JASON HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201119167Z)

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(1) PROPOSED PLACEMENT OF 2,000,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF JASON HOLDINGS LIMITED IN CONNECTION WITH THE SCHEME - SIGNING OF PLACEMENT AGREEMENT

(2) PROPOSED ISSUE OF 513,253,613 NEW ORDINARY SHARES IN THE CAPITAL OF JASON HOLDINGS LIMITED UNDER THE SCHEME

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1 INTRODUCTION

1.1 The board of directors ("**Board**" or "**Directors**") of Jason Holdings Limited ("**Company**", and together with its subsidiaries, "**Group**") refers to:

(a) the announcement dated 3 December 2016 in relation to the application ("**Application**") filed by the Company with the High Court of the Republic of Singapore ("**Court**") under Section 210 of the Companies Act (Chapter 50) ("**Act**") seeking, amongst other things, that the Company be at liberty to convene a meeting of creditors ("**Court Meeting**") within eight (8) weeks (or such extended period as may be ordered by the Court) of the date of the order of Court, for the purposes of considering and, if thought fit, approving with or without modification, the Scheme proposed to be made between the Company and its creditors ("**Scheme Announcement**");

(b) the announcement dated 8 December 2016 in relation to the grant of the Application by the Court;

(c) the announcement dated 21 December 2016 in relation to the entry of the Company into a binding conditional placement term sheet ("**Placement Term Sheet**") for the proposed placement of shares to Mr. Lim Chwee Kim, a director and controlling shareholder of the Company ("**Subscriber**");

(d) the announcement dated 2 February 2017 in relation to, *inter alia*, the unanimous approval of the Scheme by the creditors under the Scheme present and voting on the resolution either in person or by proxy;

(e) the announcement dated 16 February 2017 in relation to the extension of time for the Moratorium to 31 March 2017; and

(f) the announcement dated 22 February 2017 in relation to, *inter alia*, the application for Court sanction of the Scheme pursuant to Section 210 (3AB)(c) (read with Section 210(4) of the Act).

Unless otherwise defined herein, all capitalised terms have the same meanings as defined in the aforementioned announcements.

1.2 In connection with the foregoing, the Board wishes to announce that the Company has, on 24 February 2017, entered into a placement agreement ("**Placement Agreement**") with the Subscriber pursuant to which the Subscriber will subscribe for, and the Company will allot and issue, an aggregate of 2,000,000,000 new ordinary shares in the capital of the Company ("**Placement Shares**"), for an aggregate subscription amount of S$1,000,000, at the price of S$0.0005 for each Placement Share ("**Placement Price**") ("**Proposed Placement**"). The Placement Shares represent approximately 73.28% of the enlarged issued and paid-up share capital of the Company ("**Enlarged Share Capital**") of 2,729,253,613 shares (comprising 2,000,000,000 Placement Shares and 513,253,613 new shares ("**Scheme Shares**") to be issued

at the price of S$0.001 for each Scheme Share under the Scheme ("**Proposed Scheme Share Issue**").

1.3 Pursuant to Rules 804, 805(1), 811, 812(2) and 906 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Catalist Rules**"), the Company will be seeking the approval of its shareholders ("**Shareholders**") for the Proposed Placement and the Proposed Scheme Share Issue at an extraordinary general meeting ("**EGM**") to be convened.

1.4 There is no placement agent appointed for the purpose of the Proposed Placement. The Proposed Placement will be made pursuant to Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. Accordingly, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement.

2 INFORMATION ON THE SUBSCRIBER

2.1 The Subscriber is the Non-Executive Chairman and controlling shareholder of the Company. As at the date of this announcement, the Subscriber holds 42,800,000 Shares representing 19.81% of the issued and paid-up share capital of the Company.

2.2 Accordingly, the Subscriber falls within the categories of persons covered in Rules 804 and 812 of the Catalist Rules and Shareholders' approval is therefore required pursuant to Rules 804 and 812 of the Catalist Rules.

3 THE PROPOSED PLACEMENT

3.1 Placement Price

The Placement Price represents a discount of approximately 99.20% to the volume weighted average price ("**VWAP**") of the Shares of S$0.062 based on trades done on the Catalist of the SGX-ST on 5 January 2016[(1)], being the last full market day preceding the date on which the Placement Agreement was signed ("**Last Trading Day**"). The discount of approximately 99.20% exceeds the 10% discount limit as stated in Rule 811(1) of the Catalist Rules. Accordingly, the Company will be seeking specific approval of its shareholders for the issue and allotment of the Placement Shares pursuant to Rule 811(3) of the Catalist Rules.

3.2 Placement Shares

Pursuant to Section 161 of the Act and Rule 805(1) of the Catalist Rules, the issue and allotment of the Placement Shares is subject to Shareholders' approval. The Company will be seeking specific approval of its Shareholders for the issue and allotment of the Placement Shares at the EGM to be convened.

The Placement Shares represent approximately 925.93% of the total number of issued Shares in the share capital of the Company of 216,000,000 as at the date of this announcement. Assuming that all the Scheme Shares are issued under the Scheme, on completion of the Proposed Placement ("**Placement Completion**"), the total number of issued Shares in the share capital of the Company will increase to 2,729,253,613 and the Placement Shares will represent approximately 73.28% of the issued share capital of the Company on an enlarged basis.

3.3 Conditions Precedent

Pursuant to the terms of the Placement Agreement, the Placement Completion is conditional upon, *inter alia*:

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(1) Being the last traded day prior to a trading halt that was imposed on 8 January 2016 and a voluntary suspension of trading in Shares on 13 January 2016.

(a) the Subscriber having undertaken and completed due diligence investigations on all operational, financial and legal matters and considerations in relation to the Company, and the results of such due diligence investigations being satisfactory to the Subscriber in its sole and absolute discretion;

(b) the approval of the Scheme by (i) the Board, (ii) the creditors of the Company, and/or (iii) such other necessary party in compliance with the requirements of Section 210 of the Act, and such approval remaining in full force and effect as of Placement Completion;

(c) the approval of the Proposed Placement and the issue of Placement Shares by (i) the Board and (ii) the shareholders of the Company;

(d) the sanction of the Scheme by the Court pursuant to the Act and a copy of such court order sanctioning the Scheme being lodged with the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**") pursuant to Section 210(5) of the Act;

(e) all regulatory approvals being obtained and not withdrawn, including without limitation, the approval-in-principle from the SGX-ST for (i) the allotment and the issue of the Placement Shares and Scheme Shares, and (ii) the dealing in and quotation for the Placement Shares and Scheme Shares on the SGX-ST, and where any of the aforesaid confirmation, waiver or approval is obtained subject to any conditions, such conditions being reasonably acceptable to the Subscriber;

(f) the satisfaction of any condition(s) that may be imposed by SGX-ST, insofar as such condition(s) need to be fulfilled, and provided further that such confirmation, waiver and approval are not revoked, rescinded or cancelled;

(g) the Securities Industry Council of Singapore ("**SIC**") having granted the Subscriber and its concert parties (and not having revoked or repealed such grant) a waiver of the Subscriber's obligation to make a mandatory offer under Rule 14 of the Singapore Code on Take-overs and Mergers ("**Code**") for the shares in the Company not held by the Subscriber and its concert parties and from having to comply with the requirements of Rule 14 of the Code including but not limited to pre-clearance from the SIC on any issues in connection with the Proposed Placement that the Subscriber and/or the Company may consider necessary, subject to (i) any conditions that the SIC may impose, provided that such conditions are reasonably acceptable to the Subscriber and its concert parties; and (ii) the independent shareholders approving at the EGM the whitewash resolution ("**SIC Waiver**");

(h) the Company remaining listed on the SGX-ST and there being no notice or proposal for the delisting of the Company;

(i) there being no material adverse change (as reasonably determined by the Subscriber) in the business, operations, properties, prospects or financial condition of the Company;

(j) the respective representations and warranties of the Company set out in the Placement Agreement being true and correct;

(k) the Company has complied with or will comply with all legal and other requirements necessary for the issue of the Placement Shares and performance of its obligations under the Placement Agreement;

(l) no prescribed occurrence of the following events in relation to the Company occurs other than as required or contemplated by the Scheme or the Proposed Placement:

(i) Injunctions: an injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme;

(ii) Resolution for winding up: any party resolving that the Company be wound up;

(iii) Order of Court for winding up: the making of an order by a court of competent jurisdiction for the winding up of the Company; and

(iv) Litigation: any legal proceedings or claims against the Company; and

(m) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore (including the SGX-ST and the SIC) which is applicable to the Company or the Subscriber.

If any of the conditions precedent set forth above is not satisfied or waived by the Subscriber on or before 31 December 2017, the Placement Agreement shall *ipso facto* cease, and neither the Company nor the Subscriber shall have any claim whatsoever against the other party.

As at the date of this announcement, conditions set out in sub-paragraphs (b), (c)(i) and (g) of paragraph 3.3 above have been satisfied.

3.4 Undertakings by certain Shareholders

Each of the following Shareholders had given unconditional and irrevocable undertakings ("**Irrevocable Undertakings**") to the Subscriber, *inter alia*, (a) to vote in respect of an aggregate of approximately 26.12% of the total number of issued Shares in favour of the resolutions to approve the Proposed Placement and all other matters in connection therewith at the EGM and (b) not to sell or otherwise dispose of their respective Shares:

(a) Mr. Jason Sim Chon Ang, the legal and beneficial owner of 51,028,000 Shares representing approximately 23.62% of the total number of issued Shares; and

(b) Mr. Sim Choon Joo, the legal and beneficial owner of 5,400,000 Shares representing approximately 2.50% of the total number of issued Shares.

The above Shareholders are also Directors of the Company.

As announced by the Company on 5 January 2017 and 24 February 2017, bankruptcy applications had been taken out by Australia and New Zealand Banking Group Limited, Singapore Branch ("**ANZ**") against each of the above Shareholders, and as at the Latest Practicable Date, have been adjourned until 16 March 2017. As further announced by the Company, the Shares held by Jason Sim Chon Ang were seized to satisfy the judgment debt for the claim by CIMB Securities (Singapore) Pte Ltd ("**CIMB**") against him. Based on information available to the Company, the execution under the writ of seizure and sale has yet to be completed, indicating that CIMB has not completed the sale or transfer of Shares to a purchaser. Based on the foregoing, the abovementioned Shareholders would appear to remain the registered and legal owners of the Shares and may vote in accordance with the undertakings provided.

3.5 The Proposed Placement as Interested Person Transaction

The Subscriber is the Non-Executive Chairman and controlling shareholder of the Company. Accordingly, the Subscriber is considered an "interested person" within the meaning of Chapter 9 of the Catalist Rules and the Proposed Placement is an interested person transaction within the meaning of Chapter 9 of the Catalist Rules.

Pursuant to the Proposed Placement, the value of the interested person transaction to be entered into between the Subscriber and the Company will amount to S$1.0 million which represents approximately 6.80% of the net tangible assets of the Group of S$14.7 million based on the latest audited consolidated financial statements for the financial year ended 31 December 2014.

Independent shareholders' approval is therefore required for the Proposed Placement pursuant to Rule 906(1) of the Catalist Rules.

3.6 Rationale for the Proposed Placement and Use of Proceeds

Based on the financial status of the Company as at 31 May 2016, the Company's current liabilities (excluding contingent liabilities) were in the aggregate sum of approximately S$1.25 million, which far exceeded its current assets of approximately S$0.41 million. In particular, the Company only had cash and bank balances in the sum of S$14,700.20. In addition, the Company had contingent liabilities in the sum of approximately S$14.3 million as at 31 May 2016, of which approximately S$7.03 million were unsecured debts owed to certain of its creditors.

Since 31 May 2016, the aggregate liabilities owed by the Company to its creditors had increased due to the accumulation of contractual interest under the corporate guarantees to the bank creditors as well as further services and/or fees incurred to certain other creditors. At the same time, the cash balance of S$14,700.20 has since been fully utilised by the Company.

In view of the foregoing, the Company requires funds in order to carry out the Scheme and restructure its debts and liabilities. The gross proceeds from the Proposed Placement will be S$1,000,000. The Company intends to use up to 25% of the proceeds from the Proposed Placement for the payment of professional fees in relation to this Proposed Placement and the Scheme and to fund the Company's working capital to facilitate the restructuring, and the balance 75% of the proceeds from the Proposed Placement to compromise in full all actual and contingent claims against the Company in accordance with the terms of the Scheme.

The Board is of the opinion that, after taking into consideration:

(a) the Group does not have any bank facilities;

(b) the working capital available to the Group is not sufficient to meet its present requirement; and

(c) the net proceeds of the issue, the working capital available to the Group will be insufficient to meet its present requirements.

Despite the above, the Board is of the view that in the absence of any funding alternatives, the Proposed Placement is crucial in the restructuring of the Company's debts and liabilities and allows the Company to explore and undertake any future business or restructuring plans.

4 THE PROPOSED SCHEME SHARE ISSUE

4.1 Scheme

The Scheme was approved (without modifications) by the requisite statutory majority of each of two (2) classes of Scheme Creditors on 1 February 2017. As announced by the Company on 22 February 2017, the Company had on 20 February 2017 filed an application for Court sanction of the Scheme pursuant to Section 210(3AB)(c) (read with Section 210(4) of the Act) ("**Sanction Application**").

Under the terms of the Scheme, the gross proceeds from the Proposed Placement of S$1,000,000 will be utilised in the following manner:

(a) up to S$250,000 shall be used for the payment of professional fees in relation to the Proposed Placement and the Scheme and fund the Company's working capital to facilitate the restructuring; and

(b) the balance amount shall be used to pay the Participating Creditors (as defined below) ("**Scheme Consideration**").

4.2 Scheme Shares

Under the Scheme, the Company shall allot and issue the Scheme Shares on a *pari passu basis* to the Participating Creditors at the Scheme Issue Price (as defined below).

The Scheme Shares represent approximately 237.62% of the Company's issued and paid-up share capital of 216,000,000 shares as at the date of this announcement and approximately 18.81% of the Enlarged Share Capital of the Company.

Pursuant to Section 161 of the Act and Rule 805(1) of the Catalist Rules, the issue and allotment of the Scheme Shares is subject to Shareholders' approval. The Company will be seeking specific approval of its Shareholders for the issue and allotment of the Scheme Shares at the EGM to be convened.

4.3 Scheme Issue Price

In accordance with the terms of the Scheme, the issue price of each Scheme Share is S$0.001, (the "**Scheme Issue Price**"). The Scheme Issue Price represents a discount of approximately 98.39% to the VWAP of the Shares of S$0.062 based on trades done on the Catalist on the Last Trading Day. The discount of approximately 98.39% exceeds the 10% discount limit as stated in Rule 811(1) of the Catalist Rules. Accordingly, the Company will be seeking specific approval of its Shareholders for the issue and allotment of the Scheme Shares pursuant to Rule 811(3) of the Catalist Rules.

4.4 Conditions Precedent

The implementation of the Scheme is subject, *inter alia*, to the following conditions precedent being satisfied:

(a) the Placement Completion pursuant to the Placement Agreement having taken place in such manner satisfactory to the Company and the Subscriber;

(b) all approvals, consents, licences, permits, waivers and exemptions (including but not limited to the approval to be granted by the SGX-ST for the dealing in and quotation of the Scheme Shares on Catalist) (collectively, "**Approvals**"), being obtained, and where such Approval is subject to conditions, (i) such conditions being reasonably acceptable to the Company, and (ii) if such conditions are required to be fulfilled on or before Placement Completion, such conditions having been fulfilled on or before such date, and such Approvals remaining in full force and effect as of completion of the Scheme;

(c) approval of the Scheme by at least a majority in number representing three-fourths (75%) in value of the Participating Creditors (as defined below) present and voting at the meeting of creditors;

(d) the sanction of the Scheme by the Court pursuant to the Act and a copy of the court order sanctioning the Scheme being lodged with the ACRA pursuant to Section 210(5) of the Companies Act;

(e) the approval of the Shareholders for the allotment and issue of the Scheme Shares; and

(f) the transactions contemplated in the Scheme not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Scheme by any legislative, executive or regulatory body or authority of Singapore which is applicable to any party.

As at the date of this announcement, only the condition set out in sub-paragraphs (c) of paragraph 4.4 above has been satisfied.

4.5 Participating Creditors

Creditors of the Company whose claims against the Company has been partially or fully admitted by the scheme manager in accordance with the Scheme, or a person to whom such an approved claim has been assigned (irrespective of whether the assignment takes place before or after the admission of the claim by the Company) ("**Participating Creditors**") are entitled to be allotted and issued Scheme Shares.

Each of Mr. Wui Heck Koon, Mr. Karam Singh Parmar, Mr. Tan Lai Heng, Mr. Jason Sim Chon Ang and Mr. Sim Choon Joo, being Directors, are Participating Creditors who are entitled be allotted and issued Scheme Shares and they fall within the categories of persons covered in Rules 804 and 812 of the Catalist Rules. Shareholders' approval is therefore required pursuant to Rules 804 and 812 of the Catalist Rules.

4.6 Rationale for the Scheme and the Proposed Scheme Share Issue

As mentioned in paragraph 3.6 above, based on the current financial status of the Company as at 31 May 2016, the Company is practically insolvent as its aggregate liabilities (including contingent liabilities) exceed its total assets. Unless the Company restructures its debts and liabilities, the Company will likely be liquidated with close to no return to the Company's creditors and Shareholders.

The Company believes that the Scheme is the best way to restructure its debts and liabilities in a manner which would maximise the value of the Company and its assets for its creditors and Shareholders. This will be achieved by the following events under the Scheme:

(a) the payment of the Scheme Consideration; and

(b) the Proposed Scheme Share Issue,

following which all the claims of the creditors against the Company will be fully satisfied and completely discharged.

The Company believes that the Proposed Scheme Share Issue under the Scheme will allow the Company to address its solvency issues, facilitate the execution of any future business or restructuring plans and provide an opportunity for Participating Creditors to benefit from the potential rehabilitation of the Company. The Proposed Scheme Share Issue is an integral aspect of the Scheme and the Company's debt restructuring plan and if the Proposed Scheme Share Issue is not approved, the Scheme which has been approved by the Participating Creditors and sanctioned by the Court will be terminated.

The Proposed Placement is not part of the Scheme.

4.7 Use of Proceeds

There will not be any proceeds in cash from the Proposed Scheme Share Issue as the Scheme Shares are issued in consideration of the repayment of outstanding debts of the Company in accordance with the terms of the Scheme.

5 CIRCULAR TO SHAREHOLDERS AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Proposed Placement is conditional upon the Company having obtained specific Shareholders' approval, including the whitewash resolution in relation to the Proposed Placement. SAC Capital Private Limited has been appointed as the independent financial adviser ("**IFA**") to advise the directors who are considered independent for the purpose of the whitewash resolution.

A circular to the Shareholders containing, *inter alia*, information on the Proposed Placement, the Proposed Scheme Share Issue, financial effects of the Proposed Placement and the Proposed

Scheme Share Issue, and the advice of the IFA on the whitewash resolution in relation to the Proposed Placement will be despatched to Shareholders in due course.

6 INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

In relation to the Proposed Placement, Mr. Lim Chwee Kim, a Director and controlling shareholder of the Company, is the Subscriber. Each of Mr. Jason Sim Chon Ang and Mr. Sim Choon Joo, both of whom are Directors of the Company, had also provided the Irrevocable Undertakings to the Subscriber to vote in favour of the Proposed Placement at the EGM.

In relation to the Scheme, Mr. Jason Sim Chon Ang, Mr. Sim Choon Joo, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng, each a Director of the Company, are Participating Creditors of the Company who had submitted their proofs of debt and, subject to adjudication of their proofs of debt, may be issued Scheme Shares in accordance with the terms of the Scheme. In addition, each of Mr. Sim Choon Joo, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng had voted in favour of the Scheme at the Court Meeting.

Save as disclosed above, none of the Directors or the controlling shareholders of the Company or their respective associates have any interest, direct or indirect, in the Proposed Placement, other than through their respective interests arising by way of their shareholdings in the Company and/or directorships in the Group, as the case may be.

7 DOCUMENTS FOR INSPECTION

A copy of the Placement Agreement and the Scheme document dated 12 January 2017 are available for inspection during normal business hours at the business office of the Company at 11 Tampines Street 92, #03-05 Tampines BizHub, Singapore 528872 for a period of three (3) months from the date of this announcement.

8 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 Placement Agreement, the Proposed Placement and the Proposed Scheme Share Issue, 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 this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors have been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

9 CAUTIONARY STATEMENT

Shareholders are advised to exercise caution when dealing in Shares. Shareholders should note that the Proposed Placement and the Proposed Scheme Share Issue are subject to the fulfillment of, *inter alia*, the conditions precedent set out above. 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.

BY ORDER OF THE BOARD
JASON HOLDINGS LIMITED

Lim Chwee Kim
Non-Executive Director and Chairman
27 February 2017

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Advisors Private Limited ("**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. Ong Hwee Li (Tel: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542. SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.