

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

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**RESPONSES TO QUESTIONS FROM SHAREHOLDERS IN RELATION TO THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY TO BE HELD ON 6 SEPTEMBER 2023**

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The board of directors (the “**Board**” or “**Directors**”) of Jubilee Industries Holdings Ltd. (the “**Company**” or “**Jubilee**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s Circular to Shareholders in relation to the Proposed Disposal of 37.1% of the Issued and Paid Up Share Capital of Honfoong Plastic Industries Pte. Ltd. as a Major Transaction under Chapter 10 of the Catalist Rules (“**Circular**”) and the Notice of Extraordinary General Meeting (“**EGM**”) dated 22 August 2023 in relation to the EGM to be convened and held at 10 Ubi Crescent, #02-07 Ubi Techpark Lobby A, Singapore 408564 on Wednesday, 6 September 2023 at 10.00 a.m., both of which were issued by the Company on 22 August 2023.

*Unless otherwise defined, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the Circular.*

As at the stipulated deadline for submission of questions (being 11.59 p.m. on 30 August 2023), the Company has received the following substantial and relevant questions from its shareholders, and the Board wishes to provide the Company’s responses to these questions as set out below.

**Question 1:**

With reference to page 17 of circular: "In summary and as detailed in the Valuation Report, based on the asset-based approach, the Company is in aggregated net assets of SGD 4.4 million, having recognised a fair value gain of SGD 5.5 million with respect to the leasehold properties held by P.T. Honfoong Plastic Industries." Please detail the exact address and specifications (number of floors, size, leasehold expiry date etc) of the leasehold properties held by P.T. Honfoong Plastic Industries.

**Company’s response:**

The leasehold properties held by P.T. Honfoong Plastic Industries are detailed below:

	Address	No. of floors	Size (m <sup>2</sup> )	Leasehold Expiry
Lot 232	Jl. Gaharu Lot 232 Batamindo Industrial Park Mukakuning, Batam	2 (full)	4,911	17 Dec 2039
Lot 233	Jl. Gaharu Lot 233 Batamindo Industrial Park Mukakuning, Batam	2 (Mezzanine)	5,546	17 Dec 2039
Lot 247	Jl. Kenanga Lot 247 Batamindo Industrial Park Mukakuning, Batam	2 (Mezzanine)	756	17 Dec 2039

**Question 2:**

The initial announcement on 14 October 2022 stated that: " 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." The EGM circular however stated that: "As of date of this announcement, the WETE owns 77.1% of the entire paid-up share capital of Honfoong and the remaining 22.9% are owned by individuals." Did the company acquire more shares of Honfoong during the period from 14 Oct 2022 to 22 Aug 2023? Why did it do so? Why and how did the percentage shareholding of the company in Honfoong increase from 70% to 77.1%? Please explain.

Company's response:

The Company did not acquire more shares of Honfoong. The changes to WETE's percentage shareholding in Honfoong, the number of Sale Shares to be sold by the Seller and the Revised Consideration are a result of the Seller converting certain loans made to Honfoong into ordinary shares.

**Question 3:**

Why did the company not sell all its stake in Honfoong? Why did the company still retain a 40% stake in Honfoong? Please elaborate.

Company's response:

The purchaser sought to acquire part of WETE's stake in Honfoong while the Company saw value in retaining a stake in Honfoong to capture potential long-term gains following the completion of the Disposal. Through synergies with the Purchaser, Honfoong is expected to benefit from access to new customers, deeper expertise and stronger financial resources.

Upon Completion, the Company will closely monitor and review the performance of its indirect associated company and make further announcements to update its shareholders when there are material updates as may be necessary or appropriate.

**Question 4:**

Did the buyer approach the company to acquire our entire stake in Honfoong? If so, why did we not sell our entire stake in Honfoong to the buyer? Please elaborate.

Company's response:

Please see the Company's response to Question 3

**Question 5:**

What does the company intend to do with its remaining 40% stake in Honfoong? Please elaborate.

Company's response:

Please see the Company's response to Question 3

**Question 6:**

The announcement on 17 October 2022 (see attached) stated that: " Pursuant to a consultancy agreement entered into between the Company and One World Business Advisory Pte Ltd ("Consultant") dated 1 April 2022 ("Consultancy Agreement"), a consultancy fee of 3% of the Consideration shall be paid in cash to the Consultant for the introduction of the investment and facilitation of discussion in relation to the Disposal." Has the consultancy fee been paid to the consultant already? Given the variation in the quantum and percentage stake of the sale, will and should the company still be paying a 3% consultancy fee to the consultant?

Company's response:

The consultancy fee was paid pursuant to the Consultancy Agreement upon receipt of the sum of S\$1,500,000 ("Upfront Payment") which the Company received upon the execution of the SPA.

Upon completion of the Proposed Disposal subject to Shareholders' approval, the balance payment of S\$355,000 shall be paid to the Company following which further payment will be made to the Consultant pursuant to the Consultancy Agreement.

The consultancy fee of 3% of the Revised Consideration of S\$1,855,000 is in line with the Consultancy Agreement.

**Question 7:**

Patient, long-suffering shareholders have not been paid dividends for years. The company has committed to payout the proceeds of its recent disposals such as that of EG shares, WE Components to shareholders. This is a nice gesture and very much appreciated. Please provide the latest updates on the progress of the capital reduction exercise to reward long-suffering shareholders. When will the Capital reduction EGM be held? When will shareholders receive the proceeds of the disposals? And what is the quantum of distribution expected?

Company's response:

The Company intends to utilise the proceeds of the Proposed Disposal to the fullest extent permissible under the laws. The Company intends to return a portion of the sale proceeds to the shareholders in an effective and cost-efficient manner.

The Board of Directors will carefully consider the recommendation for distributions based on the Company's retained earnings, financial position, capital expenditure requirements, future expansion, investment plans and other relevant factors.

The Company will make further announcements to update its shareholders when there are material updates as may be necessary or appropriate, including the need to seek shareholders' approval for other resolutions in the future.

**Question 8:**

The company's financial year end is March 2023. According to the law, the AGM should be held by the end of July 2023. When will the company publish its AR and hold its AGM?

Company's response:

In consultation with the Company's appointed professionals, the timeline for the publication of its annual report, and its Annual General Meeting is in the midst of revision. The Company will make further announcements to update its shareholders on the new timeline.

**Question 9:**

With reference to page 6 of the circular: " the Company intends to return the such amount of the sale proceeds to the shareholders in an effective and cost efficient manner." From this disposal of the company stake in Hoonfoong shares, how much distributions can shareholders expect to receive? What is the expected quantum of the distributions?

Company's response:

Please see the Company's response to Question 7

**Question 10:**

With reference to page 6 of the circular: " the Company intends to return the such amount of the sale proceeds to the shareholders in an effective and cost efficient manner." When will the proceeds from the disposal of Honfoong shares be paid to (long-suffering) shareholders who have not received any dividends for many years and counting?

Company's response:

Please see the Company's response to Question 7

**BY ORDER OF THE BOARD**

Dato' Terence Tea Yeok Kian  
Executive Chairman and Chief Executive Officer  
31 August 2023

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*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