

JCG INVESTMENT HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 200505118M)

LAPSE OF TERM SHEET AND ENTRY INTO NEW TERM SHEET FOR PROPOSED JOINT VENTURE

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of JCG Investment Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements on 17 April 2020, 20 April 2020 and 29 April 2020 (the “**Previous Announcements**”) on the incorporation of Beverly Ipoh Sdn. Bhd. (“**Beverly Ipoh**”), a 51% owned subsidiary company of the Group held through the Company’s wholly-owned subsidiary, JCG-Beverly Pte. Ltd. (“**JCGB**”) and the entry into a non-binding term sheet (the “**Term Sheet**”) with Chong Yee Leng (“**Dr Elaine**”) (JCGB and Dr Elaine collectively, the “**Parties**”) to establish a joint venture for the purposes of providing aesthetic medicine procedures through Beverly Ipoh (the “**Proposed Transaction**”). For more information on Beverly Ipoh and the Proposed Transaction, please refer to the Previous Announcements.

In this announcement, unless otherwise stated, the exchange rate applied by the Group for conversions of RM into S\$ is RM3: S\$1. The exchange rate is for reference only. No representation is made by the Company that any amounts in S\$ have been, could have been or could be converted at the above rate or at any other rates or at all.

2. LAPSE OF THE TERM SHEET

- 2.1 Pursuant to the Term Sheet dated 23 April 2020, the Parties shall, acting reasonably and in good faith, execute a definitive agreement (the “**Definitive Agreement**”) for the Proposed Transaction within twenty-one (21) days from the execution of the Term Sheet, subject to such extension(s) as may be mutually agreed to in writing by the Parties from time to time. The Board wishes to announce that as of 14 May 2020, the Definitive Agreement was not executed and the Term Sheet was not extended. Accordingly, the Term Sheet had lapsed on 14 May 2020.

3. ENTRY INTO A NEW TERM SHEET

- 3.1 The Board is pleased to announce that JCGB had on 8 June 2020 entered into a new non-binding term sheet (the “**New Term Sheet**”) with Dr Elaine for the Proposed Transaction.

4. MATERIAL TERMS OF THE NEW TERM SHEET

4.1 Initial Capital Structure⁽¹⁾

The initial capital structure of Beverly Ipoh shall be as follows:

- | | | | |
|-----|-----------|---|-----------|
| (a) | JCGB | : | RM350,000 |
| (b) | Dr Elaine | : | RM150,000 |

- (1) Beverly's Ipoh's current issued and paid-up share capital is RM100 comprising 100 ordinary shares of which 51% is held by Howard Ng How Er, a director of JCGB and the Company, on trust for JCGB since 17 April 2020 and 49% is held by Dr Elaine. Beverly Ipoh's capital structure is in the midst of being revised to be consistent with the New Term Sheet.

4.2 Board Composition

The board of directors of Beverly Ipoh shall consist of two (2) directors appointed by JCGB and one (1) director appointed by Dr Elaine.

4.3 Execution of Definitive Agreement

The Parties shall, acting reasonably and in good faith, execute the Definitive Agreement setting out the terms and condition for the Proposed Transaction within twenty-one (21) days from the execution of the New Term Sheet, subject to such extension(s) as may be mutually agreed in writing by the Parties from time to time and provided always that all terms shall have been mutually agreed upon.

5. **RELATIVE FIGURES UNDER CHAPTER 10 OF THE CATALIST RULES**

Based on the latest announced consolidated financial statements of the Group for the 3 months ended 31 March 2020 ("**1Q2020**"), the relative figures of the proposed transaction as computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:

| Rule 1006 Bases of calculation | Relative figure % |
|--|-------------------------------|
| (a) The net asset value of the assets to be disposed of, as compared with the Group's net asset value | Not applicable ⁽¹⁾ |
| (b) The net profits attributable to the assets acquired, compared with the Group's net loss | Not applicable ⁽²⁾ |
| (c) The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares | 0.37% ⁽³⁾ |
| (d) The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue | Not applicable ⁽⁴⁾ |
| (e) The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves | Not applicable ⁽⁵⁾ |

Notes:

- (1) Rule 1006(a) of the Catalist Rules is not applicable to an acquisition of assets.
- (2) Not applicable as Beverly Ipoh has only been recently incorporated.
- (3) Based on the initial capital contribution of RM350,000 (or equivalent to approximately S\$117,000) compared to the Company's market capitalisation of approximately S\$31,624,000. The market capitalisation of the Company was computed based on its existing share capital of 15,811,689,664 Shares (excluding treasury shares) and the VWAP of S\$0.002 per Share on 5 June 2020 (being the last market day on which the Shares were traded preceding the date of the Term Sheet).
- (4) Not applicable as there are no equity securities issued as consideration.
- (5) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company.

As none of the relative figures computed on the bases pursuant to Rule 1006 of the Catalist rules exceeds 5%, the Proposed Transaction constitutes a non-discloseable transaction under Chapter 10 of the Catalist Rules.

6. INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed above, none of the Directors or controlling shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the abovementioned transaction (other than through their interests in the shares of the Company, if any).

7. FURTHER ANNOUNCEMENTS

The Company will make further announcements to inform shareholders of any material updates or developments as and when it may be deemed necessary or appropriate.

8. 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 Transaction and 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 has 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. **CAUTION IN TRADING**

Shareholders and potential investors are advised to exercise caution in trading their shares as there is no certainty or assurance as at the date of this announcement that the Proposed Transaction 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 on the Proposed Transaction. Shareholders are advised to read this announcement and any further announcements by the Company carefully, and 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

Dato' Ng Tian Sang @ Ng Kek Chuan
Executive Chairman and Chief Executive Officer

19 June 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**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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