



JGY HOLDINGS LIMITED ARBN 622 384 776

c/- Level 1 Office F
1139 Hay Street
West Perth WA 6005

Telephone: (61) 8 9321 0715
E-mail: ir.jgy@mybiztrack.com

**MEMORANDUM OF UNDERSTANDING IN RELATION TO A POSSIBLE JOINT VENTURE
TO DEVELOP AN INTEGRATED RESIDENTIAL ELDERLY CARE FACILITY
IN TIANCHANG CITY, ANHUI PROVINCE, CHINA**

Directors of JGY Holdings Limited (the **Company**) wish to announce that the Company has entered into a non-binding memorandum of understanding with Nanjing Lizhong Real Estate Investment Group Co., Limited (**Nanjing Lizhong**) in relation to a proposed joint venture to develop an integrated residential elderly care facility (the **Facility**) within an existing agro-tourism resort in Jinji Town, Tianchang City in the province of Anhui, China. The proposed site for the Facility is in the same locality as where the Company's planting bases are situated.

Under the terms of the non-binding memorandum of understanding:

- (1) Nanjing Lizhong will apply for all necessary approvals for the development of the Facility; and
- (2) the parties will negotiate detailed terms of the proposed joint venture.

The Company notes that its participation, in any manner, in the development of the Facility will constitute an extension of its scope of business. Therefore, the Company will seek shareholders' prior approval before participating in the development of the Facility. While the Company has entered into negotiations with Nanjing Lizhong in relation to this proposed joint venture, shareholders and investors should note that there is no assurance that these negotiations will lead to a definitive and binding agreement. However, if the Company enters into any joint venture to develop the Facility, the proposed joint venture agreement shall be conditional upon the Company receiving shareholders' approval.

For and on behalf of
JGY HOLDINGS LIMITED

WANG Caifu
Executive Director
8 May 2018

Wang Caifu 王超夫

2018.5.8