

## JCG INVESTMENT HOLDINGS LTD.

(formerly known as China Medical (International) Group Limited)  
(Company Registration No. 200505118M)

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### MATERIAL VARIANCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND THE PRELIMINARY UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

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The Board of Directors (“**Directors**”) of JCG Investment Holdings Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Group’s unaudited financial statements for the financial year ended 31 December 2018 (“**FY2018**”) released via SGXNET on 1 March 2019 (the “**Unaudited Financial Statements**”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to announce that subsequent to the release of the Unaudited Financial Statements, the external auditor has proposed certain adjustments and reclassifications following the finalisation of the audit which the management of the Company has adopted accordingly.

A summary of the adjustments and explanation between the Unaudited Financial Statements and the audited financial statements for FY2018 (“**Audited Financial Statements**”) is set out below.

#### **EXTRACT FROM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*For the financial year ended 31 December 2018:*

There are no material discrepancies or adjustments between Unaudited Financial Statements and Audited Financial Statements.

*For the financial year ended 31 December 2017 (Restated):*

Item	Group				Note
	Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)		
	S\$'000	S\$'000	S\$'000	%	
Other gains/ (losses)-net – impairment loss on financial assets	-	1,589	1,589	100.0	A
Administrative expenses	12,576	10,229	(2,347)	(18.7)	B
Other operating expenses	281	-	(281)	(100.0)	C
Net loss	(12,411)	(11,372)	1,039	8.4	D

## **EXTRACT FROM BALANCE SHEETS**

*For the financial year ended 31 December 2018:*

Item	Group				Company				Note
	Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)		Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)		
	S\$'000	S\$'000	S\$'000	%	S\$'000	S\$'000	S\$'000	%	
Other reserves	4,816	3,775	(1,041)	(21.6)	4,826	3,785	(1,041)	(21.6)	D
Accumulated losses	(64,147)	(63,106)	1,041	1.62	(62,193)	(61,152)	1,041	1.67	D

*For the financial year ended 31 December 2017 (Restated):*

Item	Group				Company				Note
	Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)		Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)		
	S\$'000	S\$'000	S\$'000	%	S\$'000	S\$'000	S\$'000	%	
Other reserves	5,140	4,101	(1,039)	(20.2)	4,991	3,952	(1,039)	(20.8)	D
Accumulated losses	(62,107)	(61,068)	1,039	1.67	(59,718)	(58,679)	1,039	1.74	D

## **EXTRACT FROM CONSOLIDATED STATEMENT OF CASH FLOWS**

*For the financial year ended 31 December 2018:*

Item	Group				Note
	Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)		
	S\$'000	S\$'000	S\$'000	%	
Net cash used in operating activities	(2,287)	(1,810)	477	20.9	E
Net cash provided by financing activities	61	87	26	42.6	F

*For the financial year ended 31 December 2017 (Restated):*

There are no material discrepancies or adjustments between Unaudited Financial Statements and Audited Financial Statements.

## Note

- A Other gains/(losses)-net – impairment loss on financial assets increased by S\$1,589,000 due to reclassification of impairment loss on financial assets from administrative expenses.
- B Administrative expenses decreased by S\$2,347,000 due to reclassification of S\$1,589,000 impairment loss of financial assets to other gains/(losses)-net and S\$758,000 of fair values adjustment for share options.
- C Other operating expenses decreased by S\$281,000 due to adjustments for share options expenses.
- D The decrease in net loss, other reserves and accumulated losses amounting to S\$1,039,000 arose from the fair values adjustment for share options amounting to S\$758,000 and adjustments to share options expenses amounting to S\$281,000.
- E The increase in cash used in operating activities amounting to S\$477,000 is due to reclassification of interest paid from operating activities to financing activities.
- F The increase in net cash provided by financing activities amounting to S\$26,000 is due to bank deposit discharged during the financial year amounting to S\$503,000, offset by reclassification of interest paid amounting to S\$477,000 from operating activities to financing activities.

## LOSS PER SHARE

*For the financial year ended 31 December 2018:*

There are no material discrepancies or adjustments between Unaudited Financial Statements and Audited Financial Statements.

*For the financial year ended 31 December 2017 (Restated):*

Item	Group			
	Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)	
	S\$'000	S\$'000	S\$'000	%
(a) Based on weighted average number of shares (cents)	(0.299)	(0.271)	0.028	9.4
(a) Based on fully diluted basis (cents)	(0.299)	(0.271)	0.028	9.4

As a result of the aforementioned adjustments, the loss per share per the audited financial statements for the financial year ended 31 December 2017 has reduced by 0.028 cents or 9.4% compared to the unaudited financial statements.

**BY ORDER OF THE BOARD**

**5 April 2019**

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This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg)).