

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

THE PROPOSED CONSOLIDATION OF EVERY FOUR (4) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY INTO ONE (1) ORDINARY SHARE IN THE CAPITAL OF THE COMPANY

1. INTRODUCTION

- 1.1 The Board of Directors (the “**Directors**”) of Jubilee Industries Holdings Ltd. (the “**Company**”) wishes to announce that the Company proposes to undertake a share consolidation of every four (4) existing issued ordinary shares in the capital of the Company (the “**Existing Shares**”) held by shareholders of the Company (the “**Shareholders**”) as at a books closure date to be determined by the Directors at a later date (the “**Books Closure Date**”) into one (1) ordinary share in the capital of the Company (the “**Consolidated Shares**”), fractional entitlements to be disregarded (the “**Proposed Share Consolidation**”).
- 1.2 As a result of the Proposed Share Consolidation, each Shareholder will receive one (1) Consolidated Share for every four (4) Existing Shares held prior to the Proposed Share Consolidation as at the Book Closure Date.

2. INFORMATION ON THE PROPOSED SHARE CONSOLIDATION

- 2.1 Under the Proposed Share Consolidation, every four (4) Existing Shares registered in the name, or standing to the credit of the securities account, of each Shareholder or Depositor (as the case may be) as at the Books Closure Date will be consolidated into one (1) Consolidated Share. Each Consolidated Share will rank *pari passu* in all respects with each other. The Consolidated Shares will be traded on the Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in board lots of 100 Consolidated Shares.
- 2.2 Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation, based on their holdings of Existing Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of a Consolidated Share arising from the Proposed Share Consolidation will be disregarded. All fractional entitlements arising from the implementation of the Proposed Share Consolidation will be aggregated and/or dealt with in such manner as the Board may, in its absolute discretion, deem appropriate in the interests of the Company. Affected Shareholders will not be paid for any fractions of a Consolidated Share which are disregarded. **A Shareholder who holds less than four (4) Existing Shares as at the Books Closure Date will not be entitled to any Consolidated Shares and will no longer be a Shareholder upon completion of the Proposed Share Consolidation. Such Shareholders who wish to remain as Shareholders upon completion of the Proposed Share Consolidation are advised to purchase additional Existing Shares so as to increase the number of Existing Shares held to a multiple of four (4) Shares as at the Books Closure Date.**
- 2.3 As at the date of this announcement, the Company has an issued and paid-up share capital of S\$73,279,413 comprising 1,027,431,606 Existing Shares (including 13,682,000 treasury shares). On the assumption that there will be no new Shares issued by the Company up to the Books Closure Date and no fractions of Consolidated Shares arising from the Proposed Share Consolidation, and subject to Shareholders’ approval being obtained for the Proposed Share

Consolidation, the Company will have an issued and paid-up share capital of S\$73,279,413 comprising 256,857,901 Consolidated Shares (including 3,420,500 consolidated treasury shares) following the completion of the Proposed Share Consolidation.

- 2.4 The Proposed Share Consolidation will have no impact on the dollar value of the issued and paid-up share capital of the Company. The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the Shareholders' funds of the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation will not cause any material changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding and the disregard of the fractional entitlement.
- 2.5 Subject to Shareholders' approval being obtained for the Proposed Share Consolidation at an extraordinary general meeting (the "EGM") to be convened, Shareholders' holdings of the Consolidated Shares arising from the Proposed Share Consolidation will be based on their holdings of Existing Shares as at the Books Closure Date.

3. ADJUSTMENTS TO WARRANTS

- 3.1 As at the date of this announcement, the Company has 255,613,108 unexercised warrants ("Warrants") pursuant to the rights cum warrants issue completed in March 2018. A deed poll dated 27 December 2017 was executed by the Company for the purpose of constituting the Warrants (the "Deed Poll"). Pursuant to the terms and conditions of the Deed Poll (each, a "Condition"), the Proposed Share Consolidation will constitute an event giving rise to adjustments to the exercise price payable for each new Share on the exercise of the Warrants and the number of Warrants.
- 3.2 Copies of the (i) Deed Poll, (ii) a certificate to be signed by the auditors of the Company stating that the adjustments are in accordance with Condition 5 of the Deed Poll, and (iii) a certificate to be signed by a Director setting out particulars of the adjustments (as required under the terms of the Deed Poll) will in due course be made available for inspection at the registered office of the Company.
- 3.3 The adjustment will be effective from the close of the market day immediately preceding the date on which the Proposed Share Consolidation becomes effective. Pursuant to Conditions 5(D) and 5(E) of the Deed Poll, any adjustment to the exercise price will be rounded upwards to the nearest one (1) cent and any adjustment to the number of Warrants held by each warrant holder will be rounded downwards to the nearest whole Warrant.
- 3.4 The Company will make further announcements in relation to these adjustments when appropriate. Shareholders are advised that the adjustments to the Warrants arise as a result of the Proposed Share Consolidation (in accordance with the terms of the Deed Poll). There will be no adjustments to the Warrants if the Proposed Share Consolidation is not effected.

4. RATIONALE FOR THE PROPOSED SHARE CONSOLIDATION

- 4.1 The Directors believe that the Proposed Share Consolidation will generally be beneficial to the Company and its Shareholders having taken into consideration the following:
- (a) Reduction of volatility of the Share price

As share trading may involve certain minimum fixed expenses (such as minimum brokerage fees), trading in lowly-priced shares may translate to higher transaction costs, relative to the trading price, for each board lot of Shares. In addition, lowly-priced shares are generally more prone to speculation and market manipulation. Given their

susceptibility to speculation and market manipulation, lowly-priced shares are generally more volatile as compared to higher-priced shares. The Board believes that the Proposed Share Consolidation may serve to reduce the volatility of its Share price and reduce fluctuations in the Company's market capitalisation and reduce the percentage transaction cost for trading in each board lot of Shares.

(b) Increase in the market interest and attractiveness of the Company and its Shares

The Proposed Share Consolidation will rationalise the share capital of the Company by reducing the number of Shares issued and outstanding. It is expected that, all other things being equal, the theoretical trading price and net tangible asset ("NTA") of each Consolidated Share following the decrease in the number of Shares in issue after the Proposed Share Consolidation would be higher than the current trading price and NTA of each Existing Share. In addition, the Proposed Share Consolidation may facilitate corporate actions and also increase market interest and activity in the Shares, and generally make the Shares more attractive to investors, including institutional investors, thus providing a more diverse shareholder base.

4.2 **Shareholders should note, however, that there is no assurance that the Proposed Share Consolidation will achieve the above desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.**

4.3 For the past six-month period from November 2018 to April 2019, and up to 29 May 2019 (being the last full market day preceding the date of this announcement), the absolute price of the Shares traded was between S\$0.025 and S\$0.036. The relevant data, along with the transaction volume of the Shares for each month, are as follows:

	Highest Price (S\$) ¹	Lowest Price (S\$) ²	Volume of Traded Shares ³
November 2018	0.036	0.030	94,443,400
December 2018	0.035	0.025	59,722,700
January 2019	0.031	0.027	36,980,300
February 2019	0.031	0.029	4,573,800
March 2019	0.030	0.027	12,921,600
April 2019	0.033	0.027	32,275,700
1 May 2019 to 29 May 2019	0.032	0.028	11,901,200

Source: Bloomberg L.P.

¹ The highest price was based on the highest closing price for the Shares in a particular month.

² The lowest price was based on the lowest closing price for the Shares in a particular month.

³ The volume of traded Shares was based on the total volume of the Shares traded in a particular month.

4.4 For the six-month period from November 2018 to April 2019, and up to 29 May 2019 (being the last full market day preceding the date of this announcement), the volume weighted average price (the “VWAP”) of each Share for trades done on the Catalist was S\$0.033. Following the completion of the Proposed Share Consolidation, the theoretical adjusted VWAP of each Consolidated Share will be S\$0.132.

5. APPROVALS AND CONDITIONS

5.1 The Proposed Share Consolidation is subject to, *inter alia*, receipt of the approval-in-principle of the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares and adjusted warrants on the Catalist of the SGX-ST and approval of the Shareholders by ordinary resolution of the Proposed Share Consolidation at an EGM to be convened.

5.2 An application will be made to the SGX-ST, through the Company’s Sponsor, for the listing of, dealing in, and quotation for, (i) all the Consolidated Shares arising from the Proposed Share Consolidation; (ii) all the adjusted warrants arising from the adjustments to the warrants; and (iii) all the new Consolidated Shares to be issued upon the exercise of the adjusted warrants on the Catalist of the SGX-ST. The Company will make the necessary announcement(s) on the outcome of the application in due course.

6. DESPATCH OF CIRCULAR

Subject to the receipt of the approval in-principle from the SGX-ST, a circular containing notice of EGM and further information on the Proposed Share Consolidation will be despatched to Shareholders in due course.

7. CAUTION IN TRADING

Meanwhile, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company’s securities. When in doubt, Shareholders and potential investors are advised to seek independent advice from their bankers, stockbrokers, solicitors or other professional advisers.

BY ORDER OF THE BOARD

Terence Tea Yeok Kian
Non-Executive Chairman
30 May 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (SGX-ST). The Company’s 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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