JUBILEE INDUSTRIES HOLDINGS LTD.
Company Registration Number: 200904797H

UNAUDITED HALF YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2014

*This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**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.

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PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group (Unaudited)		
	Six months ended		Increase/
	30/06/2014 S$'000	30/06/2013 S$'000	(Decrease) %
Revenue	11,649	15,319	(24.0)
Cost of sales	(12,583)	(13,726)	(8.3)
Gross (loss)/profit	(934)	1,593	(158.6)
Other income	470	409	14.9
Other gains/(losses), net	203	(339)	NM
Expenses:			
- Selling and distribution	(214)	(391)	(45.3)
- Administrative	(2,238)	(1,976)	13.3
- Other operating	-	(28)	NM
- Finance	(82)	(89)	(7.9)
Loss before income tax	(2,795)	(821)	240.4
Income tax expenses	2	(184)	NM
Net loss attributable to equity holders of the Company	(2,793)	(1,005)	177.9
Other comprehensive (loss)/income, net of tax:			
Currency translation differences arising from consolidation	(810)	1,150	NM
Total comprehensive (loss)/income attributable to equity holders of the Company	(3,603)	145	NM

NM: Not Meaningful

1(a)(ii) Notes to statement of comprehensive income

The Group's profit before income tax is arrived at after charging/ (crediting):

	Group (Unaudited)		
	Six months ended		Increase/
	30/06/2014 S$'000	30/06/2013 S$'000	(Decrease) %
Depreciation of property, plant and equipment	1,230	1,625	(24.3)
Amortisation of intangible assets	45	41	9.8
Loss on disposal of property, plant and equipment	100	62	61.3
Foreign exchange (gains)/losses, net	(301)	277	NM
Interest income	(195)	(99)	97.0
Sale of scrap and other materials	(194)	(218)	(11.0)
Interest on borrowings	82	89	(7.9)

NM: Not Meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	(Unaudited) 30/06/2014 S$'000	(Audited) 31/12/2013 S$'000	(Unaudited) 30/06/2014 S$'000	(Audited) 31/12/2013 S$'000
ASSETS				
Current assets				
Cash and cash equivalents	19,028	33,730	12,181	13,149
Financial assets, at fair value through profit or loss	50	49	-	-
Trade and other receivables	8,516	6,384	11,225	2,722
Inventories	3,394	3,525	-	-
Other current assets	363	438	102	81
	31,351	44,126	23,508	15,952
Non-current assets classified as held-for-sale	-	592	-	-
	31,351	44,718	23,508	15,952
Non-current assets				
Investments in subsidiaries	-	-	23,236	23,236
Investment properties	2,004	2,370	-	-
Property, plant and equipment	5,231	6,466	1	2
Intangible assets	399	270	130	147
	7,634	9,106	23,367	23,385
Total Assets	38,985	53,824	46,875	39,337
LIABILITIES				
Current liabilities				
Trade and other payables	6,383	9,246	369	694
Borrowings	756	8,941	-	-
	7,139	18,187	369	694
Non-current liabilities				
Borrowings	648	813	-	-
Total liabilities	7,787	19,000	369	694
NET ASSETS	**31,198**	**34,824**	**46,506**	**38,643**
EQUITY				
Capital and Reserves attributable to Equity Holders of the Company				
Share capital	42,818	42,818	42,818	42,818
(Accumulated losses)/ Retained profits	(12,726)	(8,609)	3,830	(4,033)
Statutory reserves	2,235	934	-	-
Capital reserves	(142)	(142)	(142)	(142)
Currency translation reserves	(987)	(177)	-	-
Total equity	**31,198**	**34,824**	**46,506**	**38,643**

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30/06/2014 (Unaudited)		As at 31/12/2013 (Audited)	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
756	-	8,941	-

Amount repayable after one year

As at 30/06/2014 (Unaudited)		As at 31/12/2013 (Audited)	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
648	-	813	-

Details of any collateral

Bank borrowings are secured by corporate guarantees of the Company, and finance lease liabilities are secured by the rights to the leased machineries and motor vehicles which will revert to the lessor in the event of default by the Group.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group (Unaudited) Six months ended	
	30/06/2014 S$'000	**30/06/2013 S$'000**
Cash flows from operating activities		
Net loss	(2,793)	(1,005)
Adjustments for:		
- Income tax expenses	(2)	185
- Amortisation and depreciation	1,275	1,666
- Loss on disposal of property, plant and equipment	100	62
- Interest income	(195)	(99)
- Interest expense	82	89
- Unrealised currency translation (gain)/loss	(728)	668
	(2,261)	1,566
Changes in working capital:		
- Trade and other receivables	(2,132)	695
- Inventories	131	(463)
- Other current assets	74	(456)
- Trade and other payables	(2,885)	(1,523)
Cash used in operations	(7,073)	(181)
- Interest received	195	99
- Income tax paid	2	(87)
Net cash used in operating activities	(6,876)	(169)
Cash flows from investing activities		
Additions to property, plant and equipment	(115)	(2,779)
Proceeds from disposal of property, plant and equipment	888	112
Additions to intangible assets	(177)	(252)
Net cash generated from/(used in) investing activities	596	(2,919)
Cash flows from financing activities		
Proceeds from issuance of share capital	-	3,180
Ordinary shares issue expenses	-	(29)
Proceeds from borrowings	466	413
Repayment of borrowings	(8,696)	(143)
Repayment of finance lease liabilities	(120)	(94)
Interest paid	(82)	(89)
Short-term bank deposits pledged	12,845	(434)
Net cash generated from financing activities	4,413	2,804
Net decrease in cash and cash equivalents	(1,867)	(284)
Cash and cash equivalents at beginning of the financial period	20,885	7,430
Effects of currency translation on cash and cash equivalents	10	210
Cash and cash equivalents at end of the financial period	19,028	7,356
Cash and cash equivalents comprise of:		
Cash and bank balances	2,460	4,649
Short-term bank deposits	16,568	11,314
	19,028	15,963
Less: Short-term bank deposits pledged as collateral	-	(8,515)
Less: Bank overdraft	-	(92)
	19,028	7,356

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital S$'000	Accumulated losses S$'000	Foreign currency translation reserves S$'000	Statutory reserves S$'000	Capital reserves S$'000	Total S$'000
GROUP						
(Unaudited)						
Balance as at 1 January 2014	42,818	(8,609)	(177)	934	(142)	34,824
Total comprehensive loss for the financial period	-	(2,793)	(810)	-	-	(3,603)
Transferred	-	(1,324)	-	1,324	-	-
Paid	-	-	-	(23)	-	(23)
Balance as at 30 June 2014	42,818	(12,726)	(987)	2,235	(142)	31,198
(Unaudited)						
Balance as at 1 January 2013	24,711	(118)	(1,771)	934	(142)	23,614
Total comprehensive (loss)/income for the financial period	-	(1,005)	1,150	-	-	145
New placement of ordinary shares	3,180	-	-	-	-	3,180
Ordinary shares issue expenses	(29)	-	-	-	-	(29)
Balance as at 30 June 2013	27,862	(1,123)	(621)	934	(142)	26,910

	Share capital S$'000	Retained profits/ (Accumulated losses) S$'000	Capital reserves S$'000	Total S$'000
COMPANY				
(Unaudited)				
Balance as at 1 January 2014	42,818	(4,033)	(142)	38,643
Total comprehensive income for the financial period	-	7,863	-	7,863
Balance as at 30 June 2014	42,818	3,830	(142)	46,506
(Unaudited)				
Balance as at 1 January 2013	24,711	179	(142)	24,748
Total comprehensive loss for the financial period	-	(547)	-	(547)
New placement of ordinary shares	3,180	-	-	3,180
Ordinary shares issue expenses	(29)	-	-	(29)
Balance as at 30 June 2013	27,862	(368)	(142)	27,352

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company's share capital from the end of the previous period reported on up to the end of current financial period reported on.

There were no outstanding convertibles and treasury shares as at 30 June 2014 and 30 June 2013.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year.

	30/06/2014	31/12/2013
Total number of issued shares excluding treasury shares	234,729,245	234,729,245

There were no treasury shares as at 30 June 2014 and 31 December 2013.

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury share as at the end of the current financial period reported on.

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Save as disclosed in paragraph 5 below, the Group has consistently applied the same accounting policies and methods of computation in the financial statements for the current financial period reported on as in its most recently audited financial statements for the financial year ended 31 December 2013.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

On 1 January 2014, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial years.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group **Six months ended**	
	30/06/2014	**30/06/2013**
Net loss attributable to equity holders of the Company (S$'000)	(2,793)	(1,005)
Basic and diluted loss per share ("**LPS**") attributable to equity holders of the Company (SGD cents)	(1.19)	(0.79)
Weighted average number of shares used in computation of basic and diluted LPS	234,729,245	126,736,748

Basic and diluted LPS is computed by dividing the net loss attributable to the equity holders of the Company during each financial period by the weighted average number of ordinary shares outstanding as at the end of the respective financial period.

There were no potentially dilutive ordinary shares in existence during the six months ended 30 June 2014 ("**1H2014**") and the six months ended 30 June 2013 ("**1H2013**"). Accordingly, the basic and diluted LPS were the same for 1H2014 and 1H2013.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the

(a) Current financial period reported on; and
(b) Immediately preceding financial year.

	Group		Company	
	30/06/2014 S$ cent	**31/12/2013 S$ cent**	**30/06/2014 S$ cent**	**31/12/2013 S$ cent**
Net asset value ("**NAV**") per ordinary share	13.29	14.84	19.81	16.46

The NAV per ordinary share as at 30 June 2014 and 31 December 2013 were calculated based on 234,729,245 ordinary shares in issue as at the respective balance sheet date.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, cost, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP (1H2014 vs 1H2013)

Revenue

The Group's revenue, which consist of revenue from the precision plastic injection moulding ("**PPIM**") segment and the design, fabrication and sale of precision injection moulds ("**MDF**") segment, decreased by approximately S$3.7 million or 24.0% from S$15.3 million in 1H2013 to S$11.6 million in 1H2014. Revenue from the PPIM segment decreased by approximately S$3.6 million or 30.8% from S$11.5 million in 1H2013 to S$7.9 million in 1H2014 mainly due to a decrease in major customers' sales amounting to S$4.5 million offset by increased sales of other customers, and revenue from the MDF segment also decreased by approximately S$0.1 million or 3.0% from S$3.8 million in 1H2013 to S$3.7 million in 1H2014 mainly due to lower orders from customers. The Group's product mix ratio of MDF to PPIM was 31.6% to 68.4% in 1H2014 as compared to 24.7% to 75.3% in 1H2013.

Cost of sales and gross margins

The Group's cost of sales decreased by approximately S$1.1 million or 8.3% from S$13.7 million in 1H2013 to S$12.6 million in 1H2014, which was in line with the lower revenue.

The Group's gross profit fell with the decrease in revenue and gross profit margin. The Group recorded a gross loss of S$0.9 million in 1H2014 compared to a gross profit of S$1.6 million in 1H2013. Its gross margin was a negative 8.0% in H12014, compared to a positive gross profit margin of 10.4% in 1H2013. The decrease in gross profit margin was mainly due to pricing pressure from competitors.

Other Income

The Group's other income increased by approximately S$61,000 or 14.9% mainly due to the increase in interest income.

Other gains/ (losses), net

The Group's other gains increased to S$0.2 million in 1H2014 from approximately a loss of S$0.3 million in 1H2013 mainly due to foreign exchange gains recognised offset by a loss on disposal of property, plant and equipment. The stronger Malaysia Ringgit (MYR) against Singapore Dollar (SGD) had a favourable impact on our Malaysia subsidiary, which has an inter-company loan denominated in the Singapore Dollar.

Selling and distribution expenses

The decrease of approximately S$0.2 million or 45.3% was mainly due to a decrease in staff costs and entertainment expenses.

Administrative expenses

Administrative expenses increased by approximately S$0.3 million or 13.3% from approximately S$2.0 million in 1H2013 to approximately S$2.2 million in 1H2014, mainly due to the increase in withholding tax which E'Mold Holding Pte Ltd received dividend from China subsidiary (E'mold Manufacturing (Kunshan) Co., Ltd.).

Finance expenses

Finance expenses decreased slightly by approximately S$7,000 or 7.9% from S$89,000 in 1H2013 to S$82,000 in 1H2014 mainly due to the reduction in borrowings.

Income tax expense

The Group recorded S$2,000 worth of income tax (related to prior year tax of E'mold Holding Pte. Ltd.), significantly lower than S$0.2 million in 1H2013, which was due to the losses suffered by the subsidiaries and Company during the 1H2014.

Depreciation of property, plant and equipment

The decrease in depreciation of property, plant and equipment by approximately S$0.4 million or 24.3% from S$1.6 million in 1H2013 to S$1.2 million in 1H2014 was mainly due to certain Group's machineries had been fully depreciated as at 1H2014 and the disposal of some unused property, plant and equipment during 1H2014.

REVIEW OF FINANCIAL POSITION

Current assets

The Group's current assets decreased by approximately S$13.4 million or 29.9% from S$44.7 million as at 31 December 2013 to S$31.3 million as at 30 June 2014, mainly due to a decrease in cash and cash equivalents balance of S$14.7 million and an decrease in inventories of S$0.1 million and non-current assets reclassified as held-for-sale amounted S$0.6 million, partially offset by an increase in trade and other receivables of S$2.1 million. The decrease in cash and cash equivalents was mainly attributable to repayment of bank borrowings and the increase in trade and other receivables was mainly due to the second quarter Sales at E'Mold Manufacturing (Kunshan) Co., Ltd was much higher and the payment will receive in third quarter.

Non-current assets

Non-current assets decreased by approximately S$1.5 million or 16.2% from S$9.1 million as at 31 December 2013 to S$7.6 million as at 30 June 2014 mainly due the disposal of some unused equipment of S$1.1 million and the depreciation charges on property, plant and equipment of S$1.2 million during 1H2014 partially offset by the

purchase of additional plant and equipment of S$0.1 million and the increase in net intangible assets of S$0.1 million. The increase in intangible assets was mainly due to the purchase of software licenses.

Current liabilities

Current liabilities reduced by approximately S$11.0 million or 60.7% from S$18.1 million as at 31 December 2013 to S$7.1 million as at 30 June 2014. The decrease was mainly due to a decrease in trade and other payables of S$2.9 million and the decrease in borrowings of approximately S$8.2 million. The decrease in trade and other payables was mainly due to lower purchases as a result of the decrease in sales and the decrease in short term borrowings were mainly due to repayment of borrowings.

Non-current liabilities

Non-current liabilities decreased by approximately S$0.2 million or 20.3% from S$0.8 million as at 31 December 2013 to S$0.6 million as at 30 June 2014. The decrease was due to repayment of borrowings.

The Group had a positive working capital of S$24.2 million as at 30 June 2014 as compared to S$26.5 million as at 31 December 2013.

REVIEW OF CASHFLOW STATEMENT

Cash and cash equivalents amounted to S$19.0 million as at 30 June 2014, representing an increase of approximately S$11.7 million from S$7.4 million as at 30 June 2013.

Net cash used in operating activities during 1H2014 was approximately S$6.9 million. This was due to an increase of trade and other receivables of S$2.1 million and settlement of trade and other payables of S$2.9 million in 1H2014.

Net cash generated from investing activities was approximately S$0.6 million mainly due to the proceeds from disposal of property, plant and equipment amounted S$0.9 million and partially offset by the purchase of property, plant and equipment and intangible assets amounted to S$0.1 million and S$0.2 million respectively.

Net cash generated from financing activities was approximately S$4.4 million mainly due to decrease in short-term bank deposit pledged of S$12.8 million, partially offset by the repayment of finance lease liabilities and borrowings amounting to S$8.8 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group announced on 30 June 2014 that Mr. Terence Tea Yeok Kian has been appointed as CEO and Executive Director of the Jubilee Group after WE Holdings Ltd acquired 24.9% stake in Jubilee Industries Holdings Ltd on 27 May 2014. Mr. Tea is leveraging on his considerable experience and track record in related industries to restructure the Group; and one of Mr. Tea's first strategic moves is to acquire 26% stake in EG Industries Bhd to widen our customer base and create new revenue streams for the Group.

Rising labour costs and constant pricing pressures from customers are two of the key challenges facing the Group. Against this backdrop, the Group's existing business performance is likely to be impacted negatively for the second half of the financial year ending 31 December 2014.

However, the Group is taking proactive steps to combat these challenges. On top of its strategic acquisitions to create new revenue streams, the Group is continuing to invest in automation to further improve efficiency without sacrificing on its service quality to customers.

In addition, the Company, on 18 July 2014, signed a Sales and Purchase Agreement with WE Holdings Ltd to fully acquire its Electronic Components unit to integrate WE Components' distribution and design expertise with EG Industries' R&D capabilities and procurement scale to transform Jubilee Industries into a one-stop electronics solution provider.

11. Dividend

(a) Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the immediately Preceding financial year

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to the effect.

No dividend has been declared or recommended for 1H2014.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for IPTs. There were no IPTs of S$100,000 or more for 1H2014.

14. Update on use of proceeds from the May 2013 Placement and the August 2013 Placement.

As at the date of this announcement, the status on the use of Aggregate Net Proceeds is as follows:

	Allocation (S$)	**Amount utilised (S$)**	**Amount yet to be utilised (S$)**
Working Capital	9,100,000	6,850,000[(1)]	2,250,000
Investments in quoted and/or unquoted securities	9,000,000	9,000,000[(2)]	-
Total	**18,100,000**	**15,850,000**	**2,250,000**

Note 1: The amount for working capital purposes has been utilized for repayment of term loan and partially investment in WE Components Pte. Ltd.
Note 2: The amount for investments in quoted and/or unquoted securities has been utilized for investment in EG Industries Bhd. and partially investment in WE Components Pte. Ltd.

15. CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)

We, Foo Say Tun and Terence Tea Yeok Kian, being directors of the Company, hereby confirm on behalf of the Board of Directors of the Company (the "**Board**") that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for 1H2014 to be false or misleading in any material aspect.

On behalf of the Board

Foo Say Tun	Terence Tea
Independent Non-Executive Chairman	Chief Executive Officer

BY ORDER OF THE BOARD

Terence Tea
Chief Executive Officer
12 August 2014