit/(loss) (S\$'000)	(1,769)	(1,874)	(1,874)
EPS (cents)	(0.70)	(0.66)	(0.60)
Number of Shares for calculating LPS	253,437,373	284,337,373	314,337,373
NTA (S\$'000)	34,492	37,432	37,432
NTA per Share (S\$)	13.61	13.16	11.91
Number of Shares for calculating NTA per Share	253,437,373	284,337,373	314,337,373

9. DIRECTORS' OPINION

The Directors are of the opinion that, after taking into consideration:

- (a) the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements; and
- (b) the present bank facilities and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the above, the Company has decided to undertake the Proposed Placement to strengthen the Group's financial position and flexibility to capitalise on growth opportunities in existing business. The Proposed Placement will result in an injection of funds into the Company for additional working capital of the Group which would entail expansions of existing core business.

10. DIRECTORS' INTERESTS

None of the Directors of the Company have any interest, direct or indirect in the Proposed Placement. None of the Directors have any connection (including business relationship) with any of the Placees, the Introducer, its directors and/or substantial shareholders.

11. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution in trading their Shares. The Proposed Placement is subject to certain conditions. There is no certainty or assurance as at the date of this Announcement that the Proposed Placement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Placement Letters and the agreement with the Introducer are available for inspection at the registered office of the Company at 10 Ubi Crescent #03-94-96 Ubi Techpark Singapore 408564 for a period of three (3) months from the date of this Announcement.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Proposed Placement, 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 the 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 the announcement in its proper form and context.

BY ORDER OF THE BOARD

**Terence Tea Yeok Kian
Executive Chairman and Chief Executive Officer**

24 July 2021

*This Announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("**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.

The contact person for the Sponsor is Mr Shervyn Essex - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com