

CIRCULAR DATED 5 JUNE 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.

Unless otherwise defined, capitalised terms appearing on the cover of this Circular bear the same meanings ascribed to them in the section entitled "Definitions" of this Circular.

If you have sold or transferred all your shares in the capital of JCG Investment Holdings Ltd. (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should immediately forward this Circular together with the Notice of Extraordinary General Meeting and the enclosed Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Company is a sponsored company listed on the Catalist board ("**Catalist**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Companies listed on Catalist may carry higher investment risks when compared with larger or more established companies listed on the SGX-ST Main Board. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the shares traded on Catalist.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's continuing sponsor, Stamford Corporate Services Pte. Ltd. (the "**Sponsor**"). This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms. Vanessa Ng, at telephone no. (65) 6389 3065; email address: vanessa.ng@morganlewis.com.



JCG INVESTMENT HOLDINGS LTD

JCG INVESTMENT HOLDINGS LTD.

(Incorporated in Singapore)

(Company Registration No. 200505118M)

CIRCULAR TO SHAREHOLDERS

in relation to

- (1) **THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UPTO 6,802,407,763 NEW ORDINARY SHARES (THE "RIGHTS SHARES") IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.001 PER RIGHTS SHARE, WITH UP TO 6,802,407,763 FREE DETACHABLE WARRANTS, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY AT THE RECORD DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED, AND ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED;**
- (2) **THE POTENTIAL TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO THE RELEVANT SHAREHOLDERS (AS DEFINED HEREIN) PURSUANT TO THE PROPOSED RIGHTS CUM WARRANTS ISSUE;**
- (3) **THE PROPOSED GRANT OF THE OPTION TO NATASHA SKINCARE (MALAYSIA) SDN BHD TO REQUIRE THE COMPANY TO PURCHASE ALL (AND NOT ONLY SOME) OF THE SHARES HELD BY NATASHA SKINCARE (MALAYSIA) SDN BHD IN NATASHA BEVERLY SDN BHD PURSUANT TO RULE 1018(1) OF THE CATALIST RULES; AND**
- (4) **THE PROPOSED CHANGE OF NAME OF THE COMPANY TO "BEVERLY JCG LTD."**

IMPORTANT DATES AND TIMES

- Last date and time for lodgement of Proxy Form : 27 June 2020 at 3.30 p.m.
- Date and time of Extraordinary General Meeting : 29 June 2020 at 3.30 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day)
- Place of Extraordinary General Meeting : To be held by way of electronic means

CONTENTS

	Page No.
DEFINITIONS	1
CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS	8
LETTER TO SHAREHOLDERS	9
1. INTRODUCTION	9
2. THE RIGHTS CUM WARRANTS ISSUE	12
3. THE POTENTIAL TRANSFER OF CONTROLLING INTEREST	22
4. FINANCIAL EFFECTS OF THE RIGHTS CUM WARRANTS ISSUE	24
5. THE PROPOSED GRANT OF THE NSC OPTION	25
6. THE PROPOSED CHANGE OF NAME	26
7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	26
8. RECOMMENDATION BY THE DIRECTORS	28
9. ABSTENTION FROM VOTING	29
10. EXTRAORDINARY GENERAL MEETING	29
11. ACTION TO BE TAKEN BY SHAREHOLDERS	29
12. DIRECTORS' RESPONSIBILITY STATEMENT	30
13. DOCUMENTS AVAILABLE FOR INSPECTION	30
APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE	31
NOTICE OF EXTRAORDINARY GENERAL MEETING	43
PROXY FORM	

DEFINITIONS

For the purpose of this Circular, except where the context otherwise requires or is otherwise stated, the following definitions shall apply throughout:

- "1Q2019"** : The financial period ended 31 March 2019
- "1Q2020"** : The financial period ended 31 March 2020
- "2017 Deed Poll"** : The deed poll dated 25 September 2017 entered into by the Company
- "2017 Warrants"** : The warrants in registered form allotted and issued by the Company pursuant to the terms and conditions of the 2017 Warrants as set out in the 2017 Deed Poll
- "2020 Deed Poll"** : The deed poll dated 9 January 2020 entered into by the Company
- "2020 Warrants"** : The warrants in registered form allotted and issued by the Company pursuant to the terms and conditions of the 2020 Warrants as set out in the 2020 Deed Poll
- "Albedo Employee Share Option Scheme"** : The Albedo Employee Share Option Scheme, adopted by the Company on 24 February 2006 and 5 May 2010 as amended, modified or varied from time to time
- "Announcement"** : Has the meaning ascribed to it in Section 1.1 of this Circular
- "ARE"** : The application and acceptance form for Rights Shares with Warrants and Excess Rights Shares with Warrants to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares with Warrants under the Rights Cum Warrants Issue
- "ARS"** : The application and acceptance form for Rights Shares with Warrants to be issued to purchasers of the provisional allotments of Rights Shares with Warrants under the Rights Cum Warrants Issue traded on the Catalist through the book-entry (scripless) settlement system
- "ATM"** : Automated teller machine of a Participating Bank
- "Associate"** : (a) In relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family (that is, the person's spouse, child, adopted child, step-child, sibling and parent);
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; or
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- "Board"** : The board of Directors of the Company as at the Latest Practicable Date

DEFINITIONS

“BW Deed Poll”	: The deed poll dated 23 September 2019 entered into by the Company
“BW Warrants”	: The warrants in registered form allotted and issue by the Company pursuant to the terms and conditions of the BW Warrants as set out in the BW Deed Poll
“Catalist”	: The Catalist Board of the SGX-ST, being the sponsor-supervised listing platform of the SGX-ST
“Catalist Rules”	: The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
“CDP”	: The Central Depository (Pte) Limited
“Circular”	: This circular to Shareholders dated 5 June 2020
“Closing Date”	: The time and date to be determined by the Directors, being the last time and date for acceptance and/or Excess Application and payment, and renunciation and payment of, the Rights Shares with Warrants under the Rights Cum Warrants Issue
“Companies Act”	: The Companies Act (Chapter 50) of Singapore as amended, modified or supplemented from time to time
“Company”	: JCG Investment Holdings Ltd.
“Controlling Interest”	: The interest of Controlling Shareholder(s)
“Controlling Shareholder”	: A person who (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in a company (unless otherwise determined by the SGX-ST); or (b) in fact exercises control over a company
“CPF”	: Central Provident Fund
“CPF Funds”	: CPF Investible Savings
“CPF Investment Account”	: The investment account maintained with a CPF agent bank for the purpose of investment of CPF Funds under the CPFIS – Ordinary Account
“CPFIS”	: CPF Investment Scheme
“CPFIS Shareholders”	: Shareholders who have previously purchased Shares using their CPF Funds under the CPF Investment Account
“Dato’ Ng and Family”	: DFN, Datin’ Wong Ling Chu (DFN’s spouse), Howard Ng How Er (DFN’s son) and Alexander Ng Zhonglie (DFN’s son)
“Deed Poll”	: The deed poll to be executed by the Company constituting the Warrants and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warrantholders
“DFN”	: Dato’ Ng Tian Sang @ Ng Kek Chuan

DEFINITIONS

- “DFN Deed Poll”** : The deed poll dated 11 July 2019 entered into by the Company
- “DFN Warrants”** : The warrants in registered form allotted and issue by the Company pursuant to the terms and conditions of the DFN Warrants as set out in the DFN Deed Poll
- “Director”** : A director of the Company as at the Latest Practicable Date, and **“Directors”** shall be construed accordingly
- “EGM”** : The extraordinary general meeting of the Company to be convened and held on 29 June 2020 at 3.30 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day) by way of electronic means, notice of which is set out on pages 43 to 48 of this Circular
- “Entitled Depositors”** : Shareholders with Shares standing to the credit of their Securities Account as at the Record Date and (i) whose registered addresses with CDP are in Singapore as at the Record Date, or (ii) who have, at least three (3) Market Days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents
- “Entitled Scripholders”** : Shareholders whose (i) share certificates are not deposited with CDP, (ii) Shares are registered in their own names and (iii) registered addresses are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date, provided the Company with addresses in Singapore for the service of notices and documents
- “Entitled Shareholders”** : Entitled Depositors and Entitled Scripholders
- “EPS”** : Earnings per Share
- “Excess Applications”** : Has the meaning ascribed to it in Section 2.3 of this Circular
- “Excess Rights Shares”** : Has the meaning ascribed to it in Section 2.3 of this Circular
- “Exercise Price”** : The price payable in respect of each Warrant Share upon the exercise of a Warrant shall be S\$0.001, subject to certain adjustments in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll
- “Existing Options”** : Has the meaning ascribed to it in Section 1.2 of this Circular
- “Existing Share Capital”** : The existing share capital of the Company comprising 15,811,689,664 Shares (excluding treasury shares) as at the Latest Practicable Date
- “Existing Warrants”** : Has the meaning ascribed to it in Section 1.2 of this Circular
- “Foreign Purchasers”** : Has the meaning ascribed to it in Section 2.5(b) of this Circular
- “Foreign Shareholders”** : Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three (3) Market Days prior thereto, provided the Share Registrar or CDP, as the case may be, with addresses in Singapore for the service of notices and documents
- “FY2017”** : The financial year ended 31 December 2017

DEFINITIONS

“FY2018”	: The financial year ended 31 December 2018
“FY2019”	: The financial year ended 31 December 2019
“Group”	: The Company and its subsidiaries from time to time
“JVCo”	: Natasha Beverly Sdn. Bhd.
“Latest Practicable Date”	: 26 May 2020, being the latest practicable date prior to the date of this Circular
“LPS”	: Loss per Share
“Market Day”	: A day on which the SGX-ST is open for trading of securities
“MAS”	: The Monetary Authority of Singapore
“Maximum Subscription Scenario”	: Has the meaning ascribed to it in Section 2.2 of this Circular
“NAV”	: Net asset value
“Net Proceeds”	: Has the meaning ascribed to it in Section 2.6 of this Circular
“Notice of EGM”	: The notice of the EGM which is set out on pages 43 to 48 of this Circular
“NSC”	: Natasha Skincare (Malaysia) Sdn. Bhd.
“NSC Option”	: Has the meaning ascribed to it in Section 1.3 of this Circular
“NSC Option Consideration”	: Has the meaning ascribed to it in Section 5.1 of this Circular
“NSC Option Consideration Shares”	: Has the meaning ascribed to it in Section 5.1 of this Circular
“NSC Option Period”	: Has the meaning ascribed to it in Section 5.1 of this Circular
“NTA”	: Net tangible assets
“NTL”	: Net tangible liabilities
“Offer Information Statement”	: The offer information statement, together with the ARE, the ARS, the PAL and all other accompanying documents (where applicable, including any supplementary or replacement document thereof) to be issued by the Company and to be lodged with the MAS in connection with the Rights Cum Warrants Issue

DEFINITIONS

- “Ordinary Resolution 1”** : Has the meaning ascribed to it in Section 1.4 of this Circular
- “Ordinary Resolution 2”** : Has the meaning ascribed to it in Section 1.4 of this Circular
- “Ordinary Resolution 3”** : Has the meaning ascribed to it in Section 1.4 of this Circular
- “Ordinary Resolution 4”** : Has the meaning ascribed to it in Section 1.4 of this Circular
- “PAL”** : The provisional allotment letter to be issued to Entitled Scripholders, setting out the provisional allotment of Rights Shares with Warrants under the Rights Cum Warrants Issue
- “Participating Banks”** : The banks that will be participating in the Rights Cum Warrants Issue by making available their ATMs to Entitled Depositors for acceptances of the Rights Shares with Warrants and/or Excess Applications
- “Potential Transfer of Controlling Interest”** : The potential transfer of a Controlling Interest in the Company to each of the Relevant Shareholders pursuant to the Rights Cum Warrants Issue
- “Proposed Change of Name”** : The proposed change of name of the Company from “JCG Investment Holdings Ltd.” to “Beverly JCG Ltd.”
- “Proposed Grant of the NSC Option”** : Has the meaning ascribed to it in Section 1.3 of this Circular
- “Proposed Resolutions”** : Has the meaning ascribed to it in Section 1.4 of this Circular
- “Proxy Form”** : Has the meaning ascribed thereto in Section 11 of this Circular
- “Purchaser”** : A purchaser of the Rights traded on the SGX-ST through the book-entry (scripless) settlement system
- “Record Date”** : A time and date to be determined by the Directors and announced by the Company in due course, being the time and date at and on which the Register of Members and share transfer books of the Company will be closed to determine the provisional allotments of Entitled Shareholders under the Rights Cum Warrants Issue and, in the case of Entitled Depositors, at and on which date their provisional allotments of Rights Shares with Warrants under the Proposed Rights Issue are determined
- “Register of Members”** : Register of members of the Company
- “Relevant Shareholders”** : DFN and Tan Suying
- “Rest Investments Deed Poll”** : The deed poll dated 3 December 2018 entered into by the Company
- “Rest Investments Warrants”** : The warrants in registered form allotted and issue by the Company pursuant to the terms and conditions of the Rest Investments Warrants as set out in the Rest Investments Deed Poll

DEFINITIONS

- “Rights”** : Rights to subscribe for one (1) Rights Share with Warrants for every three (3) Shares held by Entitled Shareholders as at the Record Date
- “Rights Cum Warrants Issue”** : Has the meaning ascribed to it in [Section 1.1](#) of this Circular
- “Rights Shares”** : Has the meaning ascribed to it in [Section 1.1](#) of this Circular, and **“Rights Share”** shall be construed accordingly
- “Securities Account”** : A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
- “SFA”** : Securities and Futures Act (Chapter 289) of Singapore, as may be amended, modified or supplemented from time to time
- “SGX-ST”** : Singapore Exchange Securities Trading Limited
- “Share”** : An ordinary share in the capital of the Company, and **“Shares”** shall be construed accordingly
- “Shareholders”** : Registered holders of the Shares, except that where the registered holder is CDP, the term **“Shareholders”** shall, where the context admits, mean the Depositors whose Securities Accounts are credited with the Shares, and **“Shareholder”** shall be construed accordingly
- “Shareholders Agreement”** : Has the meaning ascribed to it in [Section 1.3](#) of this Circular
- “Share Registrar”, “Warrant Agent” or “Warrant Registrar”** : Boardroom Corporate & Advisory Services Pte. Ltd.
- “Special Resolution 1”** : Has the meaning ascribed to it in [Section 1.4](#) of this Circular
- “Sponsor”** : The continuing sponsor of the Company, Stamford Corporate Services Pte. Ltd.
- “SRS”** : Supplementary Retirement Scheme
- “SRS Approved Banks”** : Approved banks in which SRS Investors hold their accounts under the SRS
- “SRS Investors”** : Investors who have previously purchased Shares under the SRS
- “Substantial Shareholder”** : A person (including a corporation) who (a) has an interest or interests in one or more voting shares in a company and (b) the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the Company
- “Tan Suying Deed Poll”** : The deed poll dated 11 April 2019 entered into by the Company
- “Tan Suying Warrants”** : The warrants in registered form allotted and issue by the Company pursuant to the terms and conditions of the Tan Suying Warrants as set out in the Tan Suying Deed Poll

DEFINITIONS

- “Unit Share Market”** : The unit share market of the SGX-ST
- “Warrantholders”** : The registered holders of the Warrants, except that where the registered holder is CDP, it shall mean the persons named in the Depository Register against which the Warrants are credited, and **“Warrantholder”** shall be construed accordingly
- “Warrant Share”** : Has the meaning ascribed to it in Section 2.1 of this Circular, and **“Warrant Shares”** shall be construed accordingly
- “Warrants”** : Has the meaning ascribed to it in Section 1.1 of this Circular, and **“Warrant”** shall be construed accordingly
- “Warrants Exercise Proceeds”** : Has the meaning ascribed to it in Section 2.6 of this Circular

Currencies and Units of Measurements

- “%”** : Per cent or percentage
- “S\$” and “cents”** : Singapore dollars and cents, respectively, being the lawful currency of the Republic of Singapore

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the respective meanings ascribed to them respectively in Section 81SF of the SFA.

The terms **“subsidiary”** and **“related corporations”** shall have the meanings ascribed to them respectively in the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to **“Rule”** or **“Chapter”** is a reference to the relevant rule or chapter in the Catalist Rules.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA or the Catalist Rules or any modification thereof and used in this Circular shall have the meaning assigned to it under the Companies Act, the SFA or the Catalist Rules or any statutory modification thereof, as the case may be.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference in this Circular to Shares being allotted to a person includes allotment to CDP for the account of that Depositor.

Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date, unless otherwise stated.

Any discrepancies in tables included in this Circular between the listed amounts and the totals are due to rounding; accordingly, the figures shown as totals in this Circular may not be an aggregation of the figures that precede them.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

Certain statements contained in this Circular, which are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "expect", "believe", "plan", "intend", "estimate", "anticipate", "may", "will", "would", "could" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group's expected financial position, business strategy, plans and prospects are forward-looking statements and accordingly involve known and unknown risks, uncertainties and other factors that may cause the Group's actual results, performance and achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Given the risks and uncertainties which may cause the Group's actual future results, performance or achievements to be materially different from those expected, expressed or implied by forward-looking statements in this Circular, undue reliance must not be placed on those statements. The Company does not represent or warrant that the Group's actual future results, performance or achievements will be as discussed in those statements. Further, the Company disclaims any responsibility, and undertakes no obligation to update or revise any forward-looking statements contained in this Circular to reflect any change in the Group's expectations with respect to such statements after the Latest Practicable Date or to reflect any change in events, conditions or circumstances on which the Company based any such statements subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

JCG INVESTMENT HOLDINGS LTD.
(Company Registration No. 200505118M)

Directors:	Registered Office:
Dato' Ng Tian Sang @ Ng Kek Chuan (<i>Executive Chairman and Chief Executive Officer</i>) Mr Howard Ng How Er (<i>Executive Director and Deputy Chief Executive Officer</i>) Mr Ang Kok Huan (<i>Executive Director</i>) Dr Lam Lee G (<i>Independent Director</i>) Mr Yap Siew Sin (<i>Independent Director</i>) Mr Cheung Wai Man, Raymond (<i>Independent Director</i>)	600 North Bridge Road Parkview Square #06-02 Singapore 188778

5 June 2020

To: The Shareholders of JCG Investment Holdings Ltd.

Dear Sir / Madam,

- (1) **THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UPTO 6,802,407,763 NEW ORDINARY SHARES (THE "RIGHTS SHARES") IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.001 PER RIGHTS SHARE, WITH UP TO 6,802,407,763 FREE DETACHABLE WARRANTS, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY AT THE RECORD DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED, AND ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED;**
- (2) **THE POTENTIAL TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO THE RELEVANT SHAREHOLDERS (AS DEFINED HEREIN) PURSUANT TO THE PROPOSED RIGHTS CUM WARRANTS ISSUE;**
- (3) **THE PROPOSED GRANT OF THE OPTION TO NATASHA SKINCARE (MALAYSIA) SDN BHD TO REQUIRE THE COMPANY TO PURCHASE ALL (AND NOT ONLY SOME) OF THE SHARES HELD BY NATASHA SKINCARE (MALAYSIA) SDN BHD IN NATASHA BEVERLY SDN BHD PURSUANT TO RULE 1018(1) OF THE CATALIST RULES; AND**
- (4) **THE PROPOSED CHANGE OF NAME OF THE COMPANY TO "BEVERLY JCG LTD.":**

1. INTRODUCTION

1.1. Rights Cum Warrants Issue

On 2 June 2020, the Company announced that they were undertaking a renounceable non-underwritten rights cum warrants issue (the "**Rights Cum Warrants Issue**") of up to 6,802,407,763 new 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 at a Record Date to be determined by the Directors, fractional entitlements to be disregarded, and one (1) Warrant for every one (1) Rights Share subscribed (the "**Announcement**"). The Rights Cum Warrants Issue is subject to, *inter alia*:

- (a) the approval of the Shareholders for the Rights Cum Warrants Issue being obtained at the EGM to be convened;
- (b) the receipt of the listing and quotation notice from 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 (and such approval not having been withdrawn or revoked on or prior to the completion of the Rights Cum Warrants issue) and if such approval is granted subject to conditions, such conditions being acceptable to the Company; and
- (c) the lodgement of the Offer Information Statement and all other accompanying documents (if applicable) in connection with the Rights Cum Warrants Issue with MAS.

LETTER TO SHAREHOLDERS

An application will be made to the SGX-ST by the Sponsor on behalf of the Company for the listing of and quotation for the Rights Shares, the Warrants and the Warrant Shares pursuant to the Rights Cum Warrants Issue. The Company will make the necessary announcement on SGXNET upon the receipt of the listing and quotation notice by the SGX-ST.

Pursuant to the Catalist Rules, the SGX-ST normally requires a sufficient spread of holdings to provide an orderly market in the securities and as a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. Shareholders should note that in the event permission is not granted by the SGX-ST for the listing of and quotation for the Warrants on the Catalist due to an inadequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants, warrant holders will not be able to trade their Warrants on the Catalist but the Company shall nevertheless proceed with and complete the Rights Cum Warrants Issue in such event.

1.2. Existing Warrants and Existing Options

As at the Latest Practicable Date, the Company has 4,557,046,127 outstanding, unexercised warrants which consist of:

- (a) 2,796,918,493 outstanding, unexercised 2017 Warrants;
- (b) 952,380,952 outstanding, unexercised Rest Investments Warrants;
- (c) 310,185,185 outstanding, unexercised Tan Suiying Warrants;
- (d) 250,000,000 outstanding, unexercised DFN Warrants;
- (e) 162,000,000 outstanding, unexercised BW Warrants; and
- (f) 85,561,497 outstanding, unexercised 2020 Warrants,

in registered form allotted and issued by the Company pursuant to the terms and conditions of the existing warrants set out in the 2017 Deed Poll, the Rest Investments Deed Poll, the Tan Suiying Deed Poll, the DFN Deed Poll, the BW Deed Poll and the 2020 Deed Poll (the "**Existing Warrants**").

As at the Latest Practicable Date, the Company also has 38,487,500 outstanding, unexercised options under the Albedo Employee Share Option Scheme (the "**Existing Options**").

As a result of the Rights Cum Warrants Issue and pursuant to the 2017 Deed Poll, the Rest Investments Deed Poll, the Tan Suiying Deed Poll, the DFN Deed Poll, the BW Deed Poll, the 2020 Deed Poll and the Albedo Employee Share Option Scheme, the Company may be required to make adjustments to the number as well as the exercise price of the Existing Warrants and the Existing Options. As at the Latest Practicable Date, the Company does not envisage any adjustments that will be required to be made to the Existing Warrants and the Existing Options.

Further announcement(s) will be made by the Company in respect of such adjustments as and when appropriate (if any).

1.3. Proposed Grant of the NSC Option

On 19 February 2020, the Company announced that the Company's wholly-owned subsidiary, JCG-Beverly Pte. Ltd. had on the same day entered into a shareholders' agreement with NSC (the "**Shareholders' Agreement**"), pursuant to which NSC and JCG-Beverly Pte. Ltd. had agreed that, *inter alia*, subject to the relevant shareholders' approval of the Company, NSC shall be granted an option (the "**NSC Option**") to require the Company to purchase all (and not only some) of the JVCo's shares held by NSC (the "**Proposed Grant of the NSC Option**").

LETTER TO SHAREHOLDERS

1.4. Shareholders' Approval

The Board is convening an EGM to seek the approval of independent Shareholders for:

- (a) the Rights Cum Warrants Issue ("**Ordinary Resolution 1**");
- (b) the Potential Transfer of Controlling Interest to DFN ("**Ordinary Resolution 2**");
- (c) the Potential Transfer of Controlling Interest to Tan Suying ("**Ordinary Resolution 3**");
- (d) the Proposed Grant of the NSC Option ("**Ordinary Resolution 4**"); and
- (e) the Proposed Change of Name ("**Special Resolution 1**"),

(collectively, the "**Proposed Resolutions**").

1.5. Purpose of this Circular

The purpose of this Circular is to provide Shareholders with all necessary information relating to the Proposed Resolutions, and to seek Shareholders' approval for the same at the EGM.

This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any persons (other than the Shareholder to whom this Circular is despatched to by the Company) or for any other purpose.

1.6. Inter-conditionality of the Resolutions

The Directors wish to highlight that:

- (a) the passing of each of Ordinary Resolutions 2 and 3 in relation to the Potential Transfer of Controlling Interest is conditional on the passing of Ordinary Resolution 1 in relation to the Rights Cum Warrants Issue. This means that if Ordinary Resolution 1 is not passed, each of Ordinary Resolutions 2 and 3 will not be passed;
- (b) the passing of Ordinary Resolution 1 is not conditional upon the passing of Ordinary Resolutions 2 and/or 3 and the Company may still elect to proceed with the Proposed Rights Cum Warrants Issue, if such resolution is approved, even if Ordinary Resolutions 2 and/or 3 are not approved, subject to the Company's compliance with Rule 803 of the Catalist Rules;
- (c) the passing of each of Ordinary Resolutions 2 and 3 is not inter-conditional; and
- (d) the passing of Ordinary Resolution 4 and Special Resolution 1 is independent of the approval of the other Proposed Resolutions.

1.7. The SGX-ST

The SGX-ST assumes no responsibility for the contents of this Circular including the correctness of any of the statements made or opinions expressed or reports contained in this Circular. If a Shareholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.

LETTER TO SHAREHOLDERS

2. THE RIGHTS CUM WARRANTS ISSUE

2.1. Basis of the Rights Cum Warrants Issue

The Company is offering up to 6,802,407,763 Rights Shares to Entitled Shareholders 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, 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 Latest Practicable Date, the Existing Share Capital comprises 15,811,689,664 Shares and there are 4,557,046,127 Existing Warrants and 38,487,500 Existing Options, all of which may be exercised on or prior to the Record Date. In the event all the Existing Warrants and the Existing 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 Existing Warrants and the Existing Options are exercised and new Shares are issued pursuant thereto on or prior to the Record Date, and (ii) all Entitled Shareholders 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.

There is no minimum amount which must be raised from the Rights Cum Warrants Issue.

2.3. Principal Terms of the Rights Cum Warrants Issue

Basis of Provisional Allotment : The Rights Cum Warrants Issue is proposed to be made on a renounceable non-underwritten basis to Entitled Shareholders on the basis of one (1) Rights Share for every one (3) existing Shares held by Entitled Shareholders as at the Record Date, and one (1) free detachable Warrant for every one (1) Rights Share subscribed, fractional entitlements to be disregarded.

Number of Rights Shares : Based on the Existing Share Capital, the Company will issue up to 6,802,407,763 Rights Shares (with up to 6,802,407,763 free detachable Warrants).

Issue Price and Discount : S\$0.001 per Rights Share, payable in full on acceptance and/or application

The Issue Price of S\$0.001 per Rights Share 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 the 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 the Announcement on which Shares were traded on the Catalist of the SGX-ST.

Eligibility to participate : Please refer to [Section 2.5](#) entitled “Eligibility of Shareholders to Participate in the Rights Cum Warrants Issue” of this Circular.

Status of the Rights Shares : 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.

LETTER TO SHAREHOLDERS

Listing of the Rights Shares : The Company will be making an application to the SGX-ST through its Sponsor for permission to deal in and for the listing and quotation of the Rights Shares on the Catalist. An appropriate announcement on the outcome of such application will be made in due course.

Acceptance, Payment and Excess Application : Entitled Shareholders 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' 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 renounee(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 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 ("**Excess Applications**") (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.

In the allotment of Excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders 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.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, will be set out in the Offer Information Statement.

Trading of the Rights Shares : Upon the listing and quotation of the Rights Shares on the Catalist of the SGX-ST, the Rights Shares will be traded on the Catalist of the SGX-ST under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) in relation to the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "*Terms and Conditions for Operation of Securities Accounts with the Central Depository (Pte) Limited*", as the same may be amended from time to time, copies of which are available from CDP.

Trading of Odd Lots of Shares : 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.

LETTER TO SHAREHOLDERS

Scaling Down : 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 to avoid placing the relevant Entitled Shareholder 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.

Use of CPF Funds : CPFIS Shareholders can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights Shares with Warrants and (if applicable) application for Excess Rights Shares.

Such CPFIS 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 must have sufficient funds in their CPF Investment Accounts and 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. In the case of insufficient CPF funds or stock limit, CPFIS Shareholders could top up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept the Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants.

CPF Funds may not be used to purchase provisional allotments of nil-paid Rights Shares with Warrants directly from the market.

Use of SRS Funds : SRS Investors who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS accounts.

Such SRS Investors who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants using SRS monies, must instruct the relevant SRS Approved Banks in which they hold their SRS accounts to accept their provisional allotments of 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.

SRS Investors who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their approved banks before instructing their respective approved banks to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants.

SRS Investors are advised to provide their respective approved banks in which they hold their SRS accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, electronic applications at ATMs of the Participating Banks, the Share Registrar and/or the Company will be rejected.

For the avoidance of doubt, monies in SRS accounts may not be used for the purchase of provisional allotments of the Rights Shares with Warrants directly from the market.

Estimated Net Proceeds : In the event that the Rights Shares with Warrants are fully subscribed based on the maximum of 6,802,407,763 Rights Shares to be issued, the Company expects to raise Net Proceeds of approximately S\$6,652,000 from the Rights Cum Warrants Issue, after deducting estimated costs and expenses of approximately S\$150,000 incurred in connection with the Rights Cum Warrants Issue.

LETTER TO SHAREHOLDERS

Underwriting : 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.

Governing Law : Laws of the Republic of Singapore

The above terms and conditions of the Rights Cum Warrants Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights Cum Warrants Issue will be set out in the Offer Information Statement to be despatched to Entitled Shareholders in due course, subject to, *inter alia*, the approval of the Shareholders for the Rights Cum Warrants Issue at the EGM to be convened.

2.4. Principal Terms of the Warrants

Number of Warrants : Based on the Existing Share Capital, the Company will issue up to 6,802,407,763 detachable Warrants to be issued free together with the Rights Shares.

Basis of Allotment : One (1) free detachable Warrant with every one (1) Rights Share subscribed, fractional entitlements to be disregarded.

Detachability and Trading : The Warrants will be detached from the Rights Shares on issue and will be listed and traded separately on the SGX-ST under the book-entry (scripless) settlement system upon the listing and quotation of the Warrants on the SGX-ST, subject to, *inter alia*, an adequate spread of holdings of the Warrants to provide for an orderly market in the Warrants. Each board lot of Warrants will consist of 100 Warrants or such other number as may be notified by the Company.

Warrants Exercise Price : S\$0.001 for each Warrant Share payable upon exercise of a Warrant, subject to adjustments.

The 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 the 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 the Announcement on which Shares were traded on the Catalist of the SGX-ST.

Warrants Exercise Period : The period commencing on and including the date of issue of the Warrants and expiring at 5:00 p.m. (Singapore time) on the Market Day immediately preceding the third (3rd) anniversary of the date of issue of the Warrants. The Warrants that remain unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose.

The Company shall, not later than one (1) month before the expiry of the Exercise Period:

- (i) give notice to the Warranholders in accordance with the Deed Poll of the expiry of the Exercise Period and announce the expiry of the Exercise Period on SGXNET; and
- (ii) take reasonable steps to despatch to the Warranholders notices in writing to their addresses recorded in the Warrant Register or the Depository Register, as the case may be, of the expiry of the Exercise Period.

LETTER TO SHAREHOLDERS

Listing of Warrants and Warrant Shares : An application will be made to the SGX-ST by the Sponsor on behalf of the Company for the listing of and quotation for the Warrants and the Warrant Shares pursuant to the Rights Cum Warrants Issue. The Company will make the necessary announcement on SGXNET upon the receipt of the listing and quotation notice by the SGX-ST.

However, it should be noted that the Warrants may not be listed and quoted on the SGX-ST if there is an insufficient spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants. In such event, Warrantholders will not be able to trade their Warrants on the SGX-ST.

Form and Subscription Rights : The Warrants will be issued in registered form and will be constituted by the Deed Poll. Subject to the terms and conditions of the Warrants as set out in the Deed Poll, each Warrant shall entitle the Warrantholder, at any time during the Exercise Period, to subscribe for one (1) Warrant Share at the Exercise Price.

Number of Warrant Shares : Up to 6,802,407,763 Warrant Shares, assuming that all 6,802,407,763 Warrants are issued and are fully exercised into Warrant Shares.

Status of Warrant Shares : The Warrant Shares shall be fully paid and shall rank for any dividends, rights, allocations or other distributions, the record date for which is on or after the relevant exercise date of the Warrant (subject as aforesaid), *pari passu* in all respects with the then existing Shares of the Company.

Adjustments : The Exercise Price and/or the number of Warrants to be held by the Warrantholders will, after the issue of the Warrants, be subject to adjustments under certain circumstances to be set out in the Deed Poll. Such circumstances include, without limitation, consolidation or subdivision of Shares, capitalisation issues, rights cum warrants issues and certain capital distributions. Any such adjustments shall be announced by the Company.

Any additional Warrants issued pursuant to such adjustments shall rank *pari passu* with the Warrants and will for all purposes form part of the same series. Any such adjustments shall (unless otherwise provided under the rules of the SGX-ST from time to time) be announced by the Company on SGXNET.

Material alteration to the terms of the Warrants to the advantage of the Warrantholders : Any material alteration to the terms to the Warrants to the advantage of the Warrantholders is subject to the approval of the Shareholders in a general meeting, except where the alterations are made pursuant to the terms and conditions of the Deed Poll.

Transfer and Transmission : A Warrantholder whose Warrants are registered in the name of a person other than CDP (the “**Transferor**”) shall lodge, during normal business hours on any Market Day at the specified office of the Warrant Agent, the Transferor’s warrant certificate(s) together with a transfer form as prescribed by the Company from time to time duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any applicable law.

Where the Warrants are registered in the name of CDP and where the Warrants are to be transferred between Depositors, any transfer of such Investment Warrants must be transferred in the Depository Register by CDP by way of book-entry.

LETTER TO SHAREHOLDERS

Rights of Warranholders on Winding-up of the Company : If prior to the expiry of the Warrants, an effective resolution is passed for a members' voluntary winding up of the Company, for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement approved by the Warranholders by way of a special resolution, the terms of such scheme of arrangement shall be binding on all the Warranholders and all persons having an interest in the Warrants.

In any other case, if notice is given by the Company to its members to convene a general meeting for the purposes of considering a members' voluntary winding-up of the Company, every Warranholder shall be entitled upon and subject to the Deed Poll, at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company, by irrevocable surrender of his warrant certificate(s) to the Company with the exercise notice(s) duly completed, together with all payments payable, to elect to be treated as if he had had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the exercise notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly.

The Company shall give notice to the Warranholders in accordance with the Deed Poll of the passing of any such resolution within seven (7) days after the passing thereof.

Further Issue : Subject to the terms and conditions of the Deed Poll, the Company shall be at liberty to issue Shares to Shareholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit but the Warranholders shall not have any participating rights in such issue of Shares unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire the Shares.

Share Buy-back : Nothing shall prevent or restrict the buy-back of any classes of shares pursuant to applicable laws and the requirements of the SGX-ST.

Warrant Agent : Boardroom Corporate & Advisory Services Pte. Ltd.

Governing Law : Laws of the Republic of Singapore

The above terms and conditions of the Rights Cum Warrants Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights Cum Warrants Issue will be set out in the Offer Information Statement to be despatched to Entitled Shareholders in due course, subject to, *inter alia*, the approval of the Shareholders for the Rights Cum Warrants Issue at the EGM to be convened.

2.5. Eligibility of Shareholders to Participate in the Rights Cum Warrants Issue

(a) Entitled Shareholders

Entitled Shareholders are entitled to participate in the Rights Cum Warrants Issue and to receive the Offer Information Statement together with the AREs or PALs, as the case may be, and other accompanying documents at their respective Singapore addresses.

Entitled Depositors who do not receive the Offer Information Statement and the AREs may obtain them from CDP, the Share Registrar or any stockbroking firm during the period from the date the Rights Cum Warrants Issue commences up to the Closing Date. Entitled Scripholders who do not receive the Offer Information Statement and the PALs may obtain them from the Share Registrar during the period from the date the Rights Cum Warrants Issue commences up to the Closing Date.

Entitled Shareholders will be provisionally allotted the Rights Shares with Warrants under the Rights Cum Warrants Issue on the basis of their shareholdings in the Company as at the Record Date, fractional entitlements to be disregarded. Entitled Shareholders will be at liberty to accept, decline, renounce or trade on the SGX-ST in full or in part (during the rights trading period prescribed by the SGX-ST) their provisional allotment of Rights Shares with Warrants, and are eligible to apply for Excess Rights Shares with Warrants. For the avoidance of doubt, only Entitled Shareholders (and not the Purchasers or the renounees) shall be entitled to apply for Excess Rights Shares with Warrants.

LETTER TO SHAREHOLDERS

All dealings in, and transactions of, the provisional allotments of Rights Shares with Warrants through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs which are issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.

Entitled Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP. Entitled Depositors are reminded that any request to CDP to update their records or effect any change in address must reach CDP not later than three (3) Market Days before the Record Date.

Entitled Scripholders should note that all correspondences and notices will be sent to their last registered addresses with the Company or the Share Registrar. Entitled Scripholders are reminded that any request to the Company or the Share Registrar to update their records or effect any change in address must reach JCG Investment Holdings Ltd. c/o Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, not later than 5.00 p.m. (Singapore time) three (3) Market Days before the Record Date. Entitled Scripholders may open Securities Accounts with CDP if they have not already done so and to deposit their share certificates with CDP prior to the Record Date so that their Securities Accounts may be credited by CDP with their Shares and the Rights. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the twelfth (12th) Market Day from the date of lodgement of the share certificates with CDP or such later date subject to the completion of the lodgement process.

For Entitled Depositors (which exclude investors who hold Shares through finance companies or Depository Agents, CPFIS Shareholders and SRS Investors), acceptances of the Rights Shares with Warrants and (if applicable) applications for Excess Rights Shares with Warrants may be made through CDP or by way of an electronic application through ATM(s) of a Participating Bank.

The Rights Shares with Warrants which are not otherwise taken up or allotted for any reason shall be used to satisfy applications for Excess Rights Shares with Warrants (if any) as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

In the allotment of Excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and that Directors and substantial Shareholders 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 Issue, or have representation (direct or through a nominee) on the Board of Directors will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares with Warrants.

The Company will not make any allotment and issue of 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.

Full details of the Rights Cum Warrants Issue, including an indicative timetable of the key events, will be set out in the Offer Information Statement to be despatched to Entitled Shareholders in due course.

(b) Foreign Shareholders

The Offer Information Statement and its accompanying documents relating to the Rights Cum Warrants Issue have not been and will not be lodged, registered or filed in any jurisdiction other than in Singapore. The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or unless relevant securities requirements, whether legal or administrative, are complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Offer Information Statement and its accompanying documents will not be despatched to Foreign Shareholders or to any jurisdiction outside Singapore.

Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Cum Warrants Issue. No provisional allotment of the Rights Shares with Warrants will be made to Foreign Shareholders and no purported acceptance thereof or application therefor by any Foreign Shareholder will be valid.

LETTER TO SHAREHOLDERS

The Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the provisional allotment of the Rights Shares with Warrants through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the **"Foreign Purchasers"**). Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares with Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renounee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of the Rights Shares with Warrants renounced to him. The Company further reserves the right to reject any acceptances of the Rights Shares with Warrants and/or any application for Excess Rights Shares with Warrants where it believes, or has reason to believe, that such acceptance or application may violate the applicable legislation of any jurisdiction.

The Company reserves the right, but shall not be obliged, to treat as invalid any ARE, ARS or PAL which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction; (b) provides an address outside Singapore for the receipt of the physical share certificate(s) for the Rights Shares or which requires the Company to despatch such share certificate(s) to an address in any jurisdiction outside Singapore; or (c) purports to exclude any deemed representation or warranty. The Company further reserves the right to reject any acceptances of Rights Shares with Warrants and/or applications for Excess Rights Shares with Warrants where it believes, or has reason to believe, that such acceptances or applications may violate the applicable legislation of any jurisdiction.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares with Warrants which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the provisional allotment of Rights Shares with Warrants commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the relevant expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed among Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares standing to the credit of their respective Securities Accounts as at the Record Date and sent to them by means of a crossed cheque at their own risk by ordinary post, or in such other manner as they may have agreed with CDP for payment of any cash distributions. If the amount of net proceeds distributable to any single Foreign Shareholder is less than S\$10.00, such net proceeds will be retained or dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Share Registrar or CDP in connection therewith.

Where such provisional allotments of Rights Shares are sold "nil-paid" on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, the Share Registrar or CDP in respect of such sales or proceeds thereof, the provisional allotments of Rights Shares with Warrants or the Rights Shares Warrants represented by such provisional allotments.

If such provisional allotments of Rights Shares with Warrants cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares with Warrants, the Rights Shares with Warrants represented by such provisional allotments will be used to satisfy excess applications or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Share Registrar or CDP in connection therewith.

Shareholders should note that the special arrangements described above would apply only to Foreign Shareholders. However, the Company reserves the right to make similar arrangements for the Rights which would otherwise have been allotted to certain Entitled Shareholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights commence, where the beneficial holders of such Rights are restricted or prohibited by the laws of the jurisdiction in which they are located or resident from participating in the Rights Cum Warrants Issue.

LETTER TO SHAREHOLDERS

Notwithstanding the above, Entitled Shareholders and any other person having possession of the Offer Information Statement and its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto at their own expense and without liability to the Company. No person in any territory outside Singapore receiving the Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares with Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other legal requirements in those territories.

Entitled Depositors should note that all correspondences will be sent to their last registered Singapore mailing addresses with CDP. Entitled Depositors should note that any request to CDP to update its records or to effect any change in address should have reached CDP at least three (3) Market Days before the Record Date.

Entitled Shareholders whose Shares are registered in their own names (not being Entitled Depositors) who do not presently have an address in Singapore for the service of notices and documents and who wish to be eligible to participate in the Rights Cum Warrants Issue should have provided such an address in Singapore by notifying JCG Investment Holdings Ltd. c/o Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, before 5.00 p.m. at least three (3) Market Days before the Record Date.

The procedures for, and the terms and conditions applicable to, the acceptance, renunciation and/or sale of the provisional allotments of the Rights Shares with Warrants and for Excess Applications for the Rights Shares with Warrants pursuant to the Rights Cum Warrants Issue will be set out in the Offer Information Statement to be despatched by the Company to Entitled Shareholders in due course.

2.6. Rationale of Rights Cum Warrants Issue 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

LETTER TO SHAREHOLDERS

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 (%)
For general working capital needs	3,401	50
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.

2.7. Review of Past Performance and Working Capital

The profit and loss statements, the cash flow statements, the balance sheets and the working capital position of the Group for the last three (3) financial years ended 31 December 2017, 31 December 2018 and 31 December 2019 and the latest first quarter ended 31 March 2020 are set out in **Appendix A** to this Circular.

2.8. Opinion of Directors

For the purposes of Rule 814(1)(f) of 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 Section 2.6 of this Circular.

The Directors are of the opinion, after taking into consideration the rationale for the Rights Cum Warrants Issue as set out in Section 2.6 of this Circular, that the Rights Cum Warrants Issue is in the interest of the Company.

2.9. Record Date

Subject to the Shareholders’ approval of the Rights Cum Warrants Issue at the EGM to be convened, the Record Date for the purpose of determining the Entitled Shareholders’ entitlements under the Rights Cum Warrants Issue will be announced at a later date.

2.10. Adjustments to the Existing Warrants and the Existing Options

As a result of the Rights Cum Warrants Issue and pursuant to the terms and conditions of the Existing Warrants and the Existing Options as set out in the respective deed polls and the Albedo Employee Share Option Scheme, the Company may be required to make adjustments to the number as well as the exercise price of the Existing Warrants and the Existing Options. As of the Latest Practicable Date, the Company does not envisage any adjustments that will be required to be made to the Existing Warrants and the Existing Options.

Further announcement(s) will be made by the Company in respect of such adjustments, as and when appropriate (if any).

LETTER TO SHAREHOLDERS

3. THE POTENTIAL TRANSFER OF CONTROLLING INTEREST

3.1. Information on the Relevant Shareholders

Dato' Ng Tian Sang @ Ng Kek Chuan

DFN is a Substantial Shareholder and the Executive Chairman and Chief Executive Officer of the Company.

Tan Suying

Tan Suying is a Substantial Shareholder and director of Brand X Lab Pte. Ltd., a subsidiary of the Company.

3.2. Potential Transfer of Controlling Interest

Rule 803 of the Catalist Rules provides that any issue of securities to transfer a Controlling Interest must be approved by Shareholders in a general meeting.

As at the Latest Practicable Date, the Relevant Shareholders hold the following interests in Shares and convertible securities of the Company:

Interest in Shares

	Direct Interest		Deemed Interest	
	Number of Shares	Percentage (%) ⁽¹⁾	Number of Shares	Percentage (%) ⁽¹⁾
Dato' Ng Tian Sang @ Ng Kek Chuan ⁽²⁾	1,074,197,200	6.79	775,511,751	4.90
Tan Suying	1,861,111,111	11.77	-	-

Notes:

- (1) Based on the Existing Share Capital of the Company as at the Latest Practicable Date, comprising 15,811,689,664 Shares.
 (2) DFN is deemed to be interested in the Shares held by Datin' Wong Ling Chu, Howard Ng How Er and Alexander Ng Zhonglie.

Interest in Convertible Securities

	Direct Interest		Deemed Interest	
	Number of Convertible Securities	Number of Shares that may arise from the conversion of the Convertible Securities	Number of Convertible Securities	Number of Shares that may arise from the conversion of the Convertible Securities
Dato' Ng Tian Sang @ Ng Kek Chuan ⁽¹⁾	305,708,041	305,708,041	54,742,003	54,742,003
Tan Suying	310,185,185	310,185,185	-	-

Note:

- (1) DFN is deemed to be interested in the convertible securities held by Datin' Wong Ling Chu, Howard Ng How Er and Alexander Ng Zhonglie.

LETTER TO SHAREHOLDERS

For illustrative purposes only, based on the terms of the Proposed Rights Issue and assuming that:

- (a) none of the Existing Warrants and the Existing Options are exercised on or prior to the Record Date;
- (b) only the Relevant Shareholder (and his/her Associates) subscribe(s) and pay(s) for (or procure(s) the subscription and payment for) in full at the Issue Price, by way of acceptance, his/her/its/their provisional allotment of Rights Shares with Warrants; and
- (c) none of the other Entitled Shareholders or purchasers of “nil-paid” rights during the “nil-paid” rights trading period subscribe and pay for any Rights Shares with Warrants,

the Relevant Shareholders will hold the following interests in Shares and convertible securities of the Company after the Rights Cum Warrants Issue:

Interest in Shares

	Direct Interest		Deemed Interest	
	Number of Shares	Percentage (%) ⁽¹⁾	Number of Shares	Percentage (%) ⁽¹⁾
Dato' Ng Tian Sang @ Ng Kek Chuan ⁽²⁾	1,432,262,933	8.72	1,034,015,668	6.29
Tan Suying	2,481,481,481	15.10	-	-

Notes:

- (1) Based on the enlarged share capital of the capital assuming the above assumptions, comprising, in the case of DFN, 16,428,259,314 Shares, and, in the case of Tan Suying, 16,432,060,034 Shares.
- (2) DFN is deemed to be interested in the Shares held by Datin' Wong Ling Chu, Howard Ng How Er and Alexander Ng Zhonglie.

Interest in Convertible Securities

	Direct Interest		Deemed Interest	
	Number of Convertible Securities	Number of Shares that may arise from the conversion of the Convertible Securities	Number of Convertible Securities	Number of Shares that may arise from the conversion of the Convertible Securities
Dato' Ng Tian Sang @ Ng Kek Chuan ⁽¹⁾	663,773,774	663,773,774	313,245,920	313,245,920
Tan Suying	930,555,555	930,555,555	-	-

Note:

- (1) DFN is deemed to be interested in the convertible securities held by Datin' Wong Ling Chu, Howard Ng How Er and Alexander Ng Zhonglie.

Consequently, the shareholding interest of the Relevant Shareholders (held directly or indirectly) may increase to more than 15% of the share capital of the Company upon completion of the Rights Cum Warrants Issue depending on the level of subscription for the Rights Cum Warrants Issue.

This would result in a transfer of Controlling Interest and is subject to the approval of the Shareholders for the purposes of Rule 803 of the Catalist Rules.

In the event that Ordinary Resolutions 2 and/or 3, being the ordinary resolutions to approve the Potential Transfer of Controlling Interest to DFN and Tan Suying respectively, is/are not approved at the EGM, the Company will, if necessary, scale down the Relevant Shareholder's applications for entitlement of Rights Shares with Warrants or Excess Rights Shares, as the case may be, such that the number of Rights Shares with Warrants allotted and issued to such Relevant Shareholder will not result in such Relevant Shareholder holding more than 15% of the enlarged share capital of the Company after the Rights Cum Warrants Issue.

LETTER TO SHAREHOLDERS

4. FINANCIAL EFFECTS OF THE RIGHTS CUM WARRANTS ISSUE

4.1. Assumptions

The *pro forma* financial effects of the Rights Cum Warrants Issue are purely for illustration purposes only and do not purport to be indicative or a projection or an estimate of the future results and financial positions of the Company and/or the Group immediately following the completion of the Rights Cum Warrants Issue.

The financial effects are presented herein after taking into account the following assumptions:

- (a) the Maximum Subscription Scenario;
- (b) all of the Warrants are exercised after the completion of the Rights Cum Warrants Issue;
- (c) for the purpose of computing the financial effects of the Rights Cum Warrants Issue on the NTA / NTL per Share and gearing of the Group, the Rights Cum Warrants Issue is assumed to have been completed on 31 December 2019; and
- (d) for the purpose of computing the financial effects of the Rights Cum Warrants Issue on the EPS / LPS of the Group, the Rights Cum Warrants Issue is assumed to have been completed on 1 January 2019.

4.2. Share Capital

The financial effects of the Rights Cum Warrants Issue on the share capital of the Group are as follows:

	Before completion of the Rights Cum Warrants Issue as at the Latest Practicable Date	After completion of the Rights Cum Warrants Issue
Number of Shares	15,811,689,664	34,012,038,818
Share Capital (S\$'000)	68,260	91,065

4.3. NTA

The financial effects of the Rights Cum Warrants Issue on the NTA of the Group are as follows:

	Before completion of the Rights Cum Warrants Issue	After completion of the Rights Cum Warrants Issue
NTA attributable to the equity holders of the Company as at 31 December 2019 (S\$'000)	6,764	29,248
Number of Shares	15,383,882,179	33,498,669,836
NTA per Share (S\$ cents)	0.04	0.09

4.4. LPS

The financial effects of the Rights Cum Warrants Issue on the LPS of the Group are as follows:

	Before completion of the Rights Cum Warrants Issue	After completion of the Rights Cum Warrants Issue
Group loss after tax (S\$'000)	3,247	3,397
Weighted average number of Shares (excluding treasury shares)	12,455,804,556	30,570,592,213
LPS per Share (S\$ cents)	0.03	0.01

LETTER TO SHAREHOLDERS

4.5. Gearing

The financial effects of the Rights Cum Warrants Issue on the gearing of the Group are as follows:

	Before completion of the Rights Cum Warrants Issue	After completion of the Rights Cum Warrants Issue
Total net borrowings (S\$'000)	4,167	4,167
Shareholders' equity (S\$'000)	6,764	29,248
Net gearing (times)	0.616	0.142

5. THE PROPOSED GRANT OF THE NSC OPTION

5.1. Terms of the NSC Option

Pursuant to the Shareholders' Agreement, the NSC Option shall, subject to the relevant shareholders' approval of the Company, be granted on the following terms:

- (a) NSC may exercise the NSC Option and require the Company to purchase all (and not only some) of the JVCo's shares held by NSC for an aggregate consideration based on the latest twelve-month audited accounts of the JVCo at a price/earnings (PE) multiple of five times earnings or such other multiple as may be agreed between the Parties (the "**NSC Option Consideration**");
- (b) the NSC Option Consideration shall be fully satisfied by new Shares (the "**NSC Option Consideration Shares**");
- (c) the NSC Option Consideration Shares shall, subject to the relevant shareholders' approval of the Company (if necessary), be issued at an issue price to be determined based on the last day of trading of the Shares on a date to be designated and agreed by the parties;
- (d) the purchase of the JVCo's shares held by NSC pursuant to NSC's exercise of the NSC Option (when and if such option is exercised) shall be subject to the relevant shareholders' approval of the Company (if necessary); and
- (e) the NSC Option may be exercised during the period commencing on the date falling 15 months from 1 July 2020 or any other date to be mutually agreed and ending on the date falling 60 months from 1 July 2020 (the "**NSC Option Period**"). The NSC Option shall automatically lapse and cease to be valid, binding and exercisable if not exercised on or before the expiry of the Option Period.

5.2. Rule 1018(1) of the Catalist Rules

Under Rule 1018(1) of the Catalist Rules, in the case of an option to acquire or dispose of assets, if the option is not exercisable at the discretion of the issuer, shareholders' approval must be obtained at the time of the grant of the option. As the NSC Option is not at the discretion of the Company as NSC may exercise the NSC Option in accordance with the terms of the Shareholders' Agreement without the consent of the Company. Accordingly, pursuant to Rule 1018(1) of the Catalist Rules, the grant of the NSC Option by the Company in favour of NSC is required to be approved by Shareholders.

5.3. Rationale for the Proposed Grant of the NSC Option

The Company is committed to build our core healthcare and wellness business and to grow and expand to be a regional player. In our search for strategic partners, we look for long-term partners who share the same corporate and business ideals and who are similarly committed to a long-term partnership with us. In this regard, we are proposing to grant the NSC Option to enable NSC to have an opportunity to have an equity participation in the long-term growth of our Company.

LETTER TO SHAREHOLDERS

6. THE PROPOSED CHANGE OF NAME

6.1. Background and Rationale

The Board is proposing to change the Company's name from "JCG Investment Holdings Ltd." to "Beverly JCG Ltd."

2019 was a significant year for the Company. The Board of Directors conducted a thorough review of our Group's business and decided that the medical aesthetics and wellness industry is a sunrise business to be in and the Group shall, therefore, focus our resources to expand the healthcare business as our core business which commands an attractive PE on the SGX-ST and other bourses internationally. In line with this focus, our Group had in November 2019 successfully completed the acquisition of a 51% stake in the Beverly Wilshire Medical Centre group of companies. Beverly Wilshire is a well-established brand in Malaysia with multi award-winning integrated beauty and wellness medical centres specialising in aesthetic medicine, plastic surgery, dental aesthetics, hair restoration and a range of healthy aging and wellness services. The acquisition of Beverly Wilshire further cements our Group's strategy to become a recognized regional player and household name in the near future. In addition, Singapore is a well-known and world-renowned medical hub.

The Board is of the view that the Proposed Change of Name will allow us to both leverage on the Company's status as a company listed on the SGX-ST and at the same time, capitalise on Beverly Wilshire's established brand. The coming together of the Company and Beverly Wilshire has been instrumental in the Group securing the strategic joint venture partnership in February 2020 with Natasha Skincare (a leading beauty brand in Indonesia with more than 100 outlets in Indonesia). This joint venture with a leading Indonesian beauty brand is a continuation on the Group's strategic plan to be a leading healthcare player and grow and expand the Group's Beverly Wilshire brand.

The new name "Beverly JCG Ltd." will be an excellent platform at this opportune time to propel the "Beverly" brand and our Group's strategy to be a leading regional player in ASEAN and Australia. With a recognisable and well-known name, we can expect more new developments, partnerships and joint ventures which will contribute to the maximisation of the Group's growth potential.

6.2. Approvals

Following an application made by the Company, ACRA approved the reservation of the name on 8 May 2020 up to 5 September 2020. Upon the passing of Special Resolution 1 for the Proposed Change of Name by the Shareholders, the Company shall adopt "Beverly JCG Ltd." as its new name, and all references to "JCG Investment Holdings Ltd." shall be replaced with "Beverly JCG Ltd." wherever it appears in the constitution of the Company. The Company will make an announcement once the name "Beverly JCG Ltd." takes effect.

6.3. No Replacement of Share Certificates Required

Shareholders should note that notwithstanding the Proposed Change of Name, the Company will not recall existing share certificates in respect of the Shares, which will continue to be prima facie evidence of legal title. No further action is required on the part of Shareholders in respect of their existing share certificates.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company (other than in their capacity as directors or shareholders of the Company) has any interest, direct or indirect, in the Proposed Resolutions.

7.1. Interests in Shares

As at the Latest Practicable Date, the interests of the Directors in the issued and paid-up share capital as recorded in the Register of Directors' Shareholdings maintained pursuant to section 164 of the Companies Act and the interests of the Substantial Shareholders in the issued and paid-up capital of the Company as recorded in the Register of Substantial Shareholder(s) maintained pursuant to section 88 of the Companies Act are as follows:

LETTER TO SHAREHOLDERS

	Direct Interest		Deemed Interest	
	Number of Shares	Percentage (%) ⁽¹⁾	Number of Shares	Percentage (%) ⁽¹⁾
Directors				
Dato' Ng Tian Sang @ Ng Kek Chuan ⁽²⁾	1,074,197,200	6.79	775,511,751	4.90
Howard Ng How Er	265,358,845	1.68	-	-
Ang Kok Huan	138,888,889	0.88	-	-
Lam Lee G	-	-	-	-
Yap Siean Sin	-	-	-	-
Cheung Wai Man, Raymond	-	-	-	-
Substantial Shareholders other than Directors				
Rest Investments Ltd	2,857,142,857	18.07	-	-
Chua Chuan Seng ⁽³⁾	5,000	-	2,857,142,857	18.07
Tan Suying	1,861,111,111	11.77	-	-
Yuen Pui Leng Eunice	928,571,428	5.87	-	-

Notes:

- (1) Based on the Existing Share Capital of the Company as at the Latest Practicable Date, comprising 15,811,689,664 Shares.
- (2) DFN is deemed to be interested in the Shares held by Datin' Wong Ling Chu, Howard Ng How Er and Alexander Ng Zhonglie.
- (3) As the sole shareholder of Rest Investments Ltd, Chua Chuan Seng is deemed to be interested in the Shares held by Rest Investments Ltd.

7.2. Interests in Convertible Securities

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in convertible securities of the Company are as follows:

	Direct Interest		Deemed Interest	
	Number of Convertible Securities	Number of Shares that may arise from the conversion of the Convertible Securities	Number of Convertible Securities	Number of Shares that may arise from the conversion of the Convertible Securities
Directors				
Dato' Ng Tian Sang @ Ng Kek Chuan ⁽¹⁾	305,708,041	305,708,041	54,742,003	54,742,003
Howard Ng How Er	18,731,212	18,731,212	-	-
Ang Kok Huan	-	-	-	-
Lam Lee G	-	-	-	-
Yap Siean Sin	-	-	-	-
Cheung Wai Man, Raymond	-	-	-	-
Substantial Shareholders other than Directors				
Rest Investments Ltd	952,380,952	952,380,952	-	-
Chua Chuan Seng ⁽²⁾	-	-	952,380,952	952,380,952
Tan Suying	310,185,185	310,185,185	-	-
Yuen Pui Leng Eunice	-	-	-	-

Notes:

- (1) DFN is deemed to be interested in the convertible securities held by Datin' Wong Ling Chu, Howard Ng How Er and Alexander Ng Zhonglie.
- (2) As the sole shareholder of Rest Investments Ltd, Chua Chuan Seng is deemed to be interested in the convertible securities held by Rest Investments Ltd.

LETTER TO SHAREHOLDERS

8. RECOMMENDATION BY THE DIRECTORS

8.1. Proposed Rights Cum Warrants Issue

The Directors, having considered and reviewed, among other things, the rationale and benefits of the Rights Cum Warrants Issue and all other relevant information set out in this Circular, are of the opinion that the Rights Cum Warrants Issue is in the best interest of the Shareholders and the Group. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Ordinary Resolution 1 relating to the Rights Cum Warrants Issue as set out in the Notice of EGM.

8.2. Potential Transfer of Controlling Interest to DFN

Howard Ng How Er is the son of DFN. Accordingly, both DFN and Howard Ng How Er are not considered to be independent for the purposes of Ordinary Resolution 2 relating to the Potential Transfer of Controlling Interest to DFN and will abstain from making any recommendations on Ordinary Resolution 2 relating to the Potential Transfer of Controlling Interest to DFN.

The Directors, save for DFN and Howard Ng How Er, having considered, among other things, the rationale and benefits of the Rights Cum Warrants Issue and the Potential Transfer of Controlling Interest to DFN, are of the opinion that the Potential Transfer of Controlling Interest to DFN is in the best interest of the Shareholders and the Group. Accordingly, the Directors, save for DFN and Howard Ng How Er, recommend that Shareholders vote in favour of Ordinary Resolution 2 relating to the Potential Transfer of Controlling Interest to DFN as set out in the Notice of EGM.

8.3. Potential Transfer of Controlling Interest to Tan Suying

The Directors, having considered, among other things, the rationale and benefits of the Rights Cum Warrants Issue and the Potential Transfer of Controlling Interest to Tan Suying, are of the opinion that the Potential Transfer of Controlling Interest to Tan Suying is in the best interest of the Shareholders and the Group. Accordingly, the Directors recommend that Shareholders vote in favour of Ordinary Resolution 3 relating to the Potential Transfer of Controlling Interest to Tan Suying as set out in the Notice of EGM.

8.4. Proposed Grant of the NSC Option

The Directors, having considered and reviewed, among other things, the rationale and benefits of the Proposed Grant of the NSC Option and all other relevant information set out in this Circular, are of the opinion that the Proposed Grant of the NSC Option is in the best interest of the Shareholders and the Group. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Ordinary Resolution 4 relating to the Proposed Grant of the NSC Option as set out in the Notice of EGM.

8.5. Proposed Change of Name

The Directors, having considered and reviewed, among other things, the rationale and benefits of the Proposed Change of Name and all other relevant information set out in this Circular, are of the opinion that the Proposed Change of Name is in the best interest of the Shareholders and the Group. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Special Resolution 1 relating to the Proposed Change of Name as set out in the Notice of EGM.

8.6. Note to Shareholders

Shareholders, in deciding whether to vote in favour of the Proposed Resolutions, are advised to read this Circular carefully in its entirety, including the terms and conditions, rationale and financial effects of the Rights Cum Warrants Issue, the Potential Transfer of Controlling Interest, the Proposed Grant of the NSC Option and the Proposed Change of Name. In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As Shareholders would have different investment objectives, the Directors recommend that any Shareholder who may require specific advice should consult his or her stockbroker, bank manager, solicitor, accountant or other professional adviser(s).

LETTER TO SHAREHOLDERS

9. ABSTENTION FROM VOTING

Pursuant to the Potential Transfer of Controlling Interest to DFN, DFN shall abstain, and shall procure each of his associates to abstain, from voting at the EGM on the Ordinary Resolution 2 approving the Potential Transfer of Controlling Interest to DFN, and shall also refrain from accepting nomination as proxy or otherwise vote at the EGM in respect of Ordinary Resolution 2 unless Shareholders appointing them as proxies give specific instructions in the relevant proxy forms on the manner in which they wish their votes to be cast for the said resolutions.

Pursuant to the Potential Transfer of Controlling Interest to Tan Suiying, Tan Suiying shall abstain, and shall procure each of her associates to abstain, from voting at the EGM on the Ordinary Resolution 3 approving the Potential Transfer of Controlling Interest to Tan Suiying, and shall also refrain from accepting nomination as proxy or otherwise vote at the EGM in respect of Ordinary Resolution 3 unless Shareholders appointing them as proxies give specific instructions in the relevant proxy forms on the manner in which they wish their votes to be cast for the said resolutions.

10. EXTRAORDINARY GENERAL MEETING

The EGM will be held on 29 June 2020 at 3.30 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day) by way of electronic means for the purpose of considering and, if thought fit, passing with or without any modifications, the Proposed Resolutions set out in the Notice of EGM.

11. ACTION TO BE TAKEN BY SHAREHOLDERS

A member will not be able to attend the EGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman of the EGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. The accompanying proxy form for the EGM may be accessed at the URL <http://sg.conveneagm.com/JCGInvestment> (the "**Proxy Form**").

The Chairman of the EGM, as proxy, need not be a member of the Company. The instrument appointing the Chairman of the EGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must:

- (a) if sent by post, be deposited at the office of our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or
- (b) if submitted by email, be received by the Company at ir@jcg-investment.com,

in either case, not less than 48 hours before the time for holding the EGM, and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

LETTER TO SHAREHOLDERS

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Rights Cum Warrants Issue, the Potential Transfer of Controlling Interest, the Proposed Grant of the NSC Option, the Proposed Change of Name 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 Circular misleading.

Where information in this Circular 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 Circular in its proper form and context.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 600 North Bridge Road, Parkview Square, #06-02, Singapore 188778 during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the constitution of the Company; and
- (b) the annual reports of the Company for FY2017, FY2018 and FY2019.

Yours faithfully

For and on behalf of the Board of Directors of
JCG INVESTMENT HOLDINGS LTD.

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

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

Consolidated Statement of Comprehensive Income

	FY2017 Audited S\$'000	FY2018 Audited S\$'000	FY2019 Audited S\$'000	3M2019 Unaudited S\$'000	3M2020 Unaudited S\$'000
Revenue	2,167	1,658	3,179	81	1,715
Cost of sales	(1,221)	(808)	(1,987)	(11)	(1,006)
Gross profit	946	850	1,192	70	709
Other income	174	42	39	-	57
Other gains/(losses) – net					
- Impairment loss on financial assets	(1,589)	-	-	-	-
- Others	174	9	19	-	-
Expenses					
- Distribution	(170)	(184)	(110)	(16)	(119)
- Administrative	(10,229)	(2,042)	(4,143)	(839)	(2,007)
- Finance	(668)	(647)	(241)	(180)	(47)
Loss before income tax	(11,362)	(1,972)	(3,244)	(965)	(1,407)
Income tax expense	(10)	(19)	(3)	-	52
Net loss	(11,372)	(1,991)	(3,247)	(965)	(1,355)
Other comprehensive loss:					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Currency translation differences arising from consolidation					
- (Loss)/gain	129	(159)	(6)	38	14
- Reclassification	(6)	-	-	-	-
Other comprehensive (loss)/income, net of tax	123	(159)	(6)	38	14
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Currency translation differences arising from consolidation					
- Losses	(14)	(2)	(2)	-	-
Other comprehensive losses, net of tax	(14)	(2)	(2)	-	-
Total comprehensive loss	(11,263)	(2,152)	(3,255)	(927)	(1,341)

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

	FY2017	FY2018	FY2019	3M2019	3M2020
	Audited	Audited	Audited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Loss attributable to:					
Equity holders of the Company	(11,269)	(2,038)	(3,088)	(944)	(1,004)
Non-controlling interests	(103)	47	(159)	(21)	(351)
	(11,372)	(1,991)	(3,247)	(965)	(1,355)
Total comprehensive loss attributable to:					
Equity holders of the Company	(11,146)	(2,197)	(3,080)	(912)	(990)
Non-controlling interests	(117)	45	(175)	(15)	(351)
	(11,263)	(2,152)	(3,255)	(927)	(1,341)
Loss per share for loss attributable to equity holders of the Company (cents per share)					
Basic and diluted loss per share	(0.27)	(0.02)	(0.02)	(0.009)	(0.006)

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

Consolidated Balance Sheets

	FY2017 Audited S\$'000	FY2018 Audited S\$'000	FY2019 Audited S\$'000	1Q2020 Unaudited S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	3,847	1,613	1,354	1,463
Trade and other receivables	550	620	1,945	1,796
Inventories	44	-	538	497
	4,441	2,233	3,837	3,756
Non-current assets				
Property, plant and equipment	76	31	6,781	6,200
Intangible assets	-	-	5,657	5,539
	76	31	12,438	11,739
Total assets	4,517	2,264	16,275	15,495
LIABILITIES				
Current liabilities				
Trade and other payables	1,123	4,054	2,767	3,234
Current income tax liabilities	25	40	128	18
Lease liabilities (office and medical centre)	-	-	793	722
Borrowings	3,421	3,493	1,020	1,057
	4,569	7,587	4,708	5,031
Non-current liabilities				
Trade and other payables	3,178	-	180	90
Lease liabilities (office and medical centre)	-	-	2,251	1,835
Borrowings	-	-	103	82
Deferred income tax liabilities	-	-	688	653
	3,178	-	3,222	2,660
Total liabilities	7,747	7,587	7,930	7,691
NET ASSETS/(LIABILITIES)	(3,230)	(5,323)	8,345	7,804
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	53,645	53,871	67,460	68,260
Other reserves	4,101	3,775	5,245	5,259
Accumulated losses	(61,068)	(63,106)	(65,941)	(66,945)
	(3,322)	(5,460)	6,764	6,574
Non-controlling interests	92	137	1,581	1,230
Total equity	(3,230)	(5,323)	8,345	7,804

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

Consolidated Statement of Cash Flows

	FY2017 Audited S\$'000	FY2018 Audited S\$'000	FY2019 Audited S\$'000	3M2020 Unaudited S\$'000
Cash flows from operating activities				
Net loss	(11,372)	(1,991)	(3,247)	(1,355)
Adjustments for:				
- Income tax expense/(credit)	10	19	3	(52)
- Amortisation of intangible assets	-	-	53	118
- Depreciation of property, plant and equipment	141	48	343	351
- Gain due to modification of lease	-	-	-	(27)
- Impairment loss of goodwill	7,192	-	-	-
- Impairment loss of customer relationships	104	-	-	-
- Property, plant and equipment written-off	68	5	-	-
- (Gain)/loss on deconsolidation of subsidiary corporations	247	-	(19)	-
- Introducer fees by way of issuance of ordinary shares	-	-	355	-
- Share option credit	(758)	-	-	-
- Share awards	-	-	284	-
- Interest income	(6)	(9)	(7)	-
- Finance expenses	507	647	241	47
- Unwinding of imputed interest	161	-	-	-
- Unrealised currency translation gains/(losses)	(204)	(91)	3	5
	(3,910)	(1,372)	(1,991)	(913)
Change in working capital, net of effects from acquisition and disposal of subsidiary corporations:				
- Trade and other receivables	1,018	(70)	1,634	149
- Inventories	20	44	109	41
- Trade and other payables	(202)	(417)	(885)	376
Cash used in operations	(3,074)	(1,815)	(1,133)	(347)
- Interest received	6	9	7	-
- Income tax paid	(3)	(4)	(121)	(93)
Net cash used in operating activities	(3,071)	(1,810)	(1,247)	(440)
Cash flows from investing activities				
- Acquisition of subsidiary corporations, net of cash acquired	-	-	(509)	-
- Additions to property, plant and equipment	(9)	(8)	(82)	(17)
- Deconsolidation of subsidiary corporations, net of cash deconsolidated	(1)	-	-	-
Net cash used in investing activities	(10)	(8)	(591)	(17)

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

	FY2017 Audited S\$'000	FY2018 Audited S\$'000	FY2019 Audited S\$'000	3M2020 Unaudited S\$'000
Cash flows from financing activities				
Bank deposit discharged	497	503	-	-
Bank deposit pledged	-	-	(750)	-
Proceeds from issuance of ordinary shares	1,441	-	4,500	800
Proceeds from conversion of warrants	-	61	8	-
Proceeds from right issue	5,601	-	-	-
Redemption of warrants	(1,140)	-	-	-
Repayment of borrowings	(1,000)	-	(3,544)	(20)
Repayment of lease liabilities	-	-	(161)	(231)
Repayment of finance lease	-	-	(35)	(18)
Interest paid	(507)	(477)	(90)	(18)
Net cash provided by/(used in) financing activities	4,892	87	(72)	513
Net increase/(decrease) in cash and cash equivalents	1,811	(1,731)	(1,910)	56
Cash and cash equivalents				
Beginning of financial year/period	1,525	3,344	1,613	(297)
Effects of currency translation on cash and cash equivalents	8	-*	-*	-
End of financial year/period	3,344	1,613	(297)	(241)

* Less than S\$1,000

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

REVIEW OF PERFORMANCE

FY2018 compared to FY2017

i) Revenue

The Group's revenue from its trading and distribution business for FY2018 was S\$1.331 million, a decrease of 19% or S\$0.311 million as compared to the revenue of S\$1.642 million for FY2017.

Trading & distribution segment recorded revenue of S\$1.331 million in FY2018 (FY2017:S\$1.642 million). This was due to weakening market demand, reduction in steel production in Asia region and increasing competition.

Medical aesthetic segment recorded revenue of S\$0.327 million in FY2018 (FY2017: S\$0.525 million). This was partially due to medical aesthetics business being badly affected by poor market demand from China and weak market condition in Taiwan, resulting in a lower number of treatments performed in FY2018.

ii) Cost of sales

The decrease in cost of sales is in line with the decrease in revenue in trading & distribution as well as medical aesthetic businesses.

iii) Gross profit

As a result of the abovementioned, the Group's gross profit of FY2018 from operations decreased by S\$0.096 million or 10% from S\$0.946 million in FY2017 to S\$0.850 million in the FY2018.

iv) Other income

Other income decreased by approximately S\$0.132 million or 76% reduction from S\$0.174 million in FY2017 to S\$0.042 million in FY2018 mainly due to decrease in rental income on operating lease.

v) Other gains/(losses)-net

Other gains/(losses)-net increased by approximately S\$1.424 million or 101% from loss of S\$1.415 million in FY2017 to gain of S\$0.009 million in FY2018 mainly due to the absence of impairment of other receivables of S\$1.589 million that were made in FY2017.

vi) Administrative expenses

Administrative expenses decreased by S\$8.187 million or 80% reduction from S\$10.229 million in FY2017 to S\$2.042 million in FY2018. The decrease was mainly due to the absence of allowance for impairment of goodwill of S\$7.192 million that were made in FY2017.

vii) Finance expenses

During the financial year ended 31 December 2018, finance expenses decreased by S\$0.021 million or 3% decrease due to decrease in loan interest for loan from a director. The loan has been fully settled in FY2017. The decrease is partially offset by increase in interest payment for a subsidiary's HK\$20 million loan denominated in Hong Kong dollar resulting from the weakening of Singapore dollar against Hong Kong dollar.

viii) Depreciation of property, plant and equipment

During the financial year ended 31 December 2018, the depreciation of property, plant and equipment decreased by S\$0.093 million or 66% due to write off of property, plant and equipment in FY2017 and lesser addition of property, plant and equipment in FY2018.

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

ix) Assets

Total assets of the Group decreased by S\$2.253 million from S\$4.517 million as at 31 December 2017 to S\$2.264 million as at 31 December 2018. This was mainly attributable to a decrease in cash and cash equivalents of S\$2.234 million due to cash used in operating activities as explained under paragraph xi below. The decrease in total assets was also affected by decrease in inventories and property, plant and equipment of approximately S\$0.044 million and S\$0.045 million respectively. The decrease in property, plant and equipment was mainly due to depreciation of property, plant and equipment of S\$0.048 million. The decrease in total assets was slightly offset by an increase in trade and other receivables of S\$0.070 million.

x) Liabilities

Current liabilities increased by S\$3.018 million from S\$4.569 million as at 31 December 2017 to S\$7.587 million as at 31 December 2018 due to reclassification of the deferred payment liability amounting to S\$3.178 million due on 6 November 2019, being the balance of consideration owing by the Company for the acquisition of 51% of China iMyth Company Pte Ltd, from non-current trade and other payables to current trade and other payables, accretion of interest amounting to S\$0.170 million and a retranslation loss of S\$0.072 million on the Group's HK\$20 million loan and increase in income tax payable of S\$0.015 million. However, it was offset by a decrease in trade and other payables of S\$0.417 million as a result of repayment and lower purchases made in its steel trading business.

The decrease in non-current liabilities of S\$3.178 million from S\$3.178 million as at 31 December 2017 to S\$nil as at 31 December 2018 was due to reclassification of the deferred liability payment from non-current trade and other payables to current trade and other payables as aforementioned.

xi) Cash flow

Net cash used in operating activities in FY2018 amounted to S\$1.810 million. The operating cash outflows before movement in working capital was S\$1.372 million in FY2018. The net cash outflow from changes in working capital of approximately S\$0.443 million was mainly due to decrease of S\$0.417 million in trade and other payables and increase of S\$0.070 million of trade and other receivables.

Net cash used in investing activities in FY2018 amounted to S\$0.008 million which comprise purchase of property, plant and equipment.

Net cash generated from financing activities in FY2018 amounted to S\$0.087 million, arising from proceeds from conversion of warrants and bank deposit discharged of S\$0.061 million and S\$0.503 million respectively. It was offset by S\$0.477 million interest payment for the HK\$20 million loan from Concorde Global Limited.

Cash and cash equivalents were S\$1.613 million as at 31 December 2018 as compared to S\$3.344 million as at 31 December 2017.

FY2019 compared to FY2018

i) Revenue

The Group's revenue from its trading and distribution business for FY2019 was S\$0.416 million, a decrease of 69% or S\$0.915 million as compared to the revenue of S\$1.331 million for FY2018.

The medical aesthetic segment recorded a revenue of S\$1.562 million for FY2019, an increase of 378% as compared to the revenue of S\$0.327 million for FY2018. The increase is mainly due to the newly acquired Beverly Wilshire Medical Centre Group in Malaysia which generated revenue of S\$1.319 million.

The event organisation and management consultancy segment, which is a new revenue segment generated by Brand X Lab Pte Ltd, generated revenue of S\$1.201 million in FY2019.

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

ii) Cost of sales

The increase in cost of sales is in line with the increase in revenue.

iii) Gross profit

As a result of the abovementioned, the Group's gross profit of FY2019 from operations increased by 40% or S\$0.342 million from S\$0.850 million in FY2018 to S\$1.192 million in FY2019. The increase was mainly due to the new revenue segment, event organisation and management consultancy business, which generated gross profit margin of S\$0.386 million in FY2019 and the newly acquired Beverly Wilshire Medical Centre Group in Malaysia which generated gross profit margin of S\$0.577 million. It was offset by decrease in trading and distribution segment in which the gross profit margin has decreased by S\$0.511 million.

iv) Other income

Other income decreased by S\$0.003 million from S\$0.042 million in FY2018 to S\$0.039 million in FY2019 mainly due to decrease in fixed deposit interest income and office rental income.

v) Other gains

Other gains increased by S\$0.010 million from S\$0.009 million in FY2018 to S\$0.019 million in FY2019 due to gain on deconsolidation of subsidiary corporations.

vi) Administrative expenses

Administrative expenses increased by S\$2.101 million from S\$2.042 million in FY2018 to S\$4.143 million in FY2019. The administrative expenses incurred in FY2019 are mainly operational costs, including staff costs, directors' remunerations and professional costs. The increase was mainly due to the one-off introducer fees of S\$0.286 million and S\$0.069 million arising from the corporate exercises completed on 10 January 2019 and acquisition of Beverly Wilshire Medical Centre Group completed on 7 November 2019 respectively, employees share performance expenses of S\$0.285 million and professional fees amounting to S\$0.342 million incurred for the corporate exercises including business acquisitions and subscription of new shares and warrants in FY2019. The increase was also due to operation costs amounting to S\$0.345 million and S\$0.715 million arising from the newly acquired subsidiaries, Brand X Lab Pte Ltd and Beverly Wilshire Medical Centre Group respectively.

vii) Finance expenses

Finance expenses decreased by S\$0.406 million or 63% from S\$0.647 million in FY2018 to S\$0.241 million in FY2019. The decrease mainly due to decrease in interest expenses of S\$0.448 million arising from the HK\$ 20 million loan which has been settled in January 2019 and decrease in unwinding of imputed interest expenses of S\$0.019 million as a result of the fair value adjustment on the deferred payment liability of S\$3.5 million which had been converted into share capital in January 2019. It was partially offset by interest expense of lease amounting to S\$0.039 million incurred in FY2019 and interest expenses of borrowings incurred by Brand X Lab Pte Ltd and Beverly Wilshire Medical Centre Group amounting to S\$0.021 million.

viii) Depreciation of property, plant and equipment

Depreciation of property, plant and equipment increased by S\$0.295 million or 615% from S\$0.048 million in FY2018 to S\$0.343 million in FY2019 was mainly due to the depreciation generated from newly acquired subsidiaries, Brand X Lab Pte Ltd and Beverly Wilshire Medical Centre Group.

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

ix) Assets

Total assets of the Group increased by S\$14.011 million from S\$2.264 million as at 31 December 2018 to S\$16.275 million as at 31 December 2019. This was mainly attributable to goodwill of S\$3.457 million, trade and other receivables of S\$0.633 million, and property, plant and equipment of S\$ 0.073 million arising from Brand X Lab Pte Ltd which was acquired in April 2019. This was also attributable to goodwill of S\$0.832 million, trade and other receivables of S\$0.893 million, inventories of S\$0.538 million and property, plant and equipment of S\$ 6.577 million, intangible assets of S\$1.197 million arising from Beverly Wilshire Medical Centre Group which was acquired in November 2019 and decrease in cash and cash equivalents of approximately S\$0.259 million due to cash used in operating activities as explained under paragraph xi below.

x) Liabilities

Total liabilities increased by S\$0.343 million from S\$7.587 million as at 31 December 2018 to S\$7.930 million as at 31 December 2019 due to the increase in the trade and other payables amounting to S\$0.125 million, bank borrowings amounting to S\$0.186 million, lease liabilities amounting to S\$0.047 million and income tax amounting to S\$0.121 million arising from Brand X Lab Pte Ltd which was acquired in April 2019. The increase in liabilities was also due to the trade and other payables amounting to S\$1.514 million, bank borrowings amounting to S\$0.938 million, lease liabilities amounting to S\$2.685 million and deferred tax liabilities amounting to S\$0.659 million arising from Beverly Wilshire Medical Centre Group which was acquired in November 2019. It was offset by conversion of the deferred payment liability of S\$3.5 million into share capital and repayment of HK\$20 million loan from Concorde Global Limited.

xi) Cash flow

Net cash used in operating activities in FY2019 amounted to S\$1.247 million. The operating cash outflows before movement in working capital was S\$1.991 million. The net cash inflow from the changes in working capital net of effects from the acquisition of subsidiary corporations of approximately S\$0.858 million was mainly due to a decrease in trade and other receivables of S\$1.634 million, offset by decrease in trade and other payables of S\$0.885 million.

Net cash used in investing activities for FY2019 amounted to S\$0.591 million mainly due to cash outflow on acquisition of subsidiary corporations.

Net cash used in financing activities for FY2019 amounted to S\$0.072 million due to fixed deposit placement, repayment of borrowings, lease liability, finance lease and interest paid of S\$0.750 million, S\$3.544 million, S\$0.161 million, S\$0.035 million and S\$0.090 million respectively which was offset by proceeds from issuance of new shares of S\$4.500 million.

Cash and cash equivalents were negative S\$0.297 million as at 31 December 2019 as compared to positive S\$1.613 million as at 31 December 2018.

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

1Q2020 compared to 1Q2019/FY2019

i) Revenue

The Group's revenue from its trading and distribution business for 1Q2020 was S\$0.076 million, an increase of 100% or S\$0.076 million as compared to the revenue of S\$Nil in the previous corresponding financial period ended 31 March 2019.

The medical aesthetic segment recorded revenue of S\$1.526 million during 1Q2020, an increase of S\$1.445 million compared to corresponding period in 1Q2019 of S\$0.081 million. The increase is due to Beverly Wilshire Medical Centre Group in Malaysia, acquired by the Group in November 2019, which generated revenue of S\$1.526 million.

The event organisation and management consultancy segment for 1Q2020 was S\$0.113 million, an increase of 100% or S\$0.113 million as compared to the revenue of S\$Nil in the previous corresponding financial period ended 31 March 2019. The increase is due to Brand X Lab Pte Ltd ("Brand X Lab") which was acquired by the Group in April 2019.

ii) Cost of sales

The increase in cost of sales is in line with the increase in revenue.

iii) Gross profit

As a result of the abovementioned, the Group's gross profit from operations increased by 913% or S\$0.639 million from S\$0.070 million in 1Q2019 to S\$0.709 million in 1Q2020. The increase was mainly due to the new revenue segment, event organisation and management consultancy business, which generated gross profit margin of S\$0.050 million in 1Q2020 and the newly acquired Beverly Wilshire Medical Centre Group in Malaysia in FY2019 which generated gross profit margin of S\$0.650 million in 1Q2020.

iv) Other income

Other income increased by S\$0.057 million from S\$Nil million in 1Q2019 to S\$0.057 million in 1Q2020 mainly due to increase gain due to modification of lease, fixed deposit interest income and office rental income.

v) Administrative expenses

Administrative expenses increased by S\$1.168 million from S\$0.839 million in 1Q2019 to S\$2.007 million in 1Q2020. The administrative expenses incurred during the period ended 31 March 2020 are mainly operational costs, including staff costs, directors' remunerations and professional fees. The increase was mainly due to operation costs amounting to S\$0.127 million and S\$1.296 million arising from the newly acquired subsidiaries, Brand X Lab and Beverly Wilshire Medical Centre Group respectively. The increase was offset by one-off introducer fee of S\$0.286 million arising from the corporate exercise completed on 10 January 2019, being the consolidation of every 2 existing ordinary shares in the capital of the Company into 1 consolidated share, the allotment and issuance of up to 3,214,285,714 consolidated shares pursuant to the conversion of the deferred payment liability of S\$3.5 million and placement of 2,857,142,857 consolidated shares in the capital of the Company at an issue price of S\$0.0014 for each share, with up to 952,380,952 investment warrants, each carrying the right to subscribe for 1 consolidated share in the capital of the company at an exercise price of S\$0.0014 for each new consolidated share (the "January 2019 Corporate Exercise").

vi) Finance expenses

During the financial period ended 31 March 2020, finance expenses decreased by S\$0.133 million or 74% from S\$0.180 million in 1Q2019 to S\$0.047 million in 1Q2020. The decrease mainly due to decrease in interest expenses of S\$0.029 million arising from the HK\$ 20 million loan which had been settled in January 2019 and decrease in unwinding of imputed interest expenses of S\$0.151 million as a result of the fair value adjustment on the deferred payment liability of S\$3.5 million which had been converted into share capital in January 2019. It was partially offset by interest expense of lease amounting to S\$0.029 million incurred in 1Q2020 and interest expenses of borrowings incurred by Brand X Lab and Beverly Wilshire Medical Centre Group amounting to S\$0.018 million.

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

vii) Depreciation of property, plant and equipment

During the financial period ended 31 March 2020, the depreciation of property, plant and equipment increased by S\$0.342 million or 3800% from S\$0.009 million in 1Q2019 to S\$0.351 million in 1Q2020 was mainly due to the depreciation generated from newly acquired subsidiaries, Brand X Lab Pte Ltd and Beverly Wilshire Medical Centre Group in FY2019.

viii) Assets

Total assets of the Group decreased by S\$0.780 million from S\$16.275 million as at 31 December 2019 to S\$15.495 million as at 31 March 2020. This was due to decrease in trade and other receivables, inventories, property, plant and equipment and intangible assets of S\$0.149 million, S\$0.041 million, S\$0.581 million and S\$0.118 million respectively and offset by increase in cash and cash equivalents of approximately S\$0.109 million due to cash generated from financing activities as explained under paragraph x below.

ix) Liabilities

Total liabilities decreased by S\$0.239 million from S\$7.930 million as at 31 December 2019 to S\$7.691 million as at 31 March 2020. This was mainly due to decrease in lease liabilities and current income tax liabilities of S\$0.487 million and S\$ 0.110 million respectively and offset by increase in trade and other payables of 0.377 million.

x) Cash flow

Net cash used in operating activities in 1Q2020 amounted to S\$0.440 million. The operating cash outflows before movement in working capital was S\$0.913 million. The net cash outflow from the changes in working capital of approximately S\$0.566 million was mainly due to increase in trade and other payables of S\$0.376 million.

Net cash used in investing activities for 1Q2020 amounted to S\$0.017 million which comprises purchase of property, plant and equipment.

Net cash generated from financing activities for 1Q2020 amounted to S\$0.513 million, arising from proceeds from issuance of ordinary shares of S\$0.800 million and offset by repayment of lease liabilities, finance lease, borrowings and interest paid of S\$0.231 million, S\$0.018 million, S\$0.020 million and S\$0.018 million respectively.

Cash and cash equivalents were in a negative position of S\$0.241 million as at 31 March 2020 as compared to negative position of S\$0.297 million as at 31 December 2019.

REVIEW OF WORKING CAPITAL

The working capital of the Group as at as at 31 December 2017, 31 December 2018, 31 December 2019 and 31 March 2020 are as follows:

	FY2017 Audited S\$'000	FY2018 Audited S\$'000	FY2019 Audited S\$'000	1Q2020 Unaudited S\$'000
Total current assets	4,441	2,233	3,837	3,756
Total current liabilities	4,569	7,587	4,708	5,031
Net current liabilities	(128)	(5,354)	(871)	(1,275)

APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

FY2018 compared to FY2017

Total current assets of the Group decreased by S\$2.208 million from S\$4.441 million as at 31 December 2017 to S\$2.233 million as at 31 December 2018. This was mainly due to a decrease in cash and cash equivalents of S\$2.234 million. The decrease in total current assets was also affected by decrease in inventories and property, plant and equipment of approximately S\$0.044 million and S\$0.045 million respectively. The decrease in total current assets was slightly offset by an increase in trade and other receivables of S\$0.070 million.

Total current liabilities increased by S\$3.018 million from S\$4.569 million as at 31 December 2017 to S\$7.587 million as at 31 December 2018 due to reclassification of the deferred payment liability amounting to S\$3.178 million due on 6 November 2019, being the balance of consideration owing by the Company for the acquisition of 51% of China iMyth Company Pte Ltd, from non-current trade and other payables to current trade and other payables, accretion of interest amounting to S\$0.170 million and a retranslation loss of S\$0.072 million on the Group's HK\$20 million loan and increase in income tax payable of S\$0.015 million. However, it was offset by a decrease in trade and other payables of S\$0.417 million as a result of repayment and lower purchases made in its steel trading business.

As a result of the above, the net current liabilities position increased by S\$5.226 million from S\$0.128 million as at 31 December 2017 to S\$5.354 million as at 31 December 2018.

FY2019 compared to FY2018

Total current assets of the Group increased by S\$1.604 million from S\$2.233 million as at 31 December 2018 to S\$3.837 million as at 31 December 2019. This was mainly due to increase in trade and other receivables and inventories of S\$1.325 million and S\$ 0.538 million respectively. It was offset by the decrease in cash and cash equivalents of S\$0.259 million.

Total current liabilities decreased by S\$2.879 million from S\$7.587 million as at 31 December 2018 to S\$4.708 million as at 31 December 2019. It was due to conversion of the deferred payment liability of S\$3.5 million into share capital and repayment of HK\$20 million loan from Concorde Global Limited. It was offset by increase in trade and other payables, bank borrowings, lease liabilities, current income tax liabilities of S\$2.062 million, S\$1.020 million, S\$0.793 million and S\$0.088 million respectively.

As a result of the above, the net current liabilities position decreased by S\$4.483 million from S\$5.354 million as at 31 December 2018 to S\$0.871 million as at 31 December 2019.

1Q2020 compared to FY2019

Total current assets of the Group decreased by S\$0.081 million from S\$3.837 million as at 31 December 2019 to S\$3.756 million as at 31 March 2020. This was due to decrease in trade and other receivables, and inventories of S\$0.149 million and S\$0.041 million respectively and offset by increase in cash and cash equivalents of approximately S\$0.109 million.

Total current liabilities increased by S\$0.323 million from S\$4.708 million as at 31 December 2019 to S\$5.031 million as at 31 March 2020. This was mainly due to increase in trade and other payables of S\$0.467 million and offset by decrease in lease liabilities and current income tax liabilities of S\$0.071 million and S\$0.110 million respectively.

As a result of the above, the net current liabilities position increased by S\$0.404 million from S\$0.871 million as at 31 December 2019 to S\$1.275 million as at 31 March 2020.

NOTICE OF EXTRAORDINARY GENERAL MEETING

JCG INVESTMENT HOLDINGS LTD.

(Incorporated in Singapore)
(Company Registration No. 200505118M)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (“**EGM**”) of JCG Investment Holdings Ltd. (the “**Company**”) will be held on 29 June 2020 at 3.30 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day) by way of electronic means for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

*All capitalised terms in this Notice which are not defined herein shall have the same meaning as ascribed to them in the Company’s circular dated 5 June 2020 (the “**Circular**”). This Notice of EGM has been made available on SGXNet and the Company’s website and may be accessed at the URL <http://sg.conveneagm.com/JCGInvestment>. A printed copy of this Notice of EGM will NOT be despatched to members.*

ORDINARY RESOLUTION 1:

THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 6,802,407,763 NEW ORDINARY SHARES (THE “RIGHTS SHARES”) IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.001 PER RIGHTS SHARE, WITH UP TO 6,802,407,763 FREE DETACHABLE WARRANTS, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY AT THE RECORD DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED, AND ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED;

That the renounceable non-underwritten rights cum warrants issue of up to 6,802,407,763 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at the issue price of S\$0.001 per Rights Share, with up to 6,802,407,763 free detachable warrants (the “**Warrants**”), with each Warrant carrying the right to subscribe for one (1) new ordinary share (“**Warrant Share**”) in the capital of the company at an exercise price of S\$0.001 per Warrant Share, on the basis of one (1) Rights Share for every three (3) existing ordinary shares in the capital of the Company held by the shareholders of the Company (the “**Shareholders**”) at a time and date to be determined (the “**Record Date**”), and one (1) Warrant for every one (1) Rights Share subscribed, fractional entitlements to be disregarded (the “**Rights Cum Warrants Issue**”), be and is hereby approved and authority be and is hereby given to the Board of Directors of the Company to:

- (a) create and issue:
 - (i) such number of Rights Shares as the Directors may determine up to 6,802,407,763 Rights Shares at an issue price of S\$0.001 for each Rights Share;
 - (ii) such number of Warrants as the Directors may determine up to 6,802,407,763 Warrants in registered form to be issued together with the Rights Shares, each such Warrant to entitle the holder thereof to subscribe for one (1) Warrant Share at an exercise price of S\$0.001 for each Warrant Share at any time during the period commencing on the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants subject to the terms and conditions of the deed poll (the “**Deed Poll**”) constituting the Warrants to be executed by the Company on such terms and conditions as the Directors may deem fit; and
 - (iii) such further Warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Deed Poll (any such further Warrants to rank pari passu with the Warrants and for all purposes to form part of the same series, save as may otherwise be provided in the terms and conditions of the Deed Poll);
- (b) provisionally allot and issue up to 6,802,407,763 Rights Shares with up to 6,802,407,763 Warrants at an issue price of S\$0.001 for each Rights Share on the basis of one (1) Rights Share for every three (3) existing ordinary shares in the capital of the Company held by the Shareholders as at the Record Date, and one (1) free Warrant for every one (1) Rights Share, fractional entitlements to be disregarded; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:
- (i) up to 6,802,407,763 Warrant Shares on the exercise of the Warrants, credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Deed Poll, such Warrant Shares (when issued and paid) to rank pari passu in all respects with the then existing shares of the Company (save as may otherwise be provided in the terms and conditions of the Deed Poll) save for any dividends, rights, allotments or other distributions the record date for which falls before the date of issue of the Warrant Shares; and
 - (ii) on the same basis as paragraph (c)(i) above, such further ordinary shares in the capital of the Company as may be required to be allotted and issued on the exercise of any of the Warrants referred to in paragraph (a)(iii) above,

on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may deem fit:

- A. the provisional allotments of the Rights Shares with Warrants under the Rights Cum Warrants Issue shall be made on a renounceable basis to the Shareholders whose names appear in the Register of Members of the Company or the records of the Central Depository (Pte) Limited ("**CDP**") as at the Record Date with registered addresses in Singapore or who have, at least three (3) market days prior to the Record Date, provided to the CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents, on the basis of one (1) Rights Share for every three (3) existing ordinary shares in the capital of the Company then held by the Shareholders, and one (1) Warrant for every one (1) Rights Share subscribed or in such other proportions as the Directors may deem fit;
- B. no provisional allotment of the Rights Shares with Warrants shall be made in favour of Shareholders with registered addresses outside Singapore as at the Record Date or who have not, at least three (3) market days prior thereto, provided to the CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents (the "**Foreign Shareholders**");
- C. the entitlements to the Rights Shares with Warrants which would otherwise accrue to Foreign Shareholders shall be disposed of by the Company in such manner and on such terms and conditions as the Directors shall deem fit for the purpose of renouncing the rights entitlements relating thereto to purchasers of the provisional allotment of the Rights Shares with Warrants traded on the SGX-ST through the book-entry (scripless) settlement system thereof and to pool and thereafter distribute the net proceeds, if any, thereof (after deducting all expenses) proportionately among such Foreign Shareholders in accordance with their respective shareholdings as at the Record Date provided that if the amount to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall instead be retained or dealt with for the sole benefit of the Company;
- D. the entitlements to the Rights Shares with Warrants not taken up or allotted for any reason (other than allotments to Foreign Shareholders referred to above) shall be used to satisfy excess applications or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company; and
- E. the Rights Shares when issued and fully paid up will rank pari passu in all respects with the then existing ordinary shares in the capital of the Company save for any dividends, rights, allotments or other distribution, the record date for which falls before the date of issue of the Rights Shares,

and the Directors be and are hereby authorised to take such steps, do all such acts and things, make such amendments to the terms of the Rights Cum Warrants Issue, the Rights Shares and the Warrants and exercise such discretion as the Directors may in their absolute discretion deem fit, advisable or necessary in connection with all or any of the above matters.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ORDINARY RESOLUTION 2:

THE POTENTIAL TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO DFN PURSUANT TO THE PROPOSED RIGHTS CUM WARRANTS ISSUE

That, subject to and contingent upon the passing of Ordinary Resolution 1:

- (a) approval be and is hereby given for the allotment and issue of Rights Shares with Warrants and/or Excess Rights Shares with Warrants (if any) to DFN on and subject to the terms of the Proposed Rights Cum Warrants Issue and to the extent that such Rights Shares and Warrant Shares, upon exercise of the Warrants, to be allotted and issued by the Company constitutes a potential transfer of a Controlling Interest in the Company to DFN pursuant to Rule 803 of the Catalist Rules; and
- (b) the Directors (other than DFN and Howard Ng How Er) or any of them be and are hereby authorised to complete and to do all acts and things as they may consider necessary or expedient for the purposes of or in connection with the Potential Transfer of Controlling Interest to DFN and to give effect to this Ordinary Resolution 2 (including any execution of any other agreements or documents and procurement of third party consents) as they shall think fit and in the interests of the Company.

ORDINARY RESOLUTION 3:

THE POTENTIAL TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO TAN SUYING PURSUANT TO THE PROPOSED RIGHTS CUM WARRANTS ISSUE

That, subject to and contingent upon the passing of Ordinary Resolution 1:

- (a) approval be and is hereby given for the allotment and issue of Rights Shares with Warrants and/or Excess Rights Shares with Warrants (if any) to Tan Sying on and subject to the terms of the Proposed Rights Cum Warrants Issue and to the extent that such Rights Shares and Warrant Shares, upon exercise of the Warrants, to be allotted and issued by the Company constitutes a potential transfer of a Controlling Interest in the Company to Tan Sying pursuant to Rule 803 of the Catalist Rules; and
- (b) the Directors or any of them be and are hereby authorised to complete and to do all acts and things as they may consider necessary or expedient for the purposes of or in connection with the Potential Transfer of Controlling Interest to Tan Sying and to give effect to this Ordinary Resolution 3 (including any execution of any other agreements or documents and procurement of third party consents) as they shall think fit and in the interests of the Company.

ORDINARY RESOLUTION 4:

THE PROPOSED GRANT OF THE OPTION TO NATASHA SKINCARE (MALAYSIA) SDN BHD TO REQUIRE THE COMPANY TO PURCHASE ALL (AND NOT ONLY SOME) OF THE SHARES HELD BY NATASHA SKINCARE (MALAYSIA) SDN BHD IN NATASHA BEVERLY SDN BHD PURSUANT TO RULE 1018(1) OF THE CATALIST RULES

That:

- (a) approval be and is hereby given for the grant of the NSC Option to NSC on and subject to the terms of the Proposed Grant of the NSC Option pursuant to Rule 1018(1) of the Catalist Rules; and
- (b) the Directors or any of them be and are hereby authorised to complete and to do all acts and things as they may consider necessary or expedient for the purposes of or in connection with the Proposed Grant of the NSC Option and to give effect to this Ordinary Resolution 4 (including any amendment to the Shareholders' Agreement, execution of any other agreements or documents and procurement of third party consents) as they shall think fit and in the interests of the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

SPECIAL RESOLUTION 1:

THE PROPOSED CHANGE OF NAME OF THE COMPANY TO “BEVERLY JCG LTD.”

That:

- (a) approval be and is hereby given for the name of the Company to be changed from “JCG Investment Holdings Ltd.” to “Beverly JCG Ltd.” and that the name “JCG Investment Holdings Ltd.” be substituted for “Beverly JCG Ltd.”; and
- (b) the Directors or any of them be and are hereby authorised to complete and to do all acts and things as they may consider necessary or expedient for the purposes of or in connection with the Proposed Change of Name and to give effect to this Special Resolution 1 (including executing such documents as may be required, approving any amendments, alterations or modifications to any documents, and to sign, file, and/or submit any notices, forms and documents with or to the relevant authorities) as they shall think fit and in the interests of the Company; and
- (c) to the extent that any action in connection with the matters referred to in the above paragraphs of this Special Resolution 1 or the transactions contemplated by the Proposed Change of Name has been performed or otherwise undertaken (where partially or otherwise), such action or transactions be and is hereby ratified, confirmed and approved.

BY ORDER OF THE BOARD

5 June 2020

Dato’ Ng Tian Sang @ Ng Kek Chuan

Executive Chairman and Chief Executive Officer

Notes:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM are set out in the Company’s announcement dated 5 June 2020 entitled “Important Notice to Shareholders Regarding the Company’s Extraordinary General Meeting on 29 June 2020” which has been uploaded together with this Notice of EGM on SGXNet on the same day. This announcement may also be accessed at the URL <http://sg.conveneagm.com/JCGInvestment>.

In particular, the EGM will be held by way of electronic means and a member will be able to watch the proceedings of the EGM through a “live” webcast or listen to these proceedings through a “live” audio feed via his/her/its mobile phones, tablets or computers. In order to do so, a member who wishes to watch the “live” webcast or listen to the “live” audio feed must pre-register at the URL <http://sg.conveneagm.com/JCGInvestment> for verification purposes. The website will open for pre-registration from 9.00 a.m. on 6 June 2020 and will close at 2.30 p.m. on 26 June 2020. Following authentication of his/her/its status as members, authenticated members will be able to use their log in details created during the registration process to access the webcast and audio feed of the proceedings of the EGM at the URL <http://sg.conveneagm.com/JCGInvestment>. Non-validated members will receive an email informing them of the invalid status by 28 June 2020. Members are reminded that the EGM proceedings are private. As such, members should not share their login details to access the “live” webcast or “live” audio feed of the AGM proceedings to anyone else. Recording of the “live” webcast of the EGM proceedings in whatever form is also strictly prohibited.

Members may also submit questions related to the resolutions to be tabled for approval at the EGM. To do so, all questions must be submitted by 2.30 p.m. on 26 June 2020:

- (a) via the pre-registration website at the URL <http://sg.conveneagm.com/JCGInvestment>;
- (b) in hard copy by sending by post and lodging the same at the office of our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or
- (c) by email to ir@jcg-investment.com.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Members will need to identify themselves when posing questions by email or by mail by providing the following details:

- (a) the member's full name as it appears on his/her/its CDP/CPF/SRS share records;
- (b) the member's NRIC/Passport/UEN number;
- (c) the member's contact number and email address; and
- (d) the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

During the EGM, the Company will address substantial and relevant questions relating to the resolutions to be tabled for approval at the EGM as received from members.

Please note that members will not be able to ask questions at the EGM "live" during the webcast and the audio feed, and therefore it is important for members to submit their questions in advance of the EGM.

- (2) **A member will not be able to attend the EGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM.** In appointing the Chairman of the EGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. The accompanying proxy form for the EGM may be accessed at the URL <http://sg.convneagm.com/JCGInvestment>.
- (3) The Chairman of the EGM, as proxy, need not be a member of the Company. The instrument appointing the Chairman of the EGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must:
 - (a) if sent by post, be deposited at the office of our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or
 - (b) if submitted by email, be received by the Company at ir@jcg-investment.com,

in either case, not less than 48 hours before the time for holding the EGM, and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

- (4) The instrument appointing the Chairman of the EGM as proxy must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
- (5) The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (6) Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including CPF and SRS investors, and who wish to participate in the EGM ("**Relevant Intermediary Participants**") by (a) observing and/or listening to the EGM proceedings via the "live" webcast or the "live" audio feed in the manner provided in Note 1) above; (b) submitting questions in advance of the EGM in the manner provided in Note 1) above; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the EGM. CPF or SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 3.30 p.m. on 18 June 2020.
- (7) The Circular may be accessed at the Company's website at the URL <https://www.jcg-investment.com>, and have also been made available on SGXNet.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof or by attending the EGM and/or any adjournment thereof, submitting any details of Relevant Intermediary Participants in connection with the EGM, submitting any questions to the Company or pre-registering for the "live" webcast or "live" audio feed of the EGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service provider) of the appointment of the Chairman of the EGM as proxy, submission of questions and pre-registration of members for the EGM (including any adjournment thereof) and the preparation, compilation and publication of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the Relevant Intermediary Participants to the Company (or its agents), the member has obtained the prior consent of such Relevant Intermediary Participants for the collection, use and disclosure by the Company (or its agents or service provider) of the personal data of such Relevant Intermediary Participants for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

EXTRAORDINARY GENERAL MEETING

JCG INVESTMENT HOLDINGS LTD.

Company Registration No.: 200505118M

(Incorporated in the Republic of Singapore)

This form of proxy has been made available on SGXNet and the Company's website. A printed copy of this form of proxy will NOT be despatched to members.

IMPORTANT

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the Extraordinary General Meeting are set out in the Company's announcement dated 5 June 2020 entitled "Important Notice to Shareholders Regarding the Company's Extraordinary General Meeting on 29 June 2020" which has been uploaded together with the Notice of Extraordinary General Meeting dated 5 June 2020 on SGXNet on the same day.
2. A member will not be able to attend the Extraordinary General Meeting in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the Extraordinary General Meeting, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Extraordinary General Meeting. In appointing the Chairman as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF/SRS investors who wish to vote should contact their respective CPF Agent Banks or SRS Operators to submit their votes by 3.30 p.m. on 18 June 2020.

I/We _____ (Name)

of _____ (Address)

being a *member/members of JCG Investment Holdings Ltd. (the "**Company**") hereby appoint the Chairman of the Extraordinary General Meeting ("**EGM**"), as my/our proxy to attend, speak and vote for me/us on my/our behalf at the EGM of the Company to be held by way of electronic means on Monday, 29 June 2020 at 3.30 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day) and at any adjournment thereof.

*I/We direct the Chairman of the EGM as *my/our proxy to vote for or against the resolutions or abstain from the resolutions to be proposed at the EGM as indicated hereunder.

No.	Resolutions Relating To:	For	Against	Abstain
	Ordinary Resolution			
1.	Ordinary Resolution 1 To approve the Rights Cum Warrants Issue			
2.	Ordinary Resolution 2 To approve the Potential Transfer of Controlling Interest in the Company to DFN pursuant to the Rights Cum Warrants Issue			
3.	Ordinary Resolution 3 To approve the Potential Transfer of Controlling Interest in the Company to Tan Suiying pursuant to the Rights Cum Warrants Issue			
4.	Ordinary Resolution 4 To approve the Proposed Grant of the NSC Option			
	Special Resolution			
5.	Special Resolution 1 To approve the Proposed Change of Name of the Company from "JCG Investment Holdings Ltd." to "Beverly JCG Ltd."			

(The resolutions put to vote at the EGM shall be decided by poll. Please indicate with a cross [X] in the space provided whether you wish your vote to be cast for or against the resolutions or to abstain from voting on a resolution as set out in the Notice of EGM. Alternatively, if you wish to exercise some and not all of your votes both "For" and "Against" the relevant resolution and/or to abstain from voting in respect of the relevant resolution, please indicate the number of shares in the boxes provided. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as your proxy for that resolution will be treated as invalid.**)

* Please delete accordingly.

Dated this _____ day of _____ 2020

Number of Shares held in	
CDP Register	
Register of Members	
TOTAL	

Signature of Shareholder(s) or Common Seal

Important: Please read notes overleaf

Notes:

1. A member will not be able to attend the EGM in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
2. The Chairman of the EGM, as proxy, need not be a member of the Company.
3. Please insert the total number of shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Cap. 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares registered in your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
4. The instrument appointing the Chairman of the EGM as proxy must:
 - (a) if sent by post, be deposited at the office of our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or
 - (b) if submitted by email, be received by the Company at ir@jcg-investment.com,

in either case, not less than 48 hours before the time set for the EGM, and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

5. If sent by post, the instrument appointing the Chairman of the EGM as proxy of an individual must be under the hand of the appointor or of his/her attorney duly authorised in writing and the instrument appointing the Chairman of the EGM as proxy of a corporation must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

Where an instrument appointing the Chairman of the EGM as proxy is submitted by email, it must be authorised in the following manner:

- (a) by way of the affixation of an electronic signature by the appointer or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
 - (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.
6. Where the instrument appointing the Chairman of the EGM as proxy is signed on behalf of the appointor by an attorney, the letter of power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy; failing which the instrument may be treated as invalid.
 7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
 8. The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form (including any related attachment) (such as in the case where the appointor submits more than one proxy form appointing the Chairman of the EGM as proxy). In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form appointing the Chairman of the EGM as proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the EGM as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 5 June 2020.