

EXPLANATORY NOTES TO THE SHAREHOLDERS

- I) RESTRUCTURING PLAN FOR JACK-IN GROUP APPROVED IN GENERAL MEETING HELD ON 17 JULY 2020**
- II) EFFECTS FROM THE SHARE SWAP PURSUANT TO THE RESTRUCTURING PLAN**

1. BACKGROUND

Jack-In Group Limited ("JIG" or "the Company") has been removed from the Official List of the Australian Stocks Exchange ("ASX") with effect from 11 May 2020 and has vide a General Meeting held on 17 July 2020 approved the Restructuring Plan as detailed in the Notice of Extraordinary Meeting dated 25 June 2020.

2. THE RESTRUCTURING PLAN

The Restructuring Plan recognises that since JIG's sole business and revenue source is based in Malaysia, the group should be relocated to the Malaysian jurisdiction.

The Restructuring Plan involves the formation of a new holding company named JIG Holdings Berhad ("JHB") who will acquire 100% shareholding in the Malaysia subsidiary, Jack-In Pile (M) Sdn Bhd ("JIPM") from JIG by issuance of new shares representing 100% control of JHB to JIG.

A total of up to 60,339,810 new shares in JHB representing 100% control in JHB will be issued in exchange for 402,265,400 existing shares in JIG at a swap ratio of 15 JHB shares for every 100 JIG shares held ("Share Swap"). Shareholding of less than 100 JIG shares and fractional shares will be disregarded.

Once the Share Swap is completed, the shareholders will be holding shares in JHB in place of their shareholding in JIG.

Shareholders' value in terms of Net Assets in the JHB shares held will be similar to the value held in JIG shares. Fractional shares resulting from this share swap will be automatically forfeited.

Upon completion of the share swap, and disposal of any residual assets and liabilities, both Jack-In Holdings Pte Ltd and Jack-In Group Limited will be deregistered/ wound up.

3. RATIONALE FOR THE RESTRUCTURING PLAN

The Restructuring Plan, once completed will compress the group structure and provides a more direct ownership of the group's sole operating unit, Jack-In Pile (M) Sdn Bhd instead of the current 3-levels structure, as shown in the diagram below.



The new group structure being fully incorporated, managed and operating in Malaysia will result in considerable savings in compliance and administrative costs as well as improved group efficiency.

4. EFFECTS OF THE RESTRUCTURING

There will be no adverse effects to the shareholders as both JIG and JHB are similarly unlisted except for the change of legal jurisdiction from Singapore to Malaysia, both countries sharing substantially similar corporate laws. Shareholder's value in their shareholding will also be unchanged, as illustrated below.

Scenarios	Before Restructuring	After Restructuring
Net Assets ("NA") of Jack-In Group Limited @ 31/03/2019 - audited	MYR64.6 million	MYR64.6 million
JIG Shares in issue	402.2 million	-
JHB Shares in issue	-	60.3 million
NA per share	MYR0.16	MYR1.07
Illustration : Shareholder X		
JIG Shares held	100	-
JHB Shares held	-	15
NA per share	MYR0.16	MYR1.07
NA value of shares held	MYR16.0	MYR16.0
% shareholding	0.000025%	0.000025%

5. FUTURE PLANS AND PROSPECTS

The relocation of the group to Malaysia will enable the group to save on administrative and compliance costs in Australia and Singapore which in the past years have eroded over MYR1.0 million annually from the group's bottom line.

The relocation to Malaysia will also enable the sole operating subsidiary, Jack-In Pile (M) Sdn Bhd to be classified as a local contractor which allows it to bid for government contracts and reduce industrial levies normally imposed on foreign contractors in Malaysia.

The Board expects the restructuring to strengthen the group administratively, cuts wastages and prepares the renewed group under JIG Holdings Berhad for prospective public listing in Bursa Malaysia in the future years.

6. THINGS TO DO

The Allotment Notice & Form will be circulated to every registered shareholder of JIG as at 30/11/2020 together with an Off Market Transfer Form.

Please check your particulars and ensure that the identification details eg. ID Card Number or Passport Number & Expiry Date (for Non Malaysian citizens) are correctly updated.

Sign the Allotment Form and Transfer Form (as Transferor) and return both documents to the Company Secretary and Share Registrar of JIG Holdings Berhad at:

BIZMARC MANAGEMENT SOLUTIONS SDN BHD
No. 67-3, Suite 3
Jalan Nautika AU20/A, Seksyen U20
Pusat Komersil TSB Sg Buloh
40160 Shah Alam
Malaysia

Please return the signed documents **by 24 December 2020**. Failure to return the signed documents may result in non registration of your allotted JHB Shares and loss of entitlement once Jack-In Group Limited is deregistered or wound up.