

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

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of JCG Investment Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights cum warrants issue (the “**Rights Cum Warrants Issue**”) of up to 6,802,407,763 new ordinary shares (the “**Shares**”) in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.001 (the “**Issue Price**”) per Rights Share, with up to 6,802,407,763 free detachable warrants (the “**Warrants**”), on the basis of one (1) Rights Share for every three (3) existing Shares held by Entitled Shareholders (as defined below) as at a record date to be determined by the Directors (the “**Record Date**”), fractional entitlements to be disregarded, and one (1) Warrant for every one (1) Rights Share subscribed.

The Rights Cum Warrants Issue is subject to, *inter alia*, the approval of shareholders of the Company (the “**Shareholders**”), which will be sought at the extraordinary general meeting of the Company (the “**EGM**”) to be convened. A circular (the “**Circular**”) to Shareholders containing further information on the Rights Cum Warrants Issue, together with the notice of the EGM, will be despatched to Shareholders in due course.

2. PRINCIPAL TERMS OF THE RIGHTS CUM WARRANTS ISSUE

<u>Principal Terms of the Issue</u>	<u>Description</u>
Price	Issue price of S\$0.001 per Rights Share and exercise price of S\$0.001 per Warrant
Discount	There is no discount to the Issue Price when benchmarked against: (i) the last traded price of S\$0.001 per Share for Shares traded on the Catalist of the SGX-ST on 1 June 2020, being the full market day immediately preceding the date of this announcement on which Shares were traded on the Catalist of the SGX-ST; and (ii) the theoretical ex-rights price of S\$0.001 per Share, which is calculated based on the last traded price of S\$0.001 per Share for Shares traded on the Catalist of the SGX-ST on 1 June 2020, being the full market day immediately preceding the date of this announcement on which Shares were traded on the Catalist of the SGX-ST

Allotment Ratio	One (1) Rights Share for every three (3) existing Shares held by Shareholders as at the Record Date, fractional entitlements to be disregarded, and one (1) Warrant for every one (1) Rights Share subscribed
Use of Proceeds	The use of proceeds arising from the Rights Cum Warrants Issue will be for the future expansion of the Group, as well as for the working capital needs of the Group
Purpose of Issue	The Company is undertaking the Rights Cum Warrants Issue to raise funds to strengthen the financial position and capital base of the Group. In addition, the Rights Cum Warrants Issue will allow the Group to pursue its growth strategy of developing and expanding its business in the region. The Rights Cum Warrants Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company

The terms and conditions of the Rights Cum Warrants Issue are subject to such changes as the Directors may in their absolute discretion deem fit. The final terms and conditions of the Rights Cum Warrants Issue will be contained in an offer information statement (the “**Offer Information Statement**”) in connection with the Rights Cum Warrants Issue to be lodged with the Monetary Authority of Singapore and to be despatched by the Company to Entitled Shareholders (as defined below) in due course. Further details on the principal terms and conditions of the Rights Cum Issue are set out below.

2.1 Basis of Provisional Allotment

The Company is offering up to 6,802,407,763 Rights Shares to Entitled Shareholders (as defined below) at an Issue Price of S\$0.001 per Rights Share, and up to 6,802,407,763 Warrants, with each Warrant carrying the right to subscribe for one (1) new Share (the “**Warrant Share**”) at the exercise price of S\$0.001 per Warrant (the “**Exercise Price**”), on a renounceable non-underwritten basis of one (1) Rights Share for every three (3) existing Shares held by Shareholders as at the Record Date, fractional entitlements to be disregarded, and one (1) Warrant for every one (1) Rights Share subscribed.

2.2 Size of the Rights Cum Warrants Issue

As at the date of this announcement, the issued and paid-up share capital of the Company (excluding treasury shares) comprises 15,811,689,664 Shares (the “**Existing Share Capital**”), 4,557,046,127 outstanding warrants issued by the Company (the “**Relevant Warrants**”) and 38,487,500 outstanding options under the Albedo Employee Share Option Scheme (the “**Relevant Options**”), all of which may be exercised on or prior to the Record Date. In the event all the Relevant Warrants and Relevant Options are exercised, the issued share capital of the Company (excluding treasury shares) will increase to 20,407,223,291 Shares.

Based on the Existing Share Capital, and assuming that (i) all of the Relevant Warrants and the Relevant Options are exercised and new Shares are issued pursuant thereto on or prior to the Record Date, and (ii) all Entitled Shareholders (as defined below) subscribe and pay for their pro rata entitlements of the Rights Shares with Warrants (the “**Maximum Subscription**”

Scenario”), the Company will allot and issue 6,802,407,763 Rights Shares and 6,802,407,763 Warrants under the Rights Cum Warrants Issue.

2.3 Terms of Warrants

The Warrants are immediately detachable from the Rights Shares upon issue, and will be issued in registered form and will be listed and traded separately on the Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) under the book-entry (scripless) settlement system, upon the listing and quotation of the Warrants on the Catalist of the SGX-ST, subject to, *inter alia*, there being an adequate spread of holdings of the Warrants to provide for an orderly market in the Warrants.

Subject to the terms and conditions governing the Warrants to be set out in an instrument by way of a deed poll (the “**Deed Poll**”), each Warrant will carry the right to subscribe for one (1) Warrant Share at the Exercise Price at any time during the period commencing on the date of issue of the Warrants and expiring on the day immediately preceding the third (3rd) anniversary of the date of issue of the Warrants (the “**Exercise Period**”). The Warrants that remain unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose.

The Exercise Price and the number of Warrants to be held by each holder of Warrants will be subject to adjustments under certain circumstances as provided for in the Deed Poll and appropriate announcements on the adjustments will be made by the Company.

The Warrant Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Warrant Shares.

The Company shall, not later than one (1) month before the expiry of the Exercise Period (the “**Expiry Date**”), announce the expiry of the Exercise Period on SGXNET. In addition, the Company shall, not later than one (1) month before the Expiry Date, take reasonable steps to notify all holders of the Warrants in writing of the Expiry Date, and such notice shall be delivered by post to the address of the relevant holders of the Warrant(s).

2.4 Issue Price and Exercise Price

The Issue Price of S\$0.001 per Rights Share and Exercise Price of S\$0.001 per Warrant represents (i) the last traded price of S\$0.001 per Share for Shares traded on the Catalist of the SGX-ST on 1 June 2020, being the full market day immediately preceding the date of this announcement on which Shares were traded on the Catalist of the SGX-ST; and (ii) the theoretical ex-rights price of S\$0.001 per Share, which is calculated based on the last traded price of S\$0.001 per Share for Shares traded on the Catalist of the SGX-ST on 1 June 2020, being the full market day immediately preceding the date of this announcement on which Shares were traded on the Catalist of the SGX-ST.

2.5 Ranking of the Rights Shares with Warrants

The Rights Shares with Warrants will be payable in full upon acceptance and/or application and when allotted and issued, will rank *pari passu* in all respects with the then existing Shares for

any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares with Warrants.

For this purpose, a “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company, the Company’s share registrar, BoardRoom Corporate & Advisory Services Pte Ltd, (the “**Share Registrar**”) or The Central Depository (Pte) Limited (“**CDP**”), as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

2.6 Non-Underwritten Rights Cum Warrants Issue

The Directors are of the opinion that there is no minimum amount which must be raised from the Rights Cum Warrants Issue. Hence, in view of the aforesaid and the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights Cum Warrants Issue on a non-underwritten basis.

2.7 Provisional Allotments and Excess Applications

Entitled Shareholders (as defined below) will be at liberty to accept (in full or in part), decline, or otherwise renounce or trade (during the provisional allotment trading period prescribed by SGX-ST) their provisional allotments of the Rights Shares with Warrants and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights Cum Warrants Issue (the “**Excess Rights Shares**”).

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at Entitled Shareholders’ (as defined below) provisional allotments of Rights Shares with Warrants and will, together with such Rights Shares with Warrants that are not validly taken up by Entitled Shareholders (as defined below), the original allottees or their respective renouncee(s) or the purchasers of such provisional allotment of Rights Shares with Warrants, any unsold “nil-paid” provisional allotments of Rights Shares with Warrants of Foreign Shareholders (as defined below) and any Rights Shares with Warrants which are not validly taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights Shares with Warrants (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

It is hereby disclosed and confirmed that, in the allotment of Excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and the Directors and substantial Entitled Shareholders (as defined below) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Cum Warrants Issue, or have representation (direct or through a nominee) on the board of the Company, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares with Warrants. The Company will also not make any allotment and issue of any Excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares with Warrants by any of the Entitled Shareholders (as defined below) to avoid placing the relevant Entitled Shareholder (as defined below) in the position of incurring a mandatory general offer obligation under the

Singapore Code on Take-overs and Mergers as a result of other Shareholders not taking up their Rights Shares with Warrants entitlement fully.

2.8 Trading of Odd Lots

For the purposes of trading on the Catalist of the SGX-ST, each board lot of Rights Shares will comprise 100 Shares. Following the Rights Cum Warrants Issue, Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) and who wish to trade in odd lots on the Catalist of the SGX-ST are able to trade odd lots of Shares in board lots of one (1) Share on the SGX-ST's Unit Share Market. The Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share. Shareholders should note that the market for trading of such odd lots of Shares may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST's Unit Share Market.

3. RATIONALE AND USE OF PROCEEDS

The Company is undertaking the Rights Cum Warrants Issue to raise funds to strengthen the financial position and capital base of the Group. The Group is cautiously confident that, with an effective strategic plan and a strong management team to execute our plan, the Group is poised to grow successfully and steadily even during and after this COVID-19 economic and financial market crisis. Post COVID-19, it is expected that many opportunities will arise for the Group to look for smaller medical aesthetics companies which are badly affected for collaboration or acquisition. This is in line with our strategy to grow through mergers and acquisitions. The Rights Cum Warrants Issue will allow the Group to pursue its growth strategy of developing and expanding its business in the region. The Rights Cum Warrants Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company.

The net proceeds arising from the allotment and issue of the Rights Shares (the "**Net Proceeds**") (without taking into account the proceeds from the exercise of the Warrants) will be used for future expansion of the Group, as well as for the working capital needs of the Group, which includes the administrative expenses, manpower costs, compliance costs, continuing listing expenses such as professional fees of the Group and settlement of head office expenses for the year.

The Net Proceeds, after deducting estimated costs and expenses of S\$150,000 relating to the Rights Cum Warrants Issue, is expected to be approximately S\$6,652,000 in the Maximum Subscription Scenario. The Company intends to use the Net Proceeds in the following manner:

Use of Net Proceeds	Amount (S\$'000)	Percentage of Net Proceeds (%)
1. For general working capital needs	3,326	50
2. For the future expansion of the Group	3,326	50
Total	6,652	100

The additional proceeds arising from the exercise of all of the Warrants in the Maximum Subscription Scenario is approximately S\$6,802,000 (the “**Warrants Exercise Proceeds**”). As and when the Warrants are exercised, the Warrants Exercise Proceeds may, at the discretion of the Directors, be applied largely in the following manner:

Use of Warrants Exercise Proceeds	Amount (S\$'000)	Percentage of Net Proceeds (%)
1. For general working capital needs	3,401	50
2. For the future expansion of the Group	3,401	50
Total	6,802	100

Pending the deployment of the Net Proceeds and/or the Warrants Exercise Proceeds for the abovementioned purposes, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets instruments and/or marketable securities, and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company will make periodic announcements on the utilisation of the Net Proceeds and the Warrants Exercise Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds as stated in the Offer Information Statement, and provide a status report on the use of the Net Proceeds and the Warrants Exercise Proceeds in the interim and full year financial statements and in the annual report(s) of the Company, until such time such proceeds have been fully utilised. Where the Net Proceeds and/or the Warrants Exercise Proceeds have been used for general corporate and/or working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds and/or the Warrants Exercise Proceeds in the financial statements and annual reports.

Where there is a material deviation in the use of the Net Proceeds and/or the Warrants Exercise Proceeds, the Company will announce the reasons for such deviation.

4. OPINION OF DIRECTORS

4.1 For the purposes of Rule 814(1)(f) of the SGX-ST Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), the Directors are of the opinion that, after taking into consideration the Group's present bank facilities, the working capital available to the group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Rights Cum Warrants Issue shall be undertaken for the reasons stated in paragraph 3 of this announcement.

4.2 The Directors are of the opinion, after taking into consideration the rationale for the Rights Cum Warrants Issue as set out in paragraph 3 of this announcement, that the Rights Cum Warrants Issue is in the interest of the Company.

5. CONDITIONS FOR THE RIGHTS CUM WARRANTS ISSUE

The Rights Cum Warrants Issue is subject to, *inter alia*, the following:

- (i) the receipt of the in-principle approval of the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on the Catalist of the SGX-ST;
- (ii) the issue and allotment of the Rights Shares, the Warrants and the Warrant Shares having been approved by Shareholders at the EGM; and
- (iii) the lodgment of the Offer Information Statement, together with all other accompanying documents (if applicable) in respect of the Rights Cum Warrants Issue with the Monetary Authority of Singapore.

The Company will be making an application to the SGX-ST through its continuing sponsor, Stamford Corporate Services Pte. Ltd., for permission to deal in and for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on the Catalist. An appropriate announcement on the outcome of such application will be made in due course.

6. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE

6.1 Eligibility to Participate

The Company will provisionally allot the Rights Shares with Warrants to the Entitled Shareholders (as defined below), comprising Entitled Depositors and Entitled Scripholders (each as defined below), on the basis of their shareholdings as at the Record Date. Entitled Shareholders (as defined below) will be entitled to participate in the Rights Cum Warrants Issue and receive the Offer Information Statement together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of the CDP or the Share Registrar, as the case may be.

6.2 Entitled Depositors

Entitled Depositors are Shareholders with Shares standing to the credit of their securities accounts (the “**Securities Account**”) with CDP and (i) whose registered addresses with CDP are in Singapore as at the Record Date or (ii) who have provided CDP with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) market days prior to the Record Date (the “**Entitled Depositors**”).

Entitled Depositors will be provisionally allotted the Rights Shares with Warrants on the basis of the number of Shares standing to the credit of their Securities Accounts as at 5.00 p.m. (Singapore time) on the Record Date.

6.3 Entitled Scripholders

Entitled Scripholders are Shareholders whose share certificates have not been deposited with CDP and who have tendered to the Share Registrar valid transfers of tier Shares and the certificates relating thereto for registration up to the Record Date and (i) whose registered addresses with the Company or the Share Registrar are in Singapore as at the Record Date or (ii) who have provided the Company or the Share Registrar with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) market days prior to the Record Date (the “**Entitled Scripholders**” and together with the Entitled Depositors, the “**Entitled Shareholders**”).

Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine provisional allotments of Rights Shares with Warrants.

6.4 CPF Investment Scheme

Shareholders who have previously purchased Shares using their Central Provident Fund (“CPF”) account savings (the “CPF Funds”) under the Central Provident Fund Investment Scheme (“CPFIS”) may only use their CPF Funds for the payment of the Issue Price to subscribe for their provisional allotments of nil-paid Rights Shares with Warrants and (if applicable) to apply for excess Rights Shares with Warrants, subject to the applicable CPF rules and regulations. Such Shareholders who wish to accept provisional allotments of the Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants using CPF Funds will need to instruct their respective approved CPF agent banks with whom they hold their CPF investment accounts, to accept the provisional allotments of the Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf in accordance with the terms and conditions in the Offer Information Statement. CPF Funds may not be used to purchase provisional allotments of nil-paid Rights Shares with Warrants directly from the market.

6.5 Foreign Shareholders

For practicable reasons and to avoid any violation of securities legislation applicable in countries other than Singapore, the Rights Shares with Warrants will not be offered to Shareholders with registered addresses outside Singapore as at the Record Date and who have not, before 5.00 p.m. at least three (3) market days prior to the Record Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents (the “Foreign Shareholders”). As such, no provisional allotments of the Rights Shares will be made to, and no purported acceptance thereof or application therefor by, Foreign Shareholders will be valid.

If it is practicable to do so, arrangements may be made, at the discretion of the Company, for provisional allotments of Rights Shares with Warrants which would otherwise be provisionally allotted to Foreign Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares with Warrants commence.

7. PREVIOUS EQUITY FUND RAISING IN THE PAST 12 MONTHS

7.1 The January 2020 Subscriptions

On 16 January 2020, the Company completed the placement of an aggregate of 427,807,485 new Shares, at an issue price of S\$0.00187 for each new subscription share, and 85,561,497

free warrants, each convertible into one Share at an exercise price of S\$0.002, for a total cash consideration of S\$800,000 to certain subscribers (the “**January 2020 Subscriptions**”).

Of the gross and net proceeds of approximately S\$800,000 of the January 2020 Subscriptions, the Company has utilised:

- (a) S\$303,000 for funding growth, development and expansion of existing medical aesthetics and healthcare business and exploration of new business opportunities as announced by the Company on 8 May 2020; and
- (b) S\$240,000 for working capital purposes mainly in relation to administrative and operating expenses as announced by the Company on 8 May 2020,

(collectively, the “**January 2020 Use of Proceeds**”).

A breakdown of the January 2020 Use of Proceeds:

Intended use of proceeds	Percentage (%) allocation	Allocation of net proceeds raised (S\$'000)	Amount utilised (S\$'000)	Balance (S\$'000)
Funding growth, development and expansion of the Company's existing medical aesthetics and healthcare business and exploration of new business opportunities as and when they arise	70	560	303	257
Working capital purposes	30	240	240	-
Total (approximately)	100	800	543	257

The balance amount is intended to be applied in the proportions as shown in the table above.

Assuming the 85,561,497 warrants are fully exercised for aggregate exercise proceeds of S\$171,123, 70% of the proceeds were intended to be used for funding growth, development and expansion of the Company's existing medical aesthetics and healthcare business and exploration of new business opportunities as and when they arise and the remaining 30% of the proceeds were intended to be used for working capital purposes. None of the 85,561,497 warrants have been exercised.

No further proceeds from the January 2020 Subscriptions have been raised as the warrants have not been exercised.

7.2 The DFN Subscription

On 18 July 2019, the Company completed the placement of an aggregate of 250,000,000 new Shares, at an issue price of S\$0.002 for each new subscription share, and 250,000,000 free

warrants, each convertible into one Share at an exercise price of S\$0.0018, for a total cash consideration of S\$500,000 to Dato' Ng Tian Sang @ Ng Kek Chuan (the “**DFN Subscription**”).

Of the gross and net proceeds of approximately S\$500,000 of the DFN Subscription, the Company has utilised:

- (a) S\$350,000 for funding growth, development and expansion of existing medical aesthetics and healthcare business and exploration of new business opportunities as announced by the Company on 8 May 2020; and
- (b) S\$150,000 for working capital purposes mainly in relation to administrative and operating expenses as announced by the Company on 8 May 2020,

(collectively, the “**DFN Use of Proceeds**”).

A breakdown of the DFN Use of Proceeds:

Intended use of proceeds	Percentage (%) allocation	Allocation of net proceeds raised (S\$'000)	Amount utilised (S\$'000)	Balance (S\$'000)
Funding growth, development and expansion of the Company's existing medical aesthetics and healthcare business and exploration of new business opportunities as and when they arise	70	350	350	-
Working capital purposes	30	150	150	-
Total (approximately)	100	500	500	-

Assuming the 250,000,000 warrants are fully exercised for aggregate exercise proceeds of S\$450,000, 70% of the proceeds were intended to be used for funding growth, development and expansion of the Company's existing medical aesthetics and healthcare business and exploration of new business opportunities as and when they arise and the remaining 30% of the proceeds were intended to be used for working capital purposes. None of the 250,000,000 warrants have been exercised.

The Company also granted to the Subscriber the right to require the Company to issue to the Subscriber (the “**Call Option**”), and the Subscriber granted to the Company the right to require the Subscriber to subscribe for (the “**Put Option**”), all (and not only some) of the 250,000,000 Call Option and Put Option Shares with 250,000,000 Call Option and Put Option warrants.

No further proceeds from the DFN Subscription have been raised as neither the warrants nor the Put Option and/or the Call Option have been exercised. The Put Option and the Call Option have, as announced by the Company on 12 February 2020, expired on 6 February 2020.

8. POTENTIAL TRANSFER OF CONTROLLING INTERESTS

Based on the terms of the Proposed Rights Cum Warrants Issue, a controlling interest may be transferred to certain shareholders pursuant to the Rights Cum Warrants Issue. Rule 803 of the Catalyst Rules provides that an issuer must not issue securities to transfer a controlling interest without the prior approval of shareholders in general meeting. Accordingly, the Company will be seeking Shareholders' approval at the EGM to be convened. The Circular to Shareholders containing further information on the Rights Cum Warrants Issue and the potential transfer of controlling interest, together with the notice of the EGM, will be despatched to Shareholders in due course.

9. ADJUSTMENTS TO RELEVANT WARRANTS AND RELEVANT OPTIONS

As of the date of this announcement, the Company does not envisage any adjustments that will be required to be made to the number and/or exercise price of the Relevant Warrants and Relevant Options as a result of the Rights Cum Warrants Issue. Further announcement(s) will be made by the Company in respect of such adjustments as and when appropriate (if any).

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors and substantial Shareholders has any interests, direct or indirect, in the Rights Cum Warrants Issue, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

11. 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 Rights Cum Warrants 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 the 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 the announcement in its proper form and context.

12. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The Rights Cum Warrants Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Rights Cum Warrants Issue will materialise or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

13. FORWARD LOOKING STATEMENTS

Some of the statements in this announcement constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect the Group's current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside the Group's control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and factors such as general economic and business conditions, including the timing or delay in signing, commencement, implementation and performance of programmes, or the delivery of products or services under them or the implementation of the improved airtime package by the satellite operators; structural change in the satellite industry; relationships with customers; competition; and the ability to attract personnel. Because actual results could differ materially from the Group's intentions, plans, expectations, assumptions and beliefs about the future and any negative impacts arising from these issues will affect the performance of the Group's businesses, undue reliance must not be placed on these statements.

14. FURTHER ANNOUNCEMENTS

Further announcements will be made by the Company in relation to the Rights Cum Warrants Issue as and when appropriate.

BY ORDER OF THE BOARD

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

2 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.

The contact person for the Sponsor is Ms Vanessa Ng (Telephone: +65 6389 3065 and Email: vanessa.ng@morganlewis.com).