

**CIRCULAR DATED 7 DECEMBER 2018**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**IF YOU ARE IN ANY DOUBT ABOUT ITS CONTENTS OR THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER INDEPENDENT PROFESSIONAL ADVISERS IMMEDIATELY.**

If you have sold or transferred all your ordinary shares (the “**Shares**”) in the capital of China Medical (International) Group Limited (the “**Company**”) held through the Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as CDP will arrange for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your ordinary shares which are not deposited with CDP, you should immediately forward this Circular, the Notice of the Extraordinary General Meeting and the attached proxy form to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer of shares was effected for onward transmission to the purchaser or the transferee.

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

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

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



**CHINA MEDICAL (INTERNATIONAL) GROUP LIMITED**

(Company Registration Number 200505118M)  
(Incorporated in the Republic of Singapore on 18 April 2005)

**CIRCULAR TO SHAREHOLDERS**

IN RELATION TO

- (1) **THE PROPOSED CONSOLIDATION OF EVERY TWO (2) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AS AT A BOOKS CLOSURE DATE TO BE DETERMINED BY THE DIRECTORS, INTO ONE (1) ORDINARY SHARE (“PROPOSED SHARE CONSOLIDATION”)**
- (2) **THE PROPOSED ALLOTMENT AND ISSUE OF UP TO 3,214,285,714 CONVERSION SHARES IN THE CAPITAL OF THE COMPANY TO THE DEFERRED LIABILITY ASSIGNEES PURSUANT TO THE CONVERSION OF THE DEFERRED PAYMENT LIABILITY, CREDITED AS FULLY PAID-UP (“PROPOSED DEFERRED LIABILITY CONVERSION”)**
- (3) **THE PROPOSED SUBSCRIPTION OF 2,857,142,857 SUBSCRIPTION SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.0014 FOR EACH SUBSCRIPTION SHARE, WITH UP TO 952,380,952 INVESTMENT WARRANTS, EACH INVESTMENT WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) CONSOLIDATED SHARE IN THE CAPITAL OF THE COMPANY AT AN EXERCISE PRICE OF S\$0.0014 FOR EACH NEW CONSOLIDATED SHARE, ON THE BASIS OF ONE (1) INVESTMENT WARRANT FOR EVERY THREE (3) SUBSCRIPTION SHARES SUBSCRIBED FOR BY THE ANCHOR INVESTOR (“PROPOSED SHARE SUBSCRIPTION”)**
- (4) **THE TRANSFER OF CONTROLLING INTEREST TO THE ANCHOR INVESTOR ARISING FROM THE COMPLETION OF THE PROPOSED SHARE SUBSCRIPTION (“TRANSFER OF CONTROLLING INTEREST”)**
- (5) **THE PROPOSED APPOINTMENT OF ANG KOK HUAN AS AN EXECUTIVE DIRECTOR OF THE COMPANY (“PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR”)**
- (6) **THE PROPOSED ALLOTMENT AND ISSUE OF 142,857,143 INTRODUCER SHARES AT THE ISSUE PRICE OF S\$0.0014 FOR EACH INTRODUCER SHARE BY THE COMPANY TO THE INTRODUCER, CREDITED AS FULLY PAID-UP (“PROPOSED INTRODUCER SHARES ISSUE”)**
- (7) **THE PROPOSED CHANGE OF NAME OF THE COMPANY TO “JCG INVESTMENT HOLDINGS LTD.” (“PROPOSED CHANGE OF NAME”)**

**IMPORTANT DATES AND TIMES**

Latest Date and Time for Lodgement of Proxy Form	:	28 December 2018
Date and Time of Extraordinary General Meeting	:	31 December 2018, 10.00am
Place of Extraordinary General Meeting	:	Raffles Marina Ltd, 10 Tuas West Drive, Chartroom, Singapore 638404

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless otherwise stated:

### Companies, Organisations and Agencies

“Anchor Investor”	: Rest Investments Ltd
“CDP”	: The Central Depository (Pte) Limited
“CMIC”	: China Medical Investments Co Pte. Ltd.
“Company”	: China Medical (International) Group Limited
“Group”	: The Company and its subsidiaries, collectively, and “Group Companies” shall refer to any of them
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Sponsor”	: PrimePartners Corporate Finance Pte. Ltd.

### General

“Adjusted Share Option”	: A Share Option that has been adjusted in accordance with section 13 of this Circular
“Adjusted Warrant”	: A Warrant that has been adjusted in accordance with section 12 of this Circular
“Adjusted Warrant Shares”	: The new Consolidated Shares to be allotted and issued to the Warrantheolders pursuant to the exercise of the Adjusted Warrants
“Advances”	The advances and/or loans for the medical aesthetics business amounting to S\$6,078,000 that were fully impaired or written off as at 31 December 2017
“Assignment”	: Has the meaning ascribed to it in section 5.1 of this Circular
“Associates”	: (a) in relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none"><li>(i) his immediate family;</li><li>(ii) the trustees, acting in their capacity as such 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</li><li>(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more of the total votes attached to all the voting shares;</li></ul> (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 of the total votes attached to all the voting shares

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## DEFINITIONS

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<b>“Auditor’s Certificate”</b>	: The signed certificate issued by the Auditors of the Company on 3 December 2018, which states that the adjustments to the Warrants and Share Options are in accordance with Condition 5.2 of the Deed Poll and Rule 10.1 of the Scheme respectively
<b>“Board”</b>	: The Board of Directors of the Company as at the date of this Circular
<b>“Books Closure Date”</b>	: The time and date to be determined by the Directors, at and on which the Register of Members and the transfer books of the Company will be closed for the purpose of determining the entitlements of the Shareholders to the Consolidated Shares pursuant to the Proposed Share Consolidation
<b>“Capitalisation Deed”</b>	: The capitalisation deed entered into between the Company and the Anchor Investor on 24 August 2018 in relation to the Proposed Deferred Liability Conversion
<b>“Catalist”</b>	: The sponsor-supervised listing platform of the SGX-ST
<b>“Catalist Rules”</b>	: The SGX-ST Listing Manual Section B: Rules of Catalist, as amended or modified from time to time
<b>“China iMyth SPA”</b>	: Has the meaning ascribed to it in section 5.1 of this Circular
<b>“Circular”</b>	: This circular dated 7 December 2018
<b>“Companies Act”</b>	: The Companies Act, Chapter 50 of Singapore, as may be amended, modified or supplemented from time to time
<b>“Consolidated Shares”</b>	: Consolidated ordinary Shares in the capital of the Company after completion of the Proposed Share Consolidation
<b>“Constitution”</b>	: The constitution of the Company, as amended, modified or supplemented from time to time
<b>“Controlling Interest”</b>	: The interest of Controlling Shareholder(s)
<b>“Controlling Shareholder”</b>	: A person (including a corporation) who:  (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares and subsidiary holdings in the Company (unless otherwise determined by SGX-ST); or  (b) in fact exercises control over the Company
<b>“Conversion Price”</b>	: Has the meaning ascribed to it in section 5.4 of this Circular
<b>“Conversion Shares”</b>	: Up to 3,214,285,714 Consolidated Shares to be issued to the Deferred Liability Assignees pursuant to the Proposed Deferred Liability Conversion
<b>“Deed Poll”</b>	: Has the meaning ascribed to it in section 12 of this Circular
<b>“Deferred Liability Assignees”</b>	: Has the meaning ascribed to it in section 5.2 of this Circular
<b>“Deferred Payment Liability”</b>	: Has the meaning ascribed to it in section 2.2(b) of this Circular
<b>“Director(s)”</b>	: The director(s) of the Company as at the date of this Circular

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## DEFINITIONS

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<b>“Director’s Certificate”</b>	: The certificate signed by a Director setting out particulars of the adjustments to the Warrants, as required under the terms of the Deed Poll
<b>“Effective Trading Date”</b>	: The date on which the Shares will trade on the SGX-ST in board lots of one hundred (100) Consolidated Shares
<b>“EGM”</b>	: The extraordinary general meeting of the Company, notice of which is set out on pages N-1 to N-4 of this Circular
<b>“Encumbrances”</b>	: Any claim, charge, mortgage, lien, option, equity, power of sale, hypothecation, usufruct, retention of title, right of pre-emption, right of first refusal or other third party rights or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing
<b>“Existing Share Capital”</b>	: The issued share capital of the Company, as at the Latest Practicable Date, comprising 8,812,778,946 Shares
<b>“Existing Shares”</b>	: The existing Shares
<b>“Fully Diluted Basis”</b>	: The issued share capital of the Company of 14,502,867,143 Consolidated Shares following completion of the Proposed Corporate Exercises, and assuming all additional shares that could be issued pursuant to all agreements, options, warrants or other convertible securities that are subsisting or that are proposed as at the Latest Practicable Date (regardless of whether they are vested, exercisable or convertible in accordance with their terms). For the avoidance of doubt, the aggregate of 14,502,867,143 Consolidated Shares on a Fully Diluted Basis consist of, as at the Latest Practicable Date, 4,406,389,473 Consolidated Shares, 3,214,285,714 Conversion Shares, 2,857,142,857 Subscription Shares, 142,857,143 Introducer Shares, 2,800,720,004 Adjusted Warrants convertible into 2,800,720,004 Adjusted Warrant Shares, 952,380,952 Investment Warrants convertible to 952,380,952 Consolidated Shares and 129,091,000 Adjusted Share Options convertible into 129,091,000 Option Shares
<b>“FY”</b>	: Financial year ended or ending 31 December
<b>“Independent Reviewer”</b>	: Has the meaning ascribed to it in section 2 of this Circular
<b>“Introducer Shares”</b>	: 142,857,143 Consolidated Shares to be issued at the Issue Price, credited as fully-paid up as consideration for the introductory services rendered to the Company by the Introducer, further details of which are set out in section 8.1 of this Circular
<b>“Investment Warrants”</b>	: Has the meaning ascribed to it in section 6.7 of this Circular
<b>“Investment Warrants Deed Poll”</b>	: Has the meaning ascribed to it in section 6.7 of this Circular
<b>“Investment Warrants Exercise Price”</b>	: Has the meaning ascribed to it in section 6.7 of this Circular
<b>“Issue Price”</b>	: S\$0.0014 per Subscription Share or Introducer Share, as the case may be

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## DEFINITIONS

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<b>“Latest Practicable Date”</b>	: 3 December 2018, being the latest practicable date prior to the printing of this Circular
<b>“Market Day”</b>	: A day on which the SGX-ST is open for trading in securities
<b>“NTA”</b>	: Net tangible asset
<b>“Option Shares”</b>	: The new Consolidated Shares to be allotted and issued to the holders of the Adjusted Share Options pursuant to the exercise of the Adjusted Share Options
<b>“Proposed Appointment of Executive Director”</b>	: The proposed appointment of Mr Ang Kok Huan as an executive director of the Company
<b>“Proposed Change of Name”</b>	: The proposed change of name of the Company from “China Medical (International) Group Limited” to “JCG Investment Holdings Ltd.”
<b>“Proposed Corporate Exercises”</b>	: Collectively the Proposed Share Consolidation, the Proposed Deferred Liability Conversion and the Proposed Share Consolidation
<b>“Proposed Deferred Liability Conversion”</b>	: The proposed conversion of the Deferred Payment Liability which has been assigned to the Anchor Investor (or the Deferred Liability Assignees) into 3,214,285,714 Conversion Shares pursuant to the Capitalisation Deed
<b>“Proposed Introducer Shares Issue”</b>	: The proposed allotment and issue of the Introducer Shares to the Introducer
<b>“Proposed Share Consolidation”</b>	: Has the meaning ascribed to it in section 2.4(a) of this Circular
<b>“Proposed Share Subscription”</b>	: Has the meaning ascribed to it in section 2.3 of this Circular
<b>“Proposed Warrants Issue”</b>	: The proposed issue of 952,380,952 Investment Warrants to the Anchor Investor as a result of the Proposed Share Subscription
<b>“Scheme”</b>	: The employee share option scheme of the Company known as “Albedo Employee Share Option Scheme” previously adopted by the Company on 24 February 2006 and its subsequent amendments approved by the Company on 28 April 2009
<b>“SFA”</b>	: The Securities and Futures Act (Chapter 289) of Singapore, as may be amended, modified or supplemented from time to time
<b>“Shareholders”</b>	: Registered holders of Shares except that where the registered holder is CDP the term “Shareholders” in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and whose securities accounts are credited with those Shares
<b>“Shares”</b>	: Ordinary shares in the share capital of the Company
<b>“Subscription Agreement”</b>	: The subscription agreement entered into between the Company and the Anchor Investor on 24 August 2018 in relation to the Proposed Share Subscription
<b>“Subscription Shares”</b>	Has the meaning ascribed to it in section 6.1 of this Circular
<b>“Substantial Shareholder”</b>	: A Shareholder who holds directly or indirectly 5% or more of the total issued and voting share capital of the Company

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## DEFINITIONS

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<b>“Transfer of Controlling Interest”</b>	: The transfer of Controlling Interest to the Anchor Investor as a result of the Proposed Share Subscription
<b>“WVAP”</b>	: Volume weighted average price
<b>“Warrantholders”</b>	: The registered holders of the Warrants, except that where the registered holder is CDP, the term “Warrantholders” shall, in relation to such Warrants and where the context admits, means the persons named as Depositors in the Depository Register maintained by CDP whose Securities Accounts are credited with such Warrants
<b>“Warrant Shares”</b>	: The new Consolidated Shares to be allotted and issued to the Anchor Investor pursuant to the exercise of the Investment Warrants
<b>“Warrants”</b>	: The warrants issued by the Company pursuant to the Deed Poll
<b><u>Currency and units</u></b>	
<b>“S\$” and “Singapore cents”</b>	: Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
<b>“%” or “per cent”</b>	: Per centum or percentage

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

The terms “Subsidiary” shall have the same meaning ascribed to it in Section 5 of the Companies Act.

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

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

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

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

Any discrepancies in figures included in this Circular between the amounts listed and their actual values are due to rounding. Accordingly, figures shown as totals in certain tables in this Circular may not be an arithmetic aggregation of the figures that precede them. Where applicable, figures and percentages are rounded to two decimal places.

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

Unless otherwise stated, the exchange rate between HK\$ and S\$ was HK\$100: S\$17.50 as at the Latest Practicable Date. The exchange rate should not be construed as a representation that the HK\$ amounts could have been, or could be, converted into Singapore dollars at the rate stated, or at all, and *vice versa*.

In this Circular, unless otherwise stated, the total number of issued Shares is 8,812,778,946 Shares, based on the results of searches conducted on the Accounting and Corporate Regulatory Authority of Singapore as at the Latest Practicable Date.



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## CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

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All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “if”, “would”, “should”, “could”, “may” and “might”. However, these words are not the exclusive means of identifying forward-looking statements. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and the Company assumes no obligation to update publicly or revise any forward-looking statement.



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## LETTER TO SHAREHOLDERS

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### CHINA MEDICAL (INTERNATIONAL) GROUP LIMITED

(Company Registration Number 200505118M)  
(Incorporated in the Republic of Singapore)

#### Directors

Hano Maeloa (Non-Executive Chairman)  
Chang Shyre Gwo (Non-Executive Director)  
Dr Lam Lee G (Independent Director)  
Yap Slean Sin (Independent Director)

#### Registered Office

80 Robinson Road  
#17-02  
Singapore 068898

**7 December 2018**

To: The Shareholders of China Medical (International) Group Limited

Dear Sir/Madam

#### **1 INTRODUCTION**

- 1.1 The Directors are convening an EGM to be held on 31 December 2018 to seek Shareholders' approval in relation to:
- (a) the Proposed Share Consolidation (Ordinary Resolution 1);
  - (b) the Proposed Deferred Liability Conversion (Ordinary Resolution 2);
  - (c) the Proposed Share Subscription (Ordinary Resolution 3);
  - (d) the Transfer of Controlling Interest (Ordinary Resolution 4);
  - (e) the Proposed Appointment of Executive Director (Ordinary Resolution 5);
  - (f) the Proposed Introducer Shares Issue (Ordinary Resolution 6); and
  - (g) the Proposed Change of Name (Special Resolution 7),
- (collectively, the "**Proposed Resolutions**").
- 1.2 The Directors wish to highlight that Ordinary Resolutions 1, 2, 3 and 4 in relation to the Proposed Share Consolidation, the Proposed Deferred Liability Conversion, Proposed Share Subscription and Transfer of Controlling Interest ("**Inter-conditional Resolutions**") are inter-conditional.
- 1.3 For the avoidance of doubt, this means that if any of the Inter-conditional Resolutions are not approved, the other Inter-conditional Resolutions would not be tabled at the EGM. The Inter-conditional Resolutions have been made inter-conditional as the Proposed Share Consolidation, the Proposed Share Subscription, the Proposed Deferred Liability Conversion and the Transfer of Controlling Interest are to be viewed collectively as they relate to the same transaction.
- 1.4 Ordinary Resolutions 5 and 6 and Special Resolution 7 as stated in the Notice of EGM, in respect of the Proposed Appointment of Executive Director, Proposed Introducer Shares Issue and the Proposed Change of Name respectively, are conditional upon the approval of all the Inter-conditional Resolutions. This means that if any of the Inter-conditional Resolutions is not approved, the said resolutions relating to the Proposed Appointment of Executive Director, the Proposed Introducer Shares Issue and the Proposed Change of Name will not be tabled at the EGM. If the Proposed Appointment of Executive Director, the Proposed Introducer Shares Issue and the Proposed Change of Name are not approved, and the Inter-conditional Resolutions under section 1.2 above are approved, the Proposed Share Consolidation, the Proposed Deferred Liability Conversion, Proposed Share Subscription and Transfer of Controlling Interest will be undertaken and completed.
- 1.5 The purpose of this Circular is to provide Shareholders with information relating to, and to seek Shareholders' approval for the Proposed Resolutions to be tabled at the EGM, the notice of which is set out on pages N-1 to N-4 of this Circular.

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## LETTER TO SHAREHOLDERS

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- 1.6 The SGX-ST and the Sponsor assume no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

### 2 OVERVIEW OF THE PROPOSED CORPORATE EXERCISES

- 2.1 As announced in its Second Quarter Unaudited Financial Statement and Dividend Announcement for the Financial Period ended 30 June 2018, the Company has been looking to raise funds for the working capital of the Group and to improve its financial position. The Company is in negative working capital and has negative shareholders' fund.
- 2.2 The Company's major financial commitments and exposure currently include:
- (a) payables of S\$3.5 million, being the balance of consideration due and payable by the Company for the acquisition of 51% of China iMyth Company Pte Ltd, under the China iMyth SPA (as defined below), on 6 November 2019 ("**Deferred Payment Liability**"); and
  - (b) a corporate guarantee provided in favour of Concorde Global Limited in relation to a HK\$20 million (approximately S\$3.50 million)<sup>1</sup> extended by Concorde Global Limited to a wholly-owned subsidiary of the Company, CMIC Hemodialysis (Hong Kong) Limited, due on 27 December 2018 ("**Concorde Loan Liability**").
- 2.3 Following discussions between the Company and Rest Investments Ltd ("Anchor Investor"), the Anchor Investor has agreed to make a capital injection of S\$4 million in cash by way of a subscription for new ordinary shares of the Company ("Proposed Share Subscription") on and subject to the terms and conditions of the Subscription Agreement. It is expected that a significant portion of the proceeds from such subscription shall be used to settle the Concorde Loan Liability in its entirety and in light of the impending repayment due date.
- 2.4 Under the terms of the Subscription Agreement, the obligation of the Anchor Investor to make the cash capital injection pursuant to the Proposed Share Subscription is conditional upon, among others, the Company procuring the following:
- (a) a share consolidation exercise of every two (2) existing ordinary shares in the capital of the Company (the "**Shares**") held by shareholders of the Company (the "**Shareholders**") as at a books closure date to be determined by the Directors (the "**Books Closure Date**") into one (1) ordinary share in the capital of the Company (the "**Consolidated Shares**") (the "**Proposed Share Consolidation**") before the completion of the Proposed Share Subscription; and
  - (b) the capitalisation of the Deferred Payment Liability, converting the entire amount outstanding into new ordinary shares in the Company (the "**Proposed Deferred Liability Conversion**") on and subject to the terms and conditions of the capitalisation deed executed by the Company on 24 August 2018 (the "**Capitalisation Deed**"), such capitalisation to be completed at the same time with the Proposed Share Subscription.
- 2.5 Further details on the Proposed Share Consolidation, Proposed Deferred Liability Conversion and Proposed Share Subscription (collectively, the "**Proposed Corporate Exercises**"), are set out respectively at sections 4, 5 and 6 of this Circular below.

### 3 APPROVAL IN-PRINCIPLE FROM THE SGX-ST

The Company received the approval in-principle from the SGX-ST dated 30 November 2018 in respect of the listing of and quotation for (A) 4,406,389,473 Consolidated Shares, (B) up to 3,214,285,714 Conversion Shares, (C) 2,857,142,857 Subscription Shares, (D) 142,857,143 Introducer Shares and (E) up to 952,380,952 Warrant Shares subject to, *inter alia*, the following conditions:

- (a) compliance with the listing requirements of the SGX-ST; and

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<sup>1</sup> Based on the exchange rate of HK\$100:S\$17.50 as at the Latest Practicable Date.

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## LETTER TO SHAREHOLDERS

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- (b) Shareholders' approval for the Proposed Share Consolidation, the Proposed Deferred Liability Conversion, Proposed Share Subscription, Proposed Warrants Issue and Proposed Introducer Shares Issue to be obtained at an extraordinary general meeting to be convened.

The approval in-principle from the SGX-ST also stipulates that the Conversion Shares, Subscription Shares and Introducer Shares have to be placed out within seven (7) Market Days from the approval from Shareholders for the Proposed Deferred Liability Conversion, Proposed Share Subscription, Proposed Warrants Issue and Proposed Introducer Shares Issue.

The approval in-principle granted by the SGX-ST for the listing of and quotation for the Consolidated Shares, Conversion Shares, Subscription Shares, Introducer Shares and Warrant Shares is not an indication of the merits of any of the Proposed Share Consolidation, Consolidated Shares, Conversion Shares, Proposed Deferred Liability Conversion, Subscription Shares, Proposed Share Subscription, Introducer Shares, Proposed Introducer Shares Issue, Warrant Shares, Warrants, Proposed Warrants Issue, the Company, its subsidiaries and their securities.

The Warrant Shares will be listed and traded on the Catalist Board of the SGX-ST. Shareholders who hold odd lots of the Warrant Shares and who wish to trade in odd lots may do so on the Unit Share Market of the SGX-ST.

#### 4 THE PROPOSED SHARE CONSOLIDATION

##### 4.1 Details of the Proposed Share Consolidation

To facilitate the Proposed Deferred Liability Conversion and the Proposed Share Subscription, the Company announced on 26 August 2018 that it is proposing to seek the approval of Shareholders to undertake the Proposed Share Consolidation where the Company will consolidate every two (2) Shares into one (1) Consolidated Share. After the Proposed Share Consolidation has been completed, the Company will thereafter undertake the completion of the Proposed Deferred Liability Conversion and Proposed Share Subscription.

Accordingly, under the Proposed Share Consolidation, every two (2) Shares registered in the name, or standing to the credit of the securities account, of each Shareholder or depositor (as the case may be) as at the Books Closure Date will be consolidated to constitute one (1) Consolidated Share, fractional entitlements to be disregarded. The Company will make the appropriate announcement in due course to notify Shareholders of the Books Closure Date.

The Proposed Share Consolidation will take effect on the Effective Trading Date. An announcement will be made at the appropriate time of the Effective Trading Date.

**Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation, based on their holdings of Existing Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of a Consolidated Share arising from the Proposed Share Consolidation will be disregarded. All fractional entitlements arising upon the implementation of the Proposed Share Consolidation will be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company, including (i) disregarding, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company. Affected Shareholders will not be paid for any fractions of a Consolidated Share which are disregarded or any of the proceeds arising from any aggregation and sale of such fractions.**

Each Consolidated Share will rank *pari passu* in all respects with each other. The Consolidated Shares will be traded on the Catalist of the SGX-ST in board lots of one hundred (100) Consolidated Shares.

Accordingly, a Shareholder who holds less than two (2) Existing Shares as at the Books Closure Date will not be entitled to any Consolidated Share and will no longer be a Shareholder upon the completion of the Proposed Share Consolidation. **Such Shareholders who wish to remain as Shareholders upon the completion of the Proposed Share Consolidation are advised to purchase additional Existing Shares so as to increase the number of Existing Shares held to a multiple of two (2) Shares as at the Books Closure Date.**

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As at the Latest Practicable Date, the Company has an issued share capital of S\$57,378,000 comprising 8,812,778,946 Shares. The Company has no treasury shares and subsidiary holdings.

On the assumptions that there will be no new Shares issued by the Company up to the Books Closure Date and no fractions of Consolidated Shares arising from the Proposed Share Consolidation, and subject to Shareholders' approval being obtained for the Proposed Share Consolidation, the Company will have an issued share capital of S\$57,378,000 comprising 4,406,389,473 Consolidated Shares immediately following completion of the Proposed Share Consolidation.

The Proposed Share Consolidation will have no impact on the dollar value of the issued share capital of the Company (save for any reduction arising from the disregarding of fractional entitlement) and will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any issued capital of the Company. The Proposed Share Consolidation will also have no effect on the Shareholders' funds of the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation will not cause any material changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding and the disregard of the fractional entitlement.

Subject to Shareholders' approval being obtained for the Proposed Share Consolidation at an extraordinary general meeting to be convened and disregarding the Proposed Deferred Liability Conversion, the Proposed Share Subscription and the Proposed Introducer Shares Issue, the number of Consolidated Shares which the Shareholders will be entitled to pursuant to the Proposed Share Consolidation will be based on their Existing Shares as at the Books Closure Date.

### 4.2 Rationale for the Proposed Share Consolidation

As part of the agreement reached between the Company and the Anchor Investor and to facilitate the Proposed Share Subscription and Proposed Deferred Liability Conversion, the Company has agreed to undertake the Proposed Share Consolidation, which is a condition precedent under the Subscription Agreement for the Anchor Investor to make the cash capital injection pursuant to the Proposed Share Subscription.

Further, as share trading may involve certain minimum fixed expenses (such as minimum brokerage fees), low traded Share prices translate to higher transaction costs, relative to the trading price, for each trading of one board lot of Shares. In addition, the low traded Share price may encourage speculation in the Shares, which may result in excessive Share price volatility. The Board therefore believes that the Proposed Share Consolidation may serve to reduce the fluctuation in magnitude of the Company's market capitalisation and reduce the percentage transaction cost for trading in each board lot of Shares.

The Proposed Share Consolidation will also rationalise the share capital of the Company by reducing the number of Shares outstanding. It is expected that, all other things being equal and solely for illustration purposes, the theoretical trading price and net tangible assets of each Consolidated Share would be higher than the trading price and net tangible assets of each existing Share following the decrease in the number of Shares in issue after the Proposed Share Consolidation. The Proposed Share Consolidation may also increase the profile of the Company amongst the institutional investors and the coverage of the Company amongst research houses and fund managers.

**However, Shareholders should note that there is no assurance that the Proposed Share Consolidation will achieve the desired results, nor is there assurance that such desirable results is sustainable in the longer term.**

### 4.3 Updating of Register of Shareholders and Depository Register for the Consolidated Shares

If Shareholders at the EGM approve the Proposed Share Consolidation, Shareholders' entitlements to the Consolidated Shares will be determined as at 5.00 p.m. on the Books Closure Date. The Register of Members and the Depository Register will then be updated to reflect the number of Consolidated Shares held by Shareholders. With effect from 9.00 a.m. on the Share Consolidation Effective Date, every two (2) existing Shares registered in the name of each Shareholder will be consolidated to constitute one (1) Consolidated Share.

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(a) *Deposit of Share Certificates with CDP*

Shareholders who hold old physical share certificates for the existing Shares in their own names (the “**Old Share Certificates**”) and who wish to deposit the same with CDP and have their Consolidated Shares (after the Proposed Share Consolidation) credited to their securities accounts maintained with CDP (the “**Securities Accounts**”) must deposit their Old Share Certificates with CDP, together with duly executed instruments of transfer in favour of CDP, no later than twelve (12) Market Days prior to the Books Closure Date.

After the Books Closure Date, CDP will only accept the deposit of new share certificates for Consolidated Shares (the “**New Share Certificates**”). Shareholders who wish to deposit their Old Share Certificates with CDP after the Books Closure Date must first deliver the Old Share Certificates to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, for cancellation and issuance of New Share Certificates in replacement thereof as described below. The New Share Certificates will be sent by ordinary mail to the registered addresses of the Shareholders at their own risk within ten (10) Market Days from the date of receipt of their Old Share Certificates. Upon receipt of the New Share Certificates, Shareholders may then proceed to deposit these New Share Certificates with CDP.

(b) *Issue of New Share Certificates*

Shareholders who have deposited their Old Share Certificates with CDP at least twelve (12) Market Days prior to the Books Closure Date need not take any action. The Company will make arrangements with CDP to effect the exchange of New Share Certificates pursuant to the Proposed Share Consolidation.

Shareholders who have not deposited their Old Share Certificates with CDP as aforesaid or who do not wish to deposit their Old Share Certificates with CDP are advised to forward all their Old Share Certificates to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, as soon as possible after they have been notified of the Books Closure Date during normal business hours (9.00 a.m. to 5.00 p.m., Mondays to Fridays) and not later than five (5) Market Days after the Books Closure Date, for cancellation and exchange for New Share Certificates. No receipt will be issued by the Share Registrar upon receipt of any Old Share Certificates. The New Share Certificates will be sent by ordinary mail or registered mail (at the election of the relevant Shareholder) to the registered addresses of Shareholders at their own risk within ten (10) Market Days from the Books Closure Date or the date of receipt of the Old Share Certificates, whichever is later.

**Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have already been tendered to the Share Registrar for cancellation.**

Shareholders should notify the Share Registrar if they have lost any of their existing Old Share Certificates or if there is any change in their respective addresses from that reflected in the Register of Shareholders of the Company.

Shareholders shall deliver their respective Old Share Certificates to the Share Registrar or CDP in accordance with the provisions set out above, only after the Company’s announcement of the Books Closure Date.

(c) *Share Certificates not valid for settlement of trades on Catalist*

Shareholders who hold physical share certificates are reminded that their Old Share Certificates are no longer valid for settlement of trading in the Shares (and the Consolidated Shares) on the SGX-ST (as the Company is under a book-entry (scripless) settlement system), but will continue to be accepted, for an indefinite period, for cancellation and replacement to New Share Certificates by the Share Registrar. The New Share Certificates will not be valid for delivery of trade done on the SGX-ST, though they will continue to be *prima facie* evidence of legal title.



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### 4.4 Trading Arrangements for the Consolidated Shares and Odd Lots

#### Trading Arrangements for the Consolidated Shares

Subject to the approval of the Proposed Share Consolidation by Shareholders at the EGM, with effect from 9.00 a.m. on the Effective Trading Date, trading in the Consolidated Shares will be in board lots of one hundred (100) Consolidated Shares. Accordingly, two (2) existing Shares as at 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date will be represented by one (1) Consolidated Share with effect from 9.00 a.m. on the Effective Trading Date. Trading in the existing Shares will cease after 5 p.m. on the Market Day immediately preceding the Effective Trading Date.

#### Trading Arrangements for Odd Lots

All fractional entitlements arising upon the implementation of the Proposed Share Consolidation will be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company, including (i) disregarding, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company. Affected Shareholders will not be paid for any fractions of a Consolidated Share which are disregarded or any of the proceeds arising from any aggregation and sale of such fractions.

The Shares are currently traded in board lots of one hundred (100) Shares in the ready market. Following the completion of the Proposed Share Consolidation, the Securities Accounts maintained with CDP of Shareholders (being Depositors) may be credited with odd lots of the Consolidated Shares (that is, lots other than board lots of one hundred (100) Consolidated Shares). The market for trading of such odd lots of Consolidated Shares may be illiquid.

Shareholders who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade in odd lots of the Consolidated Shares on the SGX-ST can trade with a minimum size of one (1) Consolidated Share on the SGX-ST's unit share market. The unit share market will enable trading in odd lots in any quantity less than one (1) board lot of the underlying shares. As odd lots of Consolidated Shares can be traded on the unit share market of the SGX-ST, no separate arrangement will be made for the trading of such odd lots. Shareholders who continue to hold odd lots of less than one hundred (100) Consolidated Shares may find difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Consolidated Shares.

## 5 THE PROPOSED DEFERRED LIABILITY CONVERSION

### 5.1 Background

On 11 June 2015, the Company entered into a sale and purchase agreement with CMIC in relation to the purchase of 51% of the issued share capital of China iMyth Company Pte Ltd for an aggregate consideration of S\$18.875 million ("**China iMyth SPA**"). The said consideration was satisfied by way of an allotment and issue of 275 million Shares to each of Dato Dr. Choo Yeow Ming and Ms Qiang Lin Mei ("**Consideration Shares**") on 1 December 2015 and the payments of S\$8.5 million in two tranches, being at completion of the China iMyth SPA and within six (6) months thereafter, leaving a sum of approximately S\$3.5 million, being the Deferred Payment Liability, which remains outstanding and payable by the Company as at the Latest Practicable Date.

On 15 November 2016, the Company announced that it had entered into a third supplemental agreement with CMIC, to extend the due date for the Deferred Payment Liability under the China iMyth SPA from 6 May 2016 to 6 November 2019. As at the Latest Practicable Date, the Deferred Payment Liability (which amounts to S\$3.5 million) remains outstanding and payable by the Company.

On 15 August 2018, CMIC entered into a deed of assignment with the Anchor Investor to assign the Deferred Payment Liability to the Anchor Investor ("**Assignment**") for a consideration of S\$1.3 million (a discount to the Deferred Payment Liability).

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### 5.2 Capitalisation of the Deferred Payment Liability

It is a term and condition of the Anchor Investor's commitment to the Proposed Share Subscription that the Company resolves the outstanding Deferred Payment Liability. On 24 August 2018, the Company entered into the Capitalisation Deed pursuant to which the Company has agreed to the Proposed Deferred Liability Conversion where the entire amount of the Deferred Payment Liability shall be converted into a total of 3,214,285,714 new ordinary Consolidated Shares in the capital of the Company (the "**Conversion Shares**").

In respect of the Deferred Payment Liability, the Anchor Investor has separately entered into an assignment arrangement with the original party to whom the Deferred Payment Liability was payable (i.e. CMIC), whereby the Anchor Investor will be entitled to further assign or caused to be assigned the rights, title and interests thereof to unrelated third parties.

As at the Latest Practicable Date, the Anchor Investor has appointed UOB Kay Hian Private Limited ("**UOBKH**") as the licensed financial intermediary to source for interested unrelated third parties ("**Deferred Liability Assignees**") to acquire the rights, title and interests in the Deferred Payment Liability and to assume the commitment to convert the Deferred Payment Liability into Conversion Shares in accordance with the terms of the Capitalisation Deed.

The Deferred Liability Assignees are to receive the Conversion Shares as principal and have confirmed to the Company that they are not acting as nominee or agent, and have no connection, including any business relationship, with the Group, its Directors or its Substantial Shareholders or their respective Associates. Such Deferred Liability Assignees have also confirmed to the Company that they do not belong to any of the categories of persons to whom placements must not be made by the Company pursuant to Rule 812(1) of the Catalist Rules and are not parties acting in concert with Mr Chua Chuan Seng, the Anchor Investor and their respective Associates or with one another. Further details on Mr Chua Chuan Seng and the Anchor Investor are set out in Section 6.2 of this Circular.

The identities and background of the Deferred Liability Assignees are as follows:

(a) Chua Khoon Wong

Chua Khoon Wong is a Co-founder of Cornerstone Asia Health, a healthcare group with operations in Singapore. Prior to this, he was a corporate investment banker with Standard Chartered Bank Singapore for 20 years.

(b) Loke Lai Wan

Loke Wai Wan is a Group Financial Services Director with Prudential, a multinational life insurance and financial services company. She has been in this industry for 14 years.

(c) Soh Fook Seng

Soh Fook Seng is currently a private investor. Prior to this, Mr Soh was a managing director of an Indonesian transportation company with business operations mainly in Indonesia.

(d) Tan Hai Tat

Tan Hai Tat is a business owner of HTZone, an IT consulting company in Singapore with more than 18 years of operating history. His company is mainly involved in IT and systems training.

(e) Wong Chao Hsiung

Wong Chao Hsiung is founder of Gold Apex Realty Pte Ltd with operations in Singapore. Gold Apex Realty is in the real estate consultancy business. Mr Wong has been in the real estate industry for more than 15 years.

(f) Yuen Pui Leng Eunice

Yuen Pui Leng Eunice is a Group Financial Services Director with Prudential, a multinational life insurance and financial services company. She has been in this industry for 19 years.



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Pursuant to the assignment arrangements between the Anchor Investor and each of the Deferred Liability Assignees and the Capitalisation Deed, the number of Conversion Shares to be allotted and issued to the Deferred Liability Assignees are as follows:

Deferred Liability Assignee	Number of Conversion Shares
Chua Khoon Wong	357,142,857
Loke Lai Wan	530,357,143
Soh Fook Seng	523,214,286
Tan Hai Tat	517,857,143
Wong Chao Hsiung	357,142,857
Yuen Pui Leng Eunice	928,571,428
<b>Total:</b>	<b>3,214,285,714</b>

Each of the Deferred Liability Assignees is an Accredited Investor (as defined in the SFA) and was identified by UOBKH as one of the Deferred Liability Assignees for the purposes of the assignment by the Anchor Investor of part or all of the rights, title, benefits and interest of and to the Deferred Payment Liability. Each of the Deferred Liability Assignees is subscribing for the Conversion Shares for their respective personal investment purposes. UOBKH has confirmed that it has informed each of the Deferred Liability Assignees of the independent review of the internal controls processes and policies of the Company, as announced by the Company on 30 November 2018, and has received confirmation that each of the Deferred Liability Assignees remains committed to proceeding with the Proposed Deferred Liability Conversion, subject to Shareholders' approval.

Please refer to Appendix A of this Circular for more details on shareholding interests of each of the Deferred Liability Assignees in the Company before and after the completion of the Proposed Corporate Exercises.

### 5.3 Conversion Shares

The Conversion Shares will, when allotted and issued pursuant to the Proposed Deferred Liability Conversion, be authorised, allotted, validly issued and credited as fully paid-up, free from any and all Encumbrances and shall rank *pari passu* with and shall carry all rights similar to the Consolidated Shares as at the date(s) of allotment and issue of the Conversion Shares except that they will not rank for any dividend, right, allotment or other distributions, the Record Date for which falls before the date of allotment and issue of such Conversion Shares.

### 5.4 Conversion Price

Based on the number of 3,214,285,714 Conversion Shares to be issued in respect of the Deferred Payment Liability of S\$3.5 million, the resultant conversion price is S\$0.0011 ("**Conversion Price**"). This represents a discount of approximately 45% to the theoretical post consolidated VWAP of S\$0.002 for trades done in respect of the Shares on the Catalist Board on 24 August 2018. For illustration purposes, the theoretical post-consolidation price is based on the VWAP of S\$0.001 per Share for trades done on the SGX-ST on 24 August 2018, being the full market day on which Capitalisation Deed is signed, assuming the Proposed Share Consolidation had been completed.

As the Conversion Price is at a discount greater than 10% to the VWAP for trades done on the SGX-ST on the last full market day immediately preceding the date of the Capitalisation Deed, the Company will be seeking Shareholders' approval pursuant to Rule 811(3) of the Catalist Rules under Ordinary Resolution 2.

### 5.5 Rationale for the Proposed Deferred Liability Conversion

The Company notes that the Proposed Deferred Liability Conversion, if implemented, will reduce the debt burden of the Company and eliminate the need for any cash repayment. In view of the current financial and cash position of the Company, this will provide for some level of stability to

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the Company and alleviate pressures faced by the Company on its cash flow. The Company further notes that the Anchor Investor has also indicated that its commitment to make the cash injection of S\$4 million, a substantial portion of which will be used to pay for the Concorde Loan Liability, has to be conditional upon the Company resolving the financial risk faced by the Company in relation to the Deferred Payment Liability.

### 6 THE PROPOSED SHARE SUBSCRIPTION

#### 6.1 Background

Subject to the terms and conditions of the Subscription Agreement, the Company has agreed to allot and issue an aggregate of 2,857,142,857 Consolidated Shares (“**Subscription Shares**”) to the Anchor Investor at an Issue Price of S\$0.0014 per Consolidated Share, together with up to 952,380,952 Investment Warrants (as defined below), for an aggregate amount of S\$4 million.

#### 6.2 The Anchor Investor and its interest in the Company

The Anchor Investor is an investment holding company incorporated under the laws of the British Virgin Islands whose sole shareholder is Mr Chua Chuan Seng, an unrelated third party. The Anchor Investor was introduced to the Company by the Introducer (as defined below) following the Company’s indication to the Introducer that it is looking to raise funds for the working capital of the Group and to improve its financial position, especially in light of the impending deadline for the settlement of the Concorde Loan Liability. The directors of the Anchor Investor are Mr Chua Chuan Seng and his wife, Mdm Lee Siew Leng.

In addition to being the sole shareholder and a director of the Anchor Investor, Mr Chua Chuan Seng is currently a sole shareholder and director of JCO Consultancy Pte Ltd which provides consultancy and mentoring support and services. Mr Chua possesses a wealth of experience in the property, insurance and financial services industries accumulated over a span of more than 20 years.

The Proposed Share Subscription is the Anchor Investor’s first foray into the acquisition of a significant stake in a company listed on the Catalist Board. The Anchor Investor, after careful consideration of the investment opportunity presented by the Company, is cautiously optimistic that it will be able to tap on the business connections and network of its sole shareholder, Mr Chua Chuan Seng, and his Associates to develop, grow and expand the business of the Group. Following the completion of the Proposed Corporate Exercises, the Company will immediately commence a strategic review of the existing businesses to determine the feasibility of expanding and growing the same or any part of such businesses as well as consider the feasibility of adding business consultancy, real estate related services and investments and, subject to compliance with licensing and other regulatory requirements, investment management and advisory services, tapping on the extensive business network, experience and track records that Mr Chua Chuan Seng and his Associates collectively have.

Together with the support of Mr Chua Chuan Seng and his Associates, the Directors and management of the Company will endeavour to build a portfolio of businesses that is well-positioned to create and enhance shareholder value over the long term in a prudent manner. The Company will provide Shareholders with updates on the Company’s expansion and growth plans as and when appropriate and will, if required, seek Shareholders’ approval for any such expansion or inclusion of new businesses.

Each of Mr Chua Chuan Seng and the Anchor Investor has warranted to the Company under the terms of the Subscription Agreement that the Anchor Investor is subscribing for the Subscription Shares as principal and not as nominee or agent, and does not have any connection, including any business relationship, with the Group, its Directors or, its Substantial Shareholders or their respective Associates. In addition, Mr Chua Chuan Seng and the Anchor Investor (and their respective Associates) do not belong to any of the categories of persons listed in Rule 812(1) of the Catalist Rules.

As at the Latest Practicable Date, none of Mr Chua Chuan Seng, the Anchor Investor and any of their respective Associates hold any Shares or interests in the Company.

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Please refer to Appendix A of this Circular for more details on shareholding interests of the Anchor Investor in the Company before and after the completion of the Proposed Corporate Exercises.

### 6.3 Company's future plans with the Anchor Investor

As mentioned above, the Company will commence a strategic review of the Group's business upon the completion of the Proposed Corporate Exercises and the entry of the Anchor Investor as the new controlling shareholder of the Company. Subject to the findings of the strategic review, the Company intends to rejuvenate its existing aesthetics and healthcare business, retain its existing steel business, and expand into other synergistic and complementary businesses in concierge and events, by, *inter alia*, leveraging on the extensive business and client networks of the Anchor Investor.

#### (a) Existing medical aesthetics and health care business

As stated in its Board's response to the disclaimer of opinion issued by its auditors, Nexia TS Public Accounting Corporation, in respect of the financial statements of the Company for the financial year ended 31 December 2017 issued on 3 April 2018, the Company had originally decided not to proceed with the expansion plans in the People's Republic of China ("**PRC**") since it had been recording losses. However, with the introduction and support of the Anchor Investor as the new controlling shareholder of the Company, the Company intends to rejuvenate its existing medical aesthetics and health care business.

After having established preliminary direct communications with the Group's contact in China and the Group's representatives in Taiwan, and having conducted preliminary due diligence, the Anchor Investor believes that the Company has the potential to expand its existing medical aesthetics and healthcare business as the medical aesthetics and healthcare business remains an industry segment in Greater China that has strong growth potential. The Company intends to tap on the extensive business and client network of Mr Chua Chuan Seng, the sole shareholder of the Anchor Investor, to explore potential business and investment opportunities in Singapore, Malaysia and the PRC.

Further, on the Anchor Investor's suggestion, the Company is also considering the possibility of expanding the range of services under the medical aesthetics and healthcare business by providing fee-based aesthetics concierge and referral services (the "**Aesthetics Concierge and Referral Business**"). Such concierge and referral services would provide the Group with an additional revenue stream without incurring additional capital expenditure and riding on the business and client networks of the new controlling shareholder.

Accordingly, notwithstanding the decline in the medical aesthetics and healthcare business in China in the past, the Company is cautiously optimistic that with a re-examination of how this business is run, there are prospects of rejuvenating the existing medical aesthetics and health care business.

#### (b) Retention of the steel trading business

As stated in the Company's announcement released on 12 November 2018 in relation to its unaudited financial results for the period ended 30 September 2018 ("**Q3FY2018 Announcement**"), the Group had received written notification from its principal steel trading distributor, being Heraeus Electro-Nite International N.V. ("**Heraeus**"), that the franchise agreement with the Group will end on 14 December 2018 if not renewed, and management was in the process of negotiating for an extension of the franchise agreement and exploring options with other principals for the steel trading business.

As at the Latest Practicable Date:

- (i) the management has progressed from "considering exploring options" (as stated in the Q3FY2018 Announcement) and has entered into new agreements with various principals for its steel trading business, either to be appointed as additional distributors to the existing one, or as sub-distributors, as alternative sources of supply of the materials for the steel trading business;

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- (1) although the said franchise agreement will be terminated on 14 December 2018, Heraeus had entered into another agreement with Albedo Corporation Pte. Ltd. ("**Albedo**"), a wholly-owned subsidiary of the Company, on 27 November 2018 to appoint Albedo to distribute the products of Heraeus in Myanmar; and
  - (2) on 27 November 2018, Albedo had entered into a representative agreement with JC Resources Co., Ltd ("**JC Resources**"), pursuant to which Albedo shall act as the representative of JC Resources to distribute the products of JC Resources in Singapore, Myanmar and New Zealand; and
- (ii) the Company has also received written indication from two additional alternative steel suppliers to appoint Albedo, as the exclusive agent to distribute the products of the respective steel suppliers in Malaysia.

Following discussions with the Anchor Investor, but subject to the findings and outcome of the strategic review, the Company is currently inclined to retain and expand the steel trading business.

(c) **Addition of the concierge business**

In addition to the above, and subject to the findings and outcome of the strategic review, the Board believes that the Group should also seek out other revenue streams that are complementary to the Group's existing businesses. One such potential business that has been preliminarily identified by the Board, after discussions with the Anchor Investor, is that of concierge, referral, and events management and planning businesses (the "**Non-Aesthetics Concierge and Events Business**").

As with the Aesthetics Concierge and Referral Business, such additional commercial activities, if successful, would increase the revenue income of the Group as a whole. Further, such businesses are synergistic with and complimentary to the medical aesthetics and healthcare business and the Aesthetics Concierge and Referral Business.

Such an expansion may take the form of (i) an "organic" growth through the recruitment of persons with the requisite experience; (ii) acquiring an existing revenue generating business; and/or (iii) joint ventures with third parties with the requisite track record and expertise. The Anchor Investor has tentatively identified a potential candidate with a book of business for acquisition and has had some preliminary discussions with the owner. This candidate, which is in the business of events management, has been in operation for over five (5) years. It currently has a staff size of seven (7) and an unaudited net profit of approximately S\$595,000 in the last financial year ended 31 March 2018. The Board will explore the possibility of this expansion further with the Anchor Investor following the completion of the Proposed Corporate Exercises.

Notwithstanding the above, the preliminary plans remain subject to the findings and outcome of the strategic review to be conducted following the completion of the Proposed Corporate Exercises. In the meantime, the Board will continue to explore and evaluate possible future business plans for the Group. The Company will in due course make the relevant announcements and, where necessary, seek further Shareholders' approval.

### 6.4 Independent Review

On 30 November 2018, the Company announced that, in light of the proposed re-direction back into the medical aesthetics and healthcare business in the PRC, and amidst certain new information recently brought to the attention of the Board, the Board has voluntarily decided to subject the internal controls processes and policies of the Company to an independent review and for this purpose, is finalising the scope of work and terms of appointment with BDO LLP ("**Independent Reviewer**") to, *inter alia*, look into the Advances that were impaired and other key matters relating to the acquisition and subsequent impairment of investment in China iMyth Company Pte. Ltd.. The report on the findings of the Independent Reviewer will be extended to the Audit Committee of the Company, the SGX-ST and the Sponsor. As at the Latest Practicable Date, the Company has formally engaged the Independent Reviewer.

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Notwithstanding this independent review, the Anchor Investor has confirmed that it remains committed to proceeding with the Proposed Share Subscription, subject to Shareholders' approval. Further, the Anchor Investor has expressed that, following the conclusion of the Proposed Corporate Exercises, it will work with the Company to follow through with the findings and recommendations in the report by the Independent Reviewer, if any, and where relevant and appropriate, in its capacity as the new controlling shareholder of the Company.

### 6.5 Subscription Shares

The Subscription Shares will be allotted and issued, free from any and all Encumbrances with all rights and benefits attaching thereto and shall rank *pari passu* in all respects with the then existing Consolidated Shares save that they shall not rank for any entitlements, distributions, dividends or rights (if any), the record date of which falls on or before the date of issue of the Subscription Shares.

### 6.6 Issue Price

For illustration purposes, the Issue Price represents a discount of approximately 30% to the theoretical post consolidated VWAP of S\$0.002 for trades done in respect of the Shares on the Catalist Board on 24 August 2018.

The theoretical post-consolidation price is calculated based on the VWAP of S\$0.001 per Share for trades done on the SGX-ST on 24 August 2018, being the full market day on which Subscription Agreement is signed, assuming the Proposed Share Consolidation had been completed.

As the Issue Price is at a discount greater than 10% to the VWAP for trades done on the SGX-ST on the last full market day immediately preceding the date of the Subscription Agreement, the Company will be seeking Shareholders' approval pursuant to Rule 811(3) of the Catalist Rules under Ordinary Resolution 3.

### 6.7 Investment Warrants

In addition to the Subscription Shares, the Anchor Investor is entitled to one (1) warrant ("**Investment Warrant**") convertible into one Consolidated Share ("**Warrant Share**") at an exercise price of S\$0.0014 ("**Investment Warrant Exercise Price**") for every three (3) Subscription Shares subscribed for by the Anchor Investor under the Subscription Agreement.

The Investment Warrants are freely and immediately detachable upon issue and may be assigned, transferred or sold. There is no additional consideration paid by the Anchor Investor for the entitlement of the Investment Warrants.

The key terms of the issue of the Investment Warrants under the deed poll ("**Investment Warrants Deed Poll**") are set out below:

Basis of allotment	: One (1) free Investment Warrant for every three (3) Subscription Shares
Number of Investment Warrants	: 952,380,952 Investment Warrants
Investment Warrants Exercise Price	: S\$0.0014 for each Consolidated Share payable upon exercise of an Investment Warrant, subject to adjustments.
Investment Warrants Exercise Period	: The period commencing on and including the date of issue of the Investment Warrants and expiring at 5.00 p.m. on the Market Day immediately preceding the fifth (5 <sup>th</sup> ) anniversary of the date of issue of the Investment Warrants. The Investment Warrants have a 5-year term.
Listing of Investment Warrants	: Due to the required regulatory spread that cannot be achieved prior to the completion of the Proposed Share Subscription, the Investment Warrants will not be listed on the Catalist Board, as agreed with the Anchor Investor subsequent to the signing of the Subscription Agreement.
Number of Warrant Shares	: 952,380,952 Warrant Shares, assuming that all Investment Warrants are fully exercised into Warrant Shares.



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Status of Warrant Shares : The Warrant Shares, upon their allotment and issue, shall be fully paid and shall rank *pari passu* in all respects with the then existing Shares of the Company, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Warrant Shares.

Adjustments : The Investment Warrants Exercise Price and/or the number of Investment Warrants to be held by the Warranholders will, after the issue of the Investment Warrants, be subject to adjustments under certain circumstances to be set out in the Investment Warrants 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 to the SGX-ST subject to Catalist Rules.

Material alteration to the terms of Investment Warrants to the advantage of the Warranholders : Any material alteration in the terms of the Warrants to the advantage of the Warranholders is subject to the approval of the Shareholders in general meeting.

Transfer and Transmission : A Warranholder whose Investment Warrants are registered in his own name (“**Transferor**”) shall lodge, during normal business hours on any Business Day, the Transferor’s Warrant Certificate(s) together with an instrument of transfer (“**Transfer Form**”) duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped at the office of the Warrant Agent.

Where the Investment Warrants are registered in the name of CDP, any transfer of such Investment Warrants shall be transferred in the Depository Register by CDP by way of book-entry.

Rights of Warranholders on the liquidation of the Company : If a resolution is passed during the Investment Warrants Exercise Period for a member’s voluntary winding-up of the Company, then:

(a) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement approved by a Special Resolution, the terms of such scheme of arrangement shall be binding on all the Warranholders; and

(b) in any other case, every Warranholder shall be entitled 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 immediately prior to the commencement of such winding-up exercised the Investment 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 terms of the Investment Warrants Deed Poll of the passing of any such resolution within seven (7) days after the passing thereof.

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Further Issue and Share Buy-back : Subject to the terms and conditions of the Investment Warrants as set out in the Investment Warrants 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 Warrant holders 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.

Any share buy-back shall be subject to the usual buy-back rules as permitted under the Companies Act and Catalist Rules.

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

Governing Law : Laws of the Republic of Singapore.

### 6.8 Use of Proceeds and Rationale of the Proposed Share Subscription

The expenses incurred or to be incurred by the Company in relation to the Proposed Corporate Exercises shall be borne out of the internal resources of the Company. Accordingly, the net proceeds from the Proposed Share Subscription will be S\$4,000,000 (“**Share Subscription Net Proceeds**”).

The Company intends to use approximately S\$3.6 million of the Share Subscription Net Proceeds for repayment of the Concorde Loan Liability which had been advanced by Concorde Global Limited to CMIC Hemodialysis (Hong Kong) Limited (“**CMIC Hemodialysis**”) under the loan agreement entered into between the parties on 20 June 2016 (“**Concorde Loan Agreement**”) and the accrued interest thereon. The balance of the Share Subscription Net Proceeds, being a sum of approximately S\$400,000, will be used for the working capital of the Company.

On 27 June 2018, the Company announced that CMIC Hemodialysis, its wholly-owned subsidiary, entered into a fifth supplemental agreement with Concorde Global Limited to extend the repayment date of the Concorde Loan Liability to 27 December 2018, and amend the interest rate to 14.0% per annum to accrue until the Concorde Loan Liability is satisfied in full. As at the date of this Circular, Concorde Global Limited has agreed with CMIC Hemodialysis to extend the repayment date of the Concorde Loan Liability to 28 January 2019, subject to an extension fee and interest accrued thereon for the period from 28 December 2018 up to 28 January 2019, resulting in an increase in the Concorde Loan Liability to approximately S\$3.6 million.

Assuming all the Investment Warrants are exercised, the estimated gross proceeds from the exercise of the Investment Warrants will be approximately S\$1,333,333 (“**Exercise Proceeds**”). As and when the Investment Warrants are exercised, the Exercise Proceeds may, at the discretion of the Directors, be applied towards working capital requirements to improve the Group’s working capital position. This will serve to strengthen the Group’s financial position and thereby provide the Group with more flexibility and enhance its ability to formulate, strategise and execute its business plans. Having a stronger financial position will also allow the Group to seize any opportunities for business growth and expansion into other businesses, as highlighted in section 6.2 of this Circular.

The following table is an estimate of the proportions of how the Company intends to use the Share Subscription Net Proceeds and Exercise Proceeds (assuming all Investment Warrants are exercised):

Use of Proceeds	Share Subscription Net Proceeds		Exercise Proceeds	
	S\$ (million)	%	S\$ (million)	%
Repayment of loans and/or debts	3.6	90.0	–	0
Working Capital	0.4	10.0	1.3	100



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Pending the deployment of the Share Subscription Net Proceeds and Exercise Proceeds (if any), such proceeds may be placed as deposits with banks and/or financial institutions and/or invested in short-term money markets or debt instruments or for any other purposes on a short-term basis as the Board may deem fit in the interest of the Group.

The Company will make periodic announcements on the utilisation of the Share Subscription Net Proceeds and Exercise Proceeds (if any) as and when such proceeds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the breakdown or percentage allocated in this section and the periodic announcements of the Company, and provide a status report on the use of the proceeds raised in its interim and full-year financial statements issued under Rule 705 of the Catalist Rules and its annual report. Where the proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcements and annual report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

The Directors are of the opinion that, after taking into consideration the present financial position of the Group and Share Subscription Net Proceeds, and on the basis of the Deferred Payment Liability having been duly capitalised and the Concorde Loan Liability being fully repaid, the working capital available to the Group is sufficient to meet its present requirements.

### 6.9 General

The Proposed Share Subscription is not underwritten and there is no placement agent appointed for the purpose of this Proposed Share Subscription. The Proposed Share Subscription will be made pursuant to Section 272B of the SFA. As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Share Subscription.

None of the Directors (other than in his capacity as Director or Shareholder of the Company) nor (as far as the Directors are aware) Substantial Shareholders of the Company, or any of their respective Associates has any interest, direct or indirect, in the Proposed Share Subscription.

## 7 THE PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER (“CEO”)

### 7.1 Background and Rationale

Following the demise of the late Mr Tai Kok Chuan who was charged with the day to day running of the Group, the Company’s operations have largely been under the oversight of various individuals, such as (a) Dr Chung Yih-Chen who is in charge of the medial aesthetics services, (b) Ms Yap Mee Lee who is in charge of the steel trading business, and (c) the Chief Financial Officer of the Company (in consultation with the Board) who is in charge of investment and others. All of these individuals report to the Board. In light of the Company’s future plans as stated in section 6.3 of this Circular, the Company proposes to appoint Mr Ang Kok Huan as an Executive Director and Chief Executive Officer of the Company to fill the vacancy arising in the Board and the vacancy left by the late Mr Tai Kok Chuan, by way of resolution to be passed at the EGM and that is to take effect on and from the date of the EGM.

As at the Latest Practicable Date, the Board comprises two Non-Executive Directors, being Mr Hano Maeloa and Ms Chang Shyre Gwo, and two Independent Directors, being Mr Yap Siew Sin and Dr Lam Lee G. Subject to the Shareholders’ approval of the Proposed Appointment of Executive Director, Mr Ang Kok Huan will be appointed as an Executive Director and the Chief Executive Officer of the Company to oversee the overall management of the Group’s business.

### 7.2 Experience of Mr Ang Kok Huan

Mr Ang started his career as a military officer with the Singapore Armed Forces where he served for 17 years before moving into the private sector. His experience in the private sector included working as an independent securities broker where he successfully developed and led the largest broker team over a period of less than two (2) years. His most recent appointment was the role of Deputy

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Head of Fund Management Department at Phillip Securities Pte. Ltd.. Mr Ang holds a Master of Business Administration (Investment & Finance) degree from the University of Hull, and a Bachelor of Business Administration (Honours) degree from the National University of Singapore, where he was a Singapore Armed Forces scholarship holder.

Please refer to Appendix E for further disclosure pursuant to Appendix 7F of the Catalist Rules.

As at the Latest Practicable Date, Mr Ang Kok Huan does not hold any Shares or interests in the Company. Mr Ang Kok Huan also does not have other principal commitments.

### 7.3 Responsibilities of Mr Ang Kok Huan

Mr Ang Kok Huan will perform his duties as an Executive Director and Chief Executive Officer to *inter alia* oversee the overall management of the Group's business. If Shareholders do not approve Ordinary Resolution 5 in relation to the Proposed Appointment of Executive Director, Mr Ang Kok Huan will continue as the Chief Executive Officer ("**CEO**") of the Company, a position which has been left vacant since 11 December 2017. In addition, Mr Ang Kok Huan will be tasked with leading the strategic review of the Group's business, as well as implementing the future plans of the Group as approved by the Board, tapping on the business and client networks of the Anchor Investor as the new controlling shareholder of the Company.

## 8 THE PROPOSED INTRODUCER SHARES ISSUE

### 8.1 Background

The Anchor Investor was introduced to the Company by TGC Private Office Pte. Ltd. (the "**Introducer**"). In consideration of its introduction of the Anchor Investor, the Company has agreed to pay, on completion of the Proposed Corporate Exercises, the Introducer (i) an amount of \$100,000, to be paid in cash only and (ii) an amount of \$200,000 to be satisfied by the issue of 142,857,143 new Consolidated Shares ("**Introducer Shares**") at \$0.0014 per Consolidated Share (collectively, the "**Introducer Fees**"). The Proposed Introducer Shares Issue is subject to the Shareholders' approval and will not be effected if the Shareholders vote against Ordinary Resolution 6.

### 8.2 Details on the Introducer

The Introducer is a private company incorporated in the Republic of Singapore on 1 December 2011. As at the Latest Practicable Date, Ms Lu Anqi is the sole shareholder and sole director of the Introducer. She was previously a private banker with Citibank and developed connections with high net worth individuals in Singapore. Ms Mimi Maeloa, sister of Mr Hano Maeloa, was a shareholder of the Introducer. Mr Hano Maeloa has confirmed that he does not have any interest, direct or indirect, in the Introducer. In June 2016, Ms Mimi Maeloa transferred all her shares in the Introducer to a Mr Tan Wei Han, who transferred all his shares to Ms Lu Anqi in November 2016.

The Introducer has confirmed to the Company in writing that it:

- (a) shall hold the Introducer Shares as principal and not as nominee agent or on trust for any person and that it is not related to Mr Chua Chuan Seng, the Anchor Investor (or any of their respective Associates), the Group, its Directors, Substantial Shareholders, or any of their respective Associates;
- (b) does not belong to any of the categories of persons listed in Rule 812(1) of the Catalist Rules; and
- (c) has not shared and will not be sharing the Introducer Fees with any person including the Anchor Investor and any of the Deferred Liability Assignees.

As at the Latest Practicable Date, the Introducer does not hold any Shares or interests in the Company.

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### 8.3 Introducer Shares

The Introducer Shares will be allotted and issued, credited as fully-paid, free from any and all Encumbrances with all rights and benefits attaching thereto and shall rank *pari passu* in all respects with the then existing Consolidated Shares, save that they shall not rank for any entitlements, distributions, dividends or rights (if any), the record date of which falls on or before the date of issue of the Introducer Shares.

### 8.4 Issue Price

The Issue Price for the Introducer Shares is the same as that for the Subscription Shares. As the Issue Price is at a discount greater than 10% to the VWAP as in the case of the Subscription Shares, the Company will be seeking Shareholders' approval pursuant to Rule 811(3) of the Catalyst Rules under Ordinary Resolution 6.

## 9 COMPLETION OF THE PROPOSED CORPORATE EXERCISES

Completion of the Proposed Corporate Exercises is expected to take place on a date no later than nine (9) Market Days from the date of the EGM, unless mutually extended by the Company and the Anchor Investor ("**Completion Date**").

The completion of the Proposed Corporate Exercises is conditional upon, *inter alia*, the conditions precedent specified in (in the case of the Capitalisation Deed, Appendix C, and in the case of the Subscription Agreement, Appendix D, to this Circular (the "**Conditions Precedent**") being satisfied or waived in accordance with the terms of the respective agreements. In particular, the completion of the Proposed Share Subscription and Proposed Deferred Liability Conversion are inter-conditional.

If the Conditions Precedent are not satisfied or waived by the Company or the Anchor Investor on or before the Completion Date,

- (a) in the case of the Capitalisation Deed, either the Company and the Anchor Investor may elect to terminate the said deed, and save for any prior breach, no party shall have any claim against the other for costs, damages, compensation or otherwise under the said deed. In addition, in such a situation, the Anchor Investor has agreed to re-assign the Deferred Payment Liability back to CMIC; or
- (b) in the case of the Subscription Agreement, the Subscription Agreement shall *ipso facto* cease, lapse and determine and save for antecedent breaches, no party shall have any claim against the other for costs, damages, compensation or otherwise under the Subscription Agreement.

As at the Latest Practicable Date, the following conditions precedent (c), (e), (g)(ii), (j) and (l) in Appendix D have been satisfied, in particular:

- (a) all Material Issues have been rectified;
- (b) on 24 August 2018, the Company entered into the Capitalisation Deed with the Anchor Investor;
- (c) the Company obtained the approval in-principle from the SGX-ST dated 30 November 2018 in respect of the listing of and quotation for for the Consolidated Shares, Conversion Shares, Subscription Shares, Introducer Shares and Warrant Shares;
- (d) on 24 August 2018, the loan facility of S\$6,500,000 was terminated; and
- (e) the Company has taken steps to commence insolvency proceedings in respect of the following dormant Group Companies, which has been identified by the Anchor Investor:
  - (i) CMIG Medical Clinics (Hong Kong) Limited;
  - (ii) CMIG Medical Services (Hong Kong Limited);
  - (iii) CMIG Ren Feng Med-Biotechnology Limited
  - (iv) CMIG GY Sales Limited;

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- (v) CMIG Ren Feng Medical (Nanshan) Limited;
- (vi) CMIG Ren Feng Medical (Futian) Limited;
- (vii) China iMyth (Hong Kong) Limited; and
- (viii) Albedo Sdn. Bhd.

Following Completion of the Proposed Corporate Exercises and excluding any dilutive effect arising from any exercise of the existing Warrants, existing Share Options and Investment Warrants,

- (a) the Conversion Shares will in aggregate represent approximately 30.26% of the enlarged issued share capital of the Company;
- (b) the Subscription Shares will represent approximately 26.90% of the enlarged issued share capital of the Company; and
- (c) the Introducer Shares will represent approximately 1.35% of the enlarged issued share capital of the Company.

Please refer to Appendix A of this Circular for further details on changes in the shareholding interests upon the completion of the Proposed Corporate Exercises.

### 10 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. Under the Catalist Rules, a “controlling shareholder” is a person who directly or indirectly holds 15% or more of the total number of all voting shares in the Company, or a person who in fact exercises control over the Company. The Proposed Share Subscription will result in the Anchor Investor holding more than 15% of the enlarged share capital of the Company, therefore causing a transfer of controlling interest. Accordingly, the Company is seeking the approval of Shareholders for the Transfer of Controlling Interest under Ordinary Resolution 4.

As at the Latest Practicable Date, neither Mr Chua Chuan Seng nor the Anchor Investor (or their respective Associates) hold any Shares or interests in the Company. Assuming that the Subscription Shares are issued, the Anchor Investor shall hold approximately 26.9% of the total issued Shares in the enlarged share capital of the Company immediately after the completion of the Proposed Share Subscription (excluding any dilutive effect arising from any exercise of the existing Warrants, existing Share Options and Investment Warrants). 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.

Please refer to Appendix A of this Circular for more details on shareholding interests of Mr Chua Chuan Seng and the Anchor Investor in the Company before and after the completion of the Proposed Corporate Exercises.

### 11 FINANCIAL EFFECTS OF THE PROPOSED CORPORATE EXERCISES

The pro forma financial effects before and after the Proposed Corporate Exercises are set out at Appendix B of this Circular.

#### 11.1 Bases and Assumptions

Shareholders are advised to read this section carefully and to note that the pro forma financial effects of the Proposed Corporate Exercises set out at Appendix B of this Circular strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Proposed Corporate Exercises. The pro forma financial effects of the Proposed Corporate Exercises are based on, *inter alia*, the following bases and assumptions:-

- (a) the audited consolidated financial statements of the Company and the Group for the financial year ended 31 December 2017;
- (b) the financial impact on the consolidated NTA per Share of the Group is based on the assumption that the Proposed Corporate Exercises were completed on 31 December 2017;

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- (c) the financial impact on the consolidated earnings per Share (“**EPS**”) of the Group is computed based on the assumption that the Proposed Corporate Exercises were completed on 1 January 2017; and
- (d) the Proposed Share Consolidation having been completed.

Given that the pro forma financial effects presented in Appendix B of this Circular are only for illustrative purposes, they do not represent the actual financial position and/or results of the Group immediately after the completion of the Proposed Corporate Exercises.

### 12 ADJUSTMENTS TO WARRANTS

As at the Latest Practicable Date, the Company has a total of 5,601,440,009 unexercised warrants (“**Warrants**”) which were issued pursuant to the deed poll issued by the Company on 25 September 2017 (the “**Deed Poll**”). The Proposed Share Consolidation will constitute an event giving rise to adjustments to the exercise price payable for each new Share on the exercise of the Warrants and the number of Warrants under the terms and conditions of the Deed Poll (each, a “**Condition**”).

The adjustments to the Warrants will not result in any material impact on the share capital, NTA per Share and EPS of the Company.

In accordance with the provisions of Condition 5.2 of the Deed Poll:

- (a) the number of unexercised Warrants will be adjusted on the basis that two (2) Warrants will be consolidated into one (1) Adjusted Warrant;
- (b) the existing exercise price of each Warrant will be adjusted from S\$0.001 to S\$0.002; and
- (c) each Adjusted Warrant shall carry the right to subscribe for one (1) new Consolidated Share upon the exercise thereof.

The total number of Adjusted Warrants issued by the Company after the above adjustments will be 2,800,720,004.

The abovementioned adjustments will be made pursuant to the Conditions set out in the Deed Poll, i.e. the Company had consulted the Auditors and the Auditors have certified that such adjustments will be made in accordance with the relevant Conditions set out in the Deed Poll. Copies of (i) the Deed Poll, (ii) the Auditor’s Certificate and (iii) the Director’s Certificate are available for inspection at the registered office of the Company.

An application, where necessary will be made by the Company to the SGX-ST for the listing of and quotation for the Adjusted Warrants.

The adjustment will be effective from the close of the Market Day immediately preceding the date on which the Proposed Share Consolidation becomes effective. Pursuant to Conditions 5.5 and 5.6 of the Deed Poll, any adjustment to the exercise price will be rounded upwards to the nearest 0.1 cent and any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole Warrant.

An announcement will be made by the Company in due course to notify Warrantholders of the books closure date, to be determined by the Directors, at and on which the Warrant Register of the Company will be closed to determine entitlements of Warrantholders to the Adjusted Warrants resulting from the Proposed Share Consolidation and the effective date of the adjustments to the Warrants.

### 13 ADJUSTMENTS TO SHARE OPTIONS

As at the Latest Practicable Date, the Company has a total of 258,182,000 share options (“**Share Options**”) which were issued pursuant to the Scheme and remains unexercised.

The Proposed Share Consolidation will constitute an event giving rise to adjustments to the exercise price payable for each new Share on the exercise of the Share Options and the number of Share Options under the rules of the Scheme (each, a “**Rule**”).



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Under Rule 10.1 of the Scheme, the exercise price, class and number of shares shall be adjusted in a manner as the Committee may determine to be appropriate, with the written confirmation of auditors that the adjustment is fair and reasonable.

The Committee has determined that following the Proposed Share Consolidation and based on the number of unexercised Share Options as at the Latest Practicable Date, adjustments shall be made as follows:

- (a) the number of unexercised Share Options will be adjusted on the basis that two (2) Share Options will be consolidated into one (1) Adjusted Share Option;
- (b) the existing exercise price of each Share Option will be adjusted from S\$0.01 to S\$0.02; and
- (c) each Adjusted Share Option shall carry the right to subscribe for one (1) new Consolidated Share upon the exercise thereof.

The total number of Adjusted Share Options issued by the Company after the above adjustments will be 129,091,000.

The abovementioned adjustments will be made pursuant to the Rules set out in the Scheme, i.e. the Company had consulted the Auditors and the Auditors have certified that such adjustments will be made in accordance with the relevant Rules set out in the Scheme and are fair and reasonable. Copies of (i) the rules of the Scheme, (ii) the Auditor's Certificate, and (iii) particulars of the adjustments are available for inspection at the registered office of the Company.

The adjustments to the Share Options will be effective on or about 14 January 2019, being the effective date of the Proposed Share Consolidation. On or about 14 January 2019, the Company shall notify each participant of the Scheme in writing and delivers to him/her statement setting forth the new exercise price thereafter in effect and the class and/or the number of Consolidated Shares thereafter to be issued or delivered on the exercise of the Adjusted Share Options.

### **14 THE PROPOSED CHANGE OF NAME**

#### **14.1 Background and Rationale**

The Directors are proposing to change the Company's name from "China Medical (International) Group Limited" to "JCG Investment Holdings Ltd.". The Board is of the view that the Proposed Change of Name will better reflect the Transfer of Controlling Interest and the Group's broader scope of business activities.

#### **14.2 Approvals**

Following an application made by the Company, ACRA approved the reservation of the name on 28 September 2018 up to 26 January 2019. Upon the passing of Special Resolution 7 for the Proposed Change of Name by the Shareholders, the Company shall adopt "JCG Investment Holdings Ltd." as its new name, and all references to "China Medical (International) Group Limited" shall be replaced with "JCG Investment Holdings Ltd." wherever it appears in the constitution of the Company. The Company will make an announcement once the name "JCG Investment Holdings Ltd." takes effect.

#### **14.3 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.

### **15 INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

As at the Latest Practicable Date, Mr Hano Maeloa, a Director of the Company, has 75,714,000 existing Share Options, which will be adjusted to 37,857,000 Adjusted Share Options in accordance with section 13 of this Circular.

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Save for the above, none of the Directors (other than in his capacity as Director or shareholder of the Company) nor (as far as the Directors are aware) Substantial Shareholders of the Company or their respective Associates has any interest, direct or in direct, in the Proposed Corporate Exercises, or any connection (including business relationship) with the Anchor Investor, any of the Deferred Liability Assignees, the Introducer or their respective directors or substantial shareholders.

Please refer to Appendix A of this Circular for further details on the interests of the Directors and Substantial Shareholders in the Company before and after the Proposed Corporate Exercises.

### **16 DIRECTORS' RECOMMENDATIONS**

#### **16.1 The Proposed Share Consolidation**

The Directors having considered, *inter alia*, the terms and rationale for the Proposed Share Consolidation, are of the opinion that the Proposed Share Consolidation is in the best interests of the Company and its Shareholders.

Accordingly, the Directors recommend that the Shareholders vote in favour of Ordinary Resolution 1 in relation to the Proposed Share Consolidation.

#### **16.2 The Proposed Deferred Liability Conversion**

The Directors having considered, *inter alia*, the terms and rationale for the Proposed Deferred Liability Conversion, are of the opinion that the Proposed Deferred Liability Conversion is in the best interests of the Company and its Shareholders.

Accordingly, the Directors recommend that the Shareholders vote in favour of Ordinary Resolution 2 in relation to the Proposed Deferred Liability Conversion.

#### **16.3 The Proposed Share Subscription**

Dr Lam Lee G is an independent director of CSI Properties Limited, the sole shareholder of Concorde Global Limited. Given that the Share Subscription Net Proceeds will be used to repay the Concorde Loan Liability to Concorde Global Limited, Dr Lam Lee G has abstained from making any recommendation in respect of the Proposed Share Subscription and the Transfer of Controlling Interest.

Save for Dr Lam Lee G, the Directors having considered, *inter alia*, the terms and rationale for the Proposed Share Subscription, are of the opinion that the Proposed Share Subscription is in the best interests of the Company and its Shareholders.

Accordingly, save for Dr Lam Lee G, the Directors recommend that the Shareholders vote in favour of Ordinary Resolution 3 in relation to the Proposed Share Subscription.

#### **16.4 The Transfer of Controlling Interest**

Save for Dr Lam Lee G, the Directors having considered, *inter alia*, the terms and rationale for the Proposed Share Subscription, the circumstances which may give rise to the Transfer of Controlling Interest, and all other relevant information set out in this Circular, are of the opinion that the Transfer of Controlling Interest is in the best interests of the Company and its Shareholders.

Accordingly, save for Dr Lam Lee G, the Directors recommend that the Shareholders vote in favour of Ordinary Resolution 4 in relation to the Transfer of Controlling Interest.

#### **16.5 The Proposed Appointment of Executive Director**

The Directors having considered, *inter alia*, the terms and rationale for the Proposed Appointment of Executive Director, are of the opinion that the Proposed Appointment of Executive Director is in the best interests of the Company and its Shareholders.

Accordingly, the Directors recommend that the Shareholders vote in favour of Ordinary Resolution 5 in relation to the Proposed Appointment of Executive Director.



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### 16.6 The Proposed Introducer Shares Issue

The Directors having considered, *inter alia*, the terms and rationale for the Proposed Introducer Shares Issue, are of the opinion that the Proposed Introducer Shares Issue is in the best interests of the Company and its Shareholders.

Accordingly, the Directors recommend that the Shareholders vote in favour of Ordinary Resolution 6 in relation to the Proposed Introducer Shares Issue.

### 16.7 The Proposed Change of Name

The Directors having considered, *inter alia*, the terms and rationale for the Proposed Change of Name, are of the opinion that the Proposed Change of Name is in the best interests of the Company and its Shareholders.

Accordingly, the Directors recommend that the Shareholders vote in favour of Special Resolution 7 in relation to the Proposed Change of Name.

### 16.8 Note to Shareholders

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 different Shareholders would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

## 17 EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be held on 31 December 2018 at 10.00 a.m. for the purpose of considering and if, thought fit, passing, with or without modifications, the Ordinary Resolutions and Special Resolution set out in the notice of EGM.

## 18 ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy or proxies to attend, speak and vote at the EGM on their behalf will find a proxy form attached to this Circular which they should complete, sign and return in accordance with the instructions printed therein as soon as possible and, in any event, so as to arrive at the registered office of the Company at 80 Robinson Road, #17-02, Singapore 068898, not less than forty-eight (48) hours before the time fixed for holding the EGM. The completion and lodgment of a proxy form by a Shareholder does not preclude him/her from attending and voting in person at the EGM if he/she so wishes, although the appointment of the proxy shall be deemed to be revoked by such attendance.

In view of section 81SJ(4) of the SFA, a Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his/her name appears in the Depository Register maintained by the CDP at least seventy-two (72) hours before the EGM. Any Shareholder who is holding his shares via the CDP and whose name is not registered with the CDP seventy-two (72) hours before the EGM will not be entitled to attend and vote at the EGM. Accordingly, even if he deposits his proxy form forty-eight (48) hours before the EGM, his proxy will not be entitled to attend and vote at the EGM.

## 19 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 Proposed Share Consolidation, Proposed Deferred Liability Conversion, Proposed Share Subscription, Transfer of Controlling Interest, Proposed Appointment of Executive Director, Proposed Introducer Shares Issue and the Proposed Change of Name, the Company and its subsidiaries and the

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## LETTER TO SHAREHOLDERS

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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.

### 20 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the Company's registered office for a period of three (3) months from the date of this Circular:

- (a) the Constitution of the Company;
- (b) the annual report of the Company for FY2017;
- (c) the Capitalisation Deed;
- (d) the Subscription Agreement;
- (e) the Investment Warrants Deed Poll;
- (f) the Deed Poll;
- (g) the Auditor's Certificate;
- (h) the Director's Certificate; and
- (i) the rules of the Scheme.

Yours faithfully  
For and on behalf of

**The Board of Directors of  
CHINA MEDICAL (INTERNATIONAL) GROUP LIMITED**

Hano Maeloa  
Non-Executive Chairman

## APPENDIX A: SHAREHOLDING STRUCTURE BEFORE AND AFTER THE PROPOSED CORPORATE EXERCISES

For illustrative purposes, the interests of the Directors, Substantial Shareholders, the Anchor Investor, the Deferred Liability Assignees, the Introducer and other public Shareholders as at the Latest Practicable Date and after the Proposed Corporate Exercises are as follows:

	As at the Latest Practicable Date and before the Proposed Corporate Exercises <sup>(1)</sup>		After the completion of the Proposed Share Consolidation		After the completion of the Proposed Corporate Exercises <sup>(2)</sup>		After the completion of the Proposed Corporate Exercises based on a Fully Diluted Basis <sup>(3)</sup>	
	No. of Shares ('000)	%	No. of Consolidated Shares ('000)	%	No. of Consolidated Shares ('000)	%	No. of Consolidated Shares ('000)	%
<b>Directors</b>								
Hano Maeloa	-	-	-	-	-	-	37,857 <sup>(6)</sup>	0.26
Yap Siew Sin	-	-	-	-	-	-	-	-
Chang Shyre Gwo	-	-	-	-	-	-	-	-
Lam Lee G	-	-	-	-	-	-	-	-
<b>Substantial Shareholders (other than Directors)</b>								
Yap Mee Lee	520,000	5.90 <sup>(6)</sup>	260,000	5.90	260,000	2.45	492,857 <sup>(6)</sup>	3.40
Kiow Kim Yoon	600,000	6.81	300,000	6.81	300,000	2.82	500,000 <sup>(6)</sup>	3.45
Oei Siu Hoa @ Sukmawati Widjaja	456,000	5.17	228,000	5.17	228,000	2.15	399,000 <sup>(6)</sup>	2.75
<b>Incoming Investors</b>								
Anchor Investor <sup>(6)</sup>	-	-	-	-	2,857,142	26.90	3,809,524 <sup>(7)</sup>	26.27
Tan Hai Tat	-	-	-	-	517,857	4.88	517,857	3.57
Wong Chao Hsiung	-	-	-	-	357,143	3.36	357,143	2.46
Soh Fook Seng	-	-	-	-	523,214	4.93	523,214	3.61
Loke Lai Wan	-	-	-	-	530,357	4.99	530,357	3.66
Yuen Pui Leng Eunice	-	-	-	-	928,571	8.74	928,571	6.40
Chua Khooon Wong	-	-	-	-	357,143	3.36	357,143	2.46
<b>Introducer<sup>(6)</sup></b>	-	-	-	-	142,857	1.35	142,857	0.98
<b>Other public shareholders</b>	7,236,779	82.12	3,618,389	82.12	3,618,391	34.07	5,906,487	40.73
<b>Total Share Capital</b>	8,812,779	100.00	4,406,389	100.00	10,620,675	100.00	14,502,867	100.00

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## APPENDIX A: SHAREHOLDING STRUCTURE BEFORE AND AFTER THE PROPOSED CORPORATE EXERCISES

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Notes:

- (1) Based on the existing Share Capital of the Company as at the Latest Practicable Date, comprising 8,812,778,946 Shares.
- (2) For the purposes of the calculation of shareholdings in Appendix A, the Proposed Corporate Exercises shall include the Proposed Introducer Shares Issue.
- (3) **"Fully Diluted Basis"** shall mean an aggregate of 14,502,867,143 Consolidated Shares that have been issued and additional shares that could be issued pursuant to all agreements, options, warrants or other convertible securities that are subsisting or that are proposed as at the date of the Latest Practicable Date (regardless of whether they are vested, exercisable or convertible in accordance with their terms). For the avoidance of doubt, the aggregate of 14,502,867,143 Consolidated Shares on a Fully Diluted Basis consist of, as at the Latest Practicable Date, the outstanding Share Capital of 4,406,389,473 Shares, the Subscription Shares, the Conversion Shares, the Introducer Shares, existing 5,601,440,009 listed warrants which are assumed to be consolidated into 2,800,720,004 listed warrants and convertible into 2,800,720,004 Consolidated Shares, 952,380,952 Investment Warrants convertible into 952,380,952 Consolidated Shares and 258,182,000 outstanding share options pursuant to an employee share option scheme of the Company which are assumed to be consolidated into 129,091,000 share options and convertible into 129,091,000 Consolidated Shares.
- (4) **"Total Interest"** shall mean the total direct and deemed interest.
- (5) Yap Mee Lee is deemed interested in 80,000,000 Shares held in the name of DBS Nominees (Private) Limited.
- (6) Assuming the share options granted under the Scheme, and warrants granted pursuant to the deed poll dated 25 September 2017, are fully exercised.
- (7) Assuming the Investment Warrants are fully exercised.
- (8) Mr Chua Chuan Seng is deemed to be interested in the shares held by the Anchor Investor.
- (9) Ms Lu Anqi is deemed to be interested in the shares held by the Introducer.

**APPENDIX B – FINANCIAL EFFECTS OF THE PROPOSED CORPORATE EXERCISES**

Share Capital

	As at the Latest Practicable Date and before the Proposed Corporate Exercises	After the Proposed Share Consolidation	After the Proposed Deferred Liability Conversion	After the Proposed Share Subscription	After the Proposed Corporate Exercises on a Fully Diluted Basis
Number of Consolidated Shares	8,812,778,946	4,406,389,473	7,620,675,187	10,620,675,187	14,502,867,143
Amount of share capital (S\$)	57,378,000	57,378,000	60,960,562	65,160,562	74,677,155

NTA

	As at the Latest Practicable Date and before the Proposed Corporate Exercises	After the Proposed Share Consolidation	After the Proposed Deferred Liability Conversion	After the Proposed Share Subscription	After the Proposed Corporate Exercises on a Fully Diluted Basis
NTA (S\$)	(3,230,000)	(3,230,000)	352,562	4,052,562	13,569,155
Number of Consolidated NTA per Consolidated Share (Singapore cents)	8,812,778,946 (0.037)	4,406,389,473 (0.073)	7,620,675,187 0.005	10,620,675,187 0.038	14,502,867,143 0.094

EPS

	As at the Latest Practicable Date and before the Proposed Corporate Exercises	After the Proposed Share Consolidation	After the Proposed Deferred Liability Conversion	After the Proposed Share Subscription	After the Proposed Corporate Exercises on a Fully Diluted Basis
Loss for the year (S\$)	(12,027,000)	(12,027,000)	(12,327,000)	(12,327,000)	(12,327,000)
Number of Shares	8,812,778,946	4,406,389,473	7,620,675,187	10,620,675,187	14,502,867,143
Loss per Share (Singapore cents)	(0.136)	(0.273)	(0.162)	(0.116)	(0.085)

**APPENDIX B – FINANCIAL EFFECTS OF THE PROPOSED CORPORATE EXERCISES**

Gearing

	As at the Latest Practicable Date and before the Proposed Corporate Exercises	After the Proposed Share Consolidation	After the Proposed Deferred Liability Conversion	After the Proposed Share Subscription	After the Proposed Corporate Exercises on a Fully Diluted Basis
Total Borrowings	3,421,000	3,421,000	3,421,000	3,421,000	3,421,000
Shareholders' Funds	(3,230,000)	(3,230,000)	352,562	4,052,562	13,569,155
Gearing (times)	(1.06)	(1.06)	9.70	0.84	0.25

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## APPENDIX C: SUMMARY OF CONDITIONS PRECEDENT TO THE CAPITALISATION DEED

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The Proposed Deferred Liability Conversion is subject to, *inter alia*:

- (a) the completion of the Assignment;
- (b) the completion of the Proposed Share Consolidation before or at the same time as the Proposed Deferred Liability Conversion;
- (c) the completion of the Proposed Share Subscription at the same time as the Proposed Deferred Liability Conversion;
- (d) the Company having obtained or received or procured that all necessary approvals, authorisations, clearances, consents and waivers are obtained or received including but not limited to: (a) the approval of the Shareholders at the EGM to be convened by the Company for the Proposed Corporate Exercises, and (b) the listing and quotation notice from the Catalist Board for the additional listing of the Shares to be issued pursuant to the Proposed Corporate Exercises and such other approval, clearance or waiver from the Catalist Board under the Catalist Rules, and no such approval, authorisation, clearance or waiver shall have been modified, revoked, limited or impaired at the time of completion of the conversion of the Deferred Payment Liability;
- (e) the exemption under Section 272B(1) of the SFA being applicable to the issuance of the Conversion Shares under the Capitalisation Deed; and
- (f) the representations and warranties of the Company and the Anchor Investor being true, accurate and not misleading in all material aspects, with reference to the then existing circumstances and the Company having performed in all material respects all of its obligations under the Capitalisation Deed which are required to be performed.



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## APPENDIX D: SUMMARY OF CONDITIONS PRECEDENT TO THE SUBSCRIPTION AGREEMENT

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The obligation of the parties under the Subscription Agreement to complete the Proposed Share Subscription are conditional upon, *inter alia*, the following salient conditions being satisfied, fulfilled or waived, as the case may be, before completion:

- (a) The completion of the Proposed Share Consolidation before or at the same time as the Proposed Share Subscription;
- (b) The completion of the Proposed Deferred Liability Conversion at the same time as the allotment and issuance of the Subscription Shares;
- (c) any and all Material Issues uncovered by the Anchor Investor and its representatives in the course of the legal, financial and tax due diligence review (“**Investment Due Diligence**”) and communicated to the Company in writing, having been rectified to the reasonable satisfaction of the Anchor Investor acting in good faith, within twenty (20) Market Days (but in the case of the conditions precedent, within seven (7) Market Days) of occurrence and under all circumstances before the completion of the Proposed Share Subscription;
- (d) no event, occurrence, change, effect or condition of any character shall have occurred following the execution of this Agreement and on or prior to the Completion that, individually or in the aggregate, will amount to a Material Issue having a Material Adverse Effect; in particular, the total liabilities (including but not limited to the Excluded Liabilities and any contingent liabilities) of the Group being not materially more than as disclosed in the results announcement released by the Company for the first quarter ended 31 March 2018 and any increase shall arise only in the ordinary course of business, provided always (and without prejudice to the generality of the foregoing) any increase arising from the giving, extension, renewal or undertaking of or the commitment to any corporate guarantee, financial or other indemnity or undertaking as well as capital commitment of any kind shall not be regarded as being in the ordinary course of business;
- (e) the Company having entered into the Capitalisation Deed with the Anchor Investor pursuant to which the Company agrees to convert, for the benefit of the creditor(s) of the Deferred Payment Liability as at the date of the EGM notice, the entire amount of the Deferred Payment Liability into 3,214,285,714 new Shares concurrently with the completion of the Proposed Share Subscription;
- (f) the Shares, when issued pursuant to Proposed Share Subscription and the Proposed Deferred Liability Conversion (collectively, the “**Investment Shares**” and each an “**Investment Share**”), shall be free from all Encumbrances, and shall have rights and entitlements that are *pari passu* with other then existing Shares (save for any dividends or distributions declared and the record date of which is prior to the Completion Date);
- (g) the Company having obtained or received or procured that all necessary approvals, authorisations, clearances, consents and waivers are obtained or received including (i) the approval of the Shareholders at the EGM; and (ii) the listing and quotation notice for the listing of Consolidated Shares, the additional listing of the Subscription Shares to be issued pursuant to the Proposed Share Subscription as well as the Conversion Shares to be issued pursuant to the conversion of the Deferred Payment Liability and such other approval, clearance or waiver under the Catalist Rules, and no such approval, authorisation, clearance or waiver shall have been modified, revoked, limited or impaired at the time of completion of the Proposed Share Subscription, and where any such approval, authorisation, clearance or waiver shall have been given, granted or issued with conditions attached, such conditions being acceptable to the Anchor Investor (acting reasonably and in good faith);
- (h) the Company remains listed on the Catalist Board and the trading of the Shares not having been suspended on the date of completion of the Proposed Share Subscription (other than a trading halt on a temporary basis requested by the Company);
- (i) no provision of any applicable law or regulation shall prohibit the consummation of the Proposed Corporate Exercises;

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## APPENDIX D: SUMMARY OF CONDITIONS PRECEDENT TO THE SUBSCRIPTION AGREEMENT

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- (j) the loan facility of S\$6,500,000 which was advanced by a shareholder of the Company to the Company on 10 January 2017 (“**Loan Facility**”) not having been drawn down as at completion of the Proposed Share Subscription and any or all liabilities, obligations and undertakings of the Company and/or any member of the Group under or in respect of such Loan Facility having been fully discharged and released by the lender to the reasonable satisfaction of the Anchor Investor, and the Loan Facility has been terminated in accordance with and pursuant to the loan termination letter (in form and substance approved by the Anchor Investor), which shall be entered into prior to or concurrently with the Subscription Agreement between the Company and the lender in relation to the complete discharge, settlement and termination of the Loan Facility;
- (k) as at the Completion Date, after taking into account the proceeds from the Proposed Share Subscription being applied to the Concorde Loan Liability, the Company has adequate cash and cash balances to settle (in full) all payables and liabilities (other than as excluded under the Subscription Agreement) of the Company relating to the period prior to and including the date of completion of the Proposed Share Subscription and which remain outstanding as at completion of the Proposed Share Subscription;
- (l) as at completion of the Proposed Share Subscription, the Company has taken steps to commence Insolvency proceedings in respect of identified dormant Group Companies, incorporated outside of Singapore, and notified by the Anchor Investor as not required to be retained within the Group within fourteen (14) days from the signing of the Subscription Agreement<sup>2</sup>;
- (m) there having been, as at the date of completion of the Proposed Share Subscription, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any material respect any of the warranties in the Subscription Agreement (“**Warranties**”) if they were repeated on each day following the signing of the Subscription Agreement up until and as of the date of completion of the Proposed Share Subscription; and
- (n) the Company not having breached any of its Warranties under the Subscription Agreement prior to and as of the completion date of the Proposed Share Subscription.

The definitions of “Insolvency”, “Material Issue” and “Material Adverse Effect” in the Subscription Agreement are as follows:-

- (a) “**Insolvency**” means any of the following events:
  - (i) a resolution is passed for the winding up of any party; or
  - (ii) any corporate action, legal proceedings or other procedure or step is taken (or any analogous procedure or step is taken in any jurisdiction) in relation to:
    - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise);
    - (B) a composition, assignment or arrangement with any creditor;
    - (C) the appointment of a liquidator, judicial manager, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any of its assets; or
    - (D) enforcement of any security over any of its assets;
- (b) “**Material Issue**” means an issue or irregularity which is not previously reflected in information and materials made publicly available by the Company via SGX-ST’s SGXNET or otherwise notified or provided by the Company in the course of the Investment Due Diligence and results in or is likely to result in a Material Adverse Effect;

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<sup>2</sup> As at the Latest Practicable Date, the following entities have been identified (i) CMIG Medical Clinics (Hong Kong) Limited, (ii) CMIG Medical Services (Hong Kong) Limited, (iii) CMIG Ren Feng Med-Biotechnology Limited, (iv) CMIG GY Sales Limited, (v) CMIG Ren Feng Medical (Nanshan) Limited, (vi) CMIG Ren Feng Medical (Futian) Limited, (vii) China iMyth (Hong Kong) Limited and (viii) Albedo Sdn. Bhd.

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## APPENDIX D: SUMMARY OF CONDITIONS PRECEDENT TO THE SUBSCRIPTION AGREEMENT

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- (c) **“Material Adverse Effect”** refers to an event or circumstance which has or would reasonably be expected to have in aggregate, a material adverse effect on the financial condition, business, operations, properties, assets, liabilities, and/or results of operations of the Group, taken as a whole, such as to affect or potentially affect the listing status of the Company and/or result in the suspension of trading of the Shares (other than on a temporary basis which does not exceed seven (7) Market Days), excluding any effect resulting from:
- (i) changes in the Singapore Financial Reporting Standards, in the Singapore Standards of Auditing or in the regulatory accounting requirements applicable to any industry in which the Group Companies operate, which are announced after the date hereof;
  - (ii) changes in general economic or political conditions;
  - (iii) changes (including changes in any applicable law announced after the date of the Definitive Agreements) or conditions generally affecting the industry in which the Group operates;
  - (iv) matters extraneous to the business of the Group (such as stock market conditions);
- except in any of the above, to the extent (i) the Group Companies, taken as a whole, are disproportionately affected relative to the Group Companies’ competitor; and (ii) the trading of the Shares is suspended for not less than seven (7) Market Days.

**APPENDIX E: DISCLOSURE PURSUANT TO APPENDIX 7F OF THE  
CATALIST RULES**

Date of Appointment	Date of EGM, subject to Shareholders' approval.
Name of person	ANG KOK HUAN
Age	49
Country of principal residence	SINGAPORE
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Please refer to Sections 7 and 16.5 of the Circular above.
Whether appointment is executive, and if so, the area of responsibility	Mr Ang will be appointed Executive Director and Chief Executive Officer (a position which has been left vacant since 11 December 2017) to <i>inter alia</i> oversee the overall management of the Group's business. In addition, Mr Ang will be tasked with leading the strategic review of the Group's business as well as implementing the future plans of the Group as approved by the Board.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and CEO
Working experience and occupation(s) during the past 10 years	Mr Ang started his career as a military officer with the Singapore Armed Forces where he served for 17 years before moving into the private sector. His experience in the private sector included working as an independent securities broker where he successfully developed and led the largest broker team over a period of less than 2 years. His most recent appointment was the role of Deputy Head of Fund Management Department at Phillip Securities Pte. Ltd.
Shareholding interest in the listed issuer and its subsidiaries	Nil
Familial relationship with any director and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Subject to obtaining Shareholders' approval, Mr Ang will sign the undertaking (in the format set out in Appendix 7H) under Rule 720(1), and submit the same to the Company.

**APPENDIX E: DISCLOSURE PURSUANT TO APPENDIX 7F OF THE  
CATALIST RULES**

<b>Other Directorships</b>	
Past (for the last 5 years)	Nil
Present	Nil
<b>Information required</b>	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No

**APPENDIX E: DISCLOSURE PURSUANT TO APPENDIX 7F OF THE  
CATALIST RULES**

(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :—	No
(i)	any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
(ii)	any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
(iii)	any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
(iv)	any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No
	in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
	Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please provide details of any training undertaken in the roles and responsibilities of a director of a listed company.	<p style="text-align: center;">No</p> <p>Mr Ang attended Listed Entity Director Modules 3 and 4, and will be attending Listed Entity Director Modules 1 and 2 as soon as he can, but no later than one (1) year from the date of his appointment as a director of the Company.</p>



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### CHINA MEDICAL (INTERNATIONAL) GROUP LIMITED

(Company Registration Number 200505118M)  
(Incorporated in the Republic of Singapore)

*All capitalised terms used in this notice of EGM which are not defined herein shall have the same meanings ascribed to them in the circular dated 7 December 2018 to the shareholders of the Company (the “Circular”).*

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (“EGM”) of **China Medical (International) Group Limited** (the “Company”) will be held at Raffles Marina Ltd, 10 Tuas West Drive, Chartroom, Singapore 638404 on 31 December 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following ordinary resolutions:

Shareholders should note that Ordinary Resolutions 1, 2, 3 and 4 are inter-conditional and the passing of Ordinary Resolutions 5 and 6 and Special Resolution 7 are contingent upon the passing of Ordinary Resolutions 1, 2, 3 and 4. For the avoidance of doubt, this means that if any of Ordinary Resolutions 1, 2, 3 and 4 is not approved, the other resolutions would not be tabled at the EGM. If Ordinary Resolutions 5 and 6 and Special Resolution 7 are not approved and Ordinary Resolutions 1, 2, 3 and 4 are approved, Ordinary Resolutions 1, 2, 3 and 4 will be undertaken.

#### **ORDINARY RESOLUTION 1**

#### **THE PROPOSED CONSOLIDATION OF EVERY TWO (2) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AS AT A BOOKS CLOSURE DATE TO BE DETERMINED BY THE DIRECTORS, INTO ONE (1) ORDINARY SHARE**

That subject to and contingent upon the passing of Ordinary Resolutions 2, 3 and 4 as set out in this notice of EGM, approval be and is hereby given:

- (a) the consolidation of 8,812,778,946 existing Shares into 4,406,389,473 Consolidated Shares by consolidating every 2 existing ordinary shares in the capital of the Company held by Shareholders at the Books Closure Date into one (1) Consolidated Share in the manner set out in the Circular, fractional entitlements to be disregarded, and the number of Consolidated Shares which each Shareholder is entitled to resulting from the Proposed Share Consolidation, based on their holdings of Shares as at the Books Closure Date, shall be rounded down to the nearest whole Consolidated Share;
- (b) any fractions of a Consolidated Share arising from the Proposed Share Consolidation pursuant to paragraph (a) above shall be disregarded, and all fractions of Consolidated Shares to which Shareholders would otherwise be entitled to shall be dealt such with in such manner as the Directors may in their absolute discretion may deem fit in the interests of the Company, including without limitation, aggregating and selling the same and retaining the net proceeds for the benefit of the Company;
- (c) for the Directors to be authorised to fix the Books Closure Date and the date on which the Consolidated Shares will trade on the Catalist of the SGX-ST in board lots of one hundred (100) Consolidated Shares in their absolute discretion as they deem fit; and
- (d) the Directors or any of them be and are hereby authorised to complete and do all acts and things (including without limitation to execute all such documents and to approve any amendments, alternation or modification to any documents) as the Directors or any of them deem desirable, necessary or expedient to give effect to the matters contemplated by this resolution as they or any of them may in their absolute discretion deem fit in the interests of the Group.

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## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

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### **ORDINARY RESOLUTION 2**

#### **THE PROPOSED ALLOTMENT AND ISSUE OF UP TO 3,214,285,714 CONVERSION SHARES TO THE DEFERRED LIABILITY ASSIGNEES PURSUANT TO THE PROPOSED DEFERRED LIABILITY CONVERSION**

That subject to and contingent upon the passing of Ordinary Resolutions 1, 3 and 4 as set out in this notice of EGM:

- (a) approval be and is hereby granted for the Company to allot and issue up to 3,214,285,714 Conversion Shares to the Deferred Liability Assignees, on the terms and subject to the conditions of the Capitalisation Deed; and
- (b) the Directors or any of them be and are hereby authorised to complete and do all acts and things (including without limitation to execute all such documents and to approve any amendments, alternation or modification to any documents) as the Directors or any of them deem desirable, necessary or expedient to give effect to the matters contemplated by this resolution as they or any of them may in their absolute discretion deem fit in the interests of the Group.

### **ORDINARY RESOLUTION 3**

#### **THE PROPOSED ALLOTMENT AND ISSUE OF 2,857,142,857 SUBSCRIPTION SHARES AND 952,380,952 INVESTMENT WARRANTS TO REST INVESTMENTS LTD**

That subject to and contingent upon the passing of Ordinary Resolutions 1, 2 and 4 as set out in this notice of EGM:

- (a) approval be and is hereby granted for the Company to allot and issue 2,857,142,857 Subscription Shares and 952,380,952 Investment Warrants to Rest Investments Ltd, on the terms and subject to the conditions of the Subscription Agreement; and
- (b) the Directors or any of them be and are hereby authorised to complete and do all acts and things (including without limitation to execute all such documents and to approve any amendments, alternation or modification to any documents) as the Directors or any of them deem desirable, necessary or expedient to give effect to the matters contemplated by this resolution as they or any of them may in their absolute discretion deem fit in the interests of the Group.

### **ORDINARY RESOLUTION 4**

#### **THE TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO REST INVESTMENTS LTD ARISING FROM THE PROPOSED SHARE SUBSCRIPTION**

That subject to and contingent upon the passing of Ordinary Resolutions 1, 2 and 3 as set out in this notice of EGM:

- (a) approval be and is hereby granted for the Company to allot and issue the Subscription Shares to Rest Investments Ltd on and subject to the terms of the Subscription Agreement, the issuance of such Subscription Shares constituting a transfer of Controlling Interest in the Company to Rest Investments Ltd pursuant to Rule 803 of the Catalist Rules; and
- (b) the Directors or any of them be and are hereby authorised to complete and do all acts and things (including without limitation to execute all such documents and to approve any amendments, alternation or modification to any documents) as the Directors or any of them deem desirable, necessary or expedient to give effect to the matters contemplated by this resolution as they or any of them may in their absolute discretion deem fit in the interests of the Group.

### **ORDINARY RESOLUTION 5**

That, subject to and contingent upon the passing of Ordinary Resolutions 1, 2, 3 and 4 as set out in this notice of EGM, Mr Ang Kok Huan be and is appointed as an executive director of the Company with effect from the date of the EGM.

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## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

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### **ORDINARY RESOLUTION 6**

#### **THE PROPOSED ALLOTMENT AND ISSUE OF 142,857,143 INTRODUCER SHARES TO TGC PRIVATE OFFICE PTE. LTD.**

That subject to and contingent upon the passing of Ordinary Resolutions 1, 2, 3 and 4 as set out in this notice of EGM:

- (a) approval be and is hereby granted for the Company to allot and issue 142,857,143 Introdncer Shares to TGC Private Office Pte. Ltd.; and
- (b) the Directors or any of them be and are hereby authorised to complete and do all acts and things (including without limitation to execute all such documents and to approve any amendments, alternation or modification to any documents) as the Directors or any of them deem desirable, necessary or expedient to give effect to the matters contemplated by this resolution as they or any of them may in their absolute discretion deem fit in the interests of the Group.

### **SPECIAL RESOLUTION 7**

#### **THE CHANGE OF NAME**

That subject to and contingent upon the passing of Ordinary Resolutions 1, 2, 3 and 4 as set out in this notice of EGM:

- (a) the name of the Company be changed from “China Medical (International) Group Limited” to “JCG Investment Holdings Ltd.” and that the name “China Medical (International) Group Limited” be substituted for “JCG Investment Holdings Ltd.”;
- (b) the Directors and/or each of them be and are hereby authorised to do all acts and things, enter into all transactions, arrangements and agreements, and approve, execute and deliver all documents as they or each of them deem desirable, necessary or expedient to give effect to the matters referred to in the above paragraphs of this Special Resolution 7 or the transactions contemplated by the Proposed Change of Name as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group; and
- (c) to the extent that any action in connection with the matters referred to in the above paragraphs of this Special Resolution 7 or the transactions contemplated by the Proposed Change of Name has been performed or otherwise undertaken (whether partially or otherwise).

#### **BY ORDER OF THE BOARD**

Hano Maeloa  
Non-Executive Chairman  
Singapore  
Date: 7 December 2018

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

- 1)
  - (a) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf at the EGM. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.
  - (b) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
- 2) A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.
- 3) The instrument appointing a proxy or proxies must be 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.
- 4) The instrument appointing the proxy must be deposited at the registered office of the Company at 80 Robinson Road, #17-02, Singapore 068898 not less than forty-eight (48) hours before the time appointed for the meeting.

### Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation 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) 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 member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) 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

### CHINA MEDICAL (INTERNATIONAL) GROUP LIMITED

Company Registration Number 200505118M  
(Incorporated in the Republic of Singapore)

#### IMPORTANT: FOR CPF INVESTORS ONLY

1. For investors who have used their CPF monies to buy the Company's shares, this Circular is sent to them at the request of their CPF Approved Nominees solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

### PROXY FORM

(Please Read Notes Overleaf Before Completing This Proxy Form)

I/We \_\_\_\_\_ (Name)

of \_\_\_\_\_ (Address)

being a member/members of **China Medical (International) Group Limited** (the "**Company**") hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Shareholding (%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport Number	Proportion of Shareholding (%)

or failing \*him/her/them, the Chairman of the Extraordinary General Meeting (the "**EGM**") of the Company as \*my/our \*proxy/proxies to vote for \*me/us on \*my/our behalf, and if necessary, to demand a poll at the EGM of the Company to be held at Raffles Marina Ltd, 10 Tuas West Drive, Chartroom, Singapore 638404 on 31 December 2018 at 10.00 a.m. and at any adjournment thereof. \*I/We direct \*my/our \*proxy/proxies to vote for or against the Ordinary Resolution(s) and Special Resolution(s) to be proposed at the EGM as indicated hereunder with an "X" in the spaces provided hereunder. If no specific directions as to voting are given, the \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion.

\* Please delete as appropriate.

No.	As Ordinary Resolutions	For	Against
1	To approve the Proposed Share Consolidation		
2	To approve the Proposed Deferred Liability Conversion		
3	To approve the Proposed Share Subscription		
4	To approve the Transfer of Controlling Interest		
5	To approve the Proposed Appointment of Executive Director		
6	To approve the Proposed Introducer Shares Issue		
No.	As Special Resolution	For	Against
7	To approve the Proposed Change of Name		

Please indicate your vote "For" or "Against" with an "X" within the box provided if you wish to exercise all your votes. Alternatively, please indicate the number of votes as appropriate

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Total No. of Shares	No. of Shares
In CDP Register	
In Register of Members	

\_\_\_\_\_  
Signature of Shareholder(s) or Common Seal of  
Corporate Shareholder

*All capitalised terms used in this Proxy Form which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Company's Circular to Shareholders dated 7 December 2018 (including supplements and modifications thereto).*



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## PROXY FORM

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### Notes:

1. 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. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
2.
  - (a) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore) is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf at the EGM. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.
  - (b) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act, Cap. 50) is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 80 Robinson Road, #17-02, Singapore 068898, not less than forty-eight (48) hours before the time set for the Extraordinary General Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his 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 common seal or under the hand of its attorney or a duly authorised officer.
6. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or 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 (Cap. 50) of Singapore.
8. The submission of an instrument or form appointing a proxy by a shareholder does not preclude him from attending and voting in person at the EGM if he so wishes.
9. The Company shall be entitled to reject an instrument of proxy 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 instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

### Personal Data Privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) 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 member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) 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.