

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

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**RESPONSES TO SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES ON THE  
COMPANY'S ANNOUNCEMENTS RELEASED ON 30 APRIL 2021 AND 5 MAY 2021**

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**1. INTRODUCTION**

The board of directors (the “**Board**” or “**Directors**”) of Beverly JCG Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to respond to comments received on 6 May 2021 from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in relation to the Company’s announcements released on 30 April 2021 and 5 May 2021 relating to (a) the entry into the definitive agreement by Natasha Beverly Sdn. Bhd. (“**NBSB**”) with Beverly Bangsar Sdn. Bhd. (“**BBSB**”) to establish a joint venture company, Natasha Beverly Aesthetics Sdn Bhd (“**NBASB**”), for the purpose of providing aesthetic medicine and related services (the “**Aesthetic JVCo Announcement**”); and (b) the entry into the definitive agreement by NBSB and Beverly Wilshire Aesthetic Dental Centre Sdn Bhd with Arlena Philip Lee and Rajinderpal Singh A/L Nantam Singh to establish a joint venture company in Malaysia, “Natasha Beverly Dental” (“**NBD**”) (the “**Dental JVCo Announcement**”).

Capitalised terms used herein, unless otherwise defined, shall have the definitions ascribed to them in the Aesthetic JVCo Announcement and/or the Dental JVCo Announcement (as the case may be).

**2. SGX-ST QUERIES**

**SGX-ST Query 1:**

*In the 30 April 2021 announcement, the Company stated that “it has inadvertently overlooked an announcement that NBSB had on 15 February 2021 entered into a definitive agreement with BBSB to establish the joint venture using the JVCo for the purposes of providing aesthetic medicine services”.*

*Please provide more details to explain how has this oversight happened, and provide the chronology of events.*

**Company’s Response**

The term sheet between NBSB and BBSB was signed on 1 January 2021. The Company had prepared the SGX announcement and submitted the draft to the Company’s Catalist Sponsor (the “**Sponsor**”) for review on 14 January 2021. Due to the counterparty, BBSB, being an interested person, there were several rounds of queries from the Sponsor, in particular, relating to the disclosures required under interested party transactions. The Sponsor eventually cleared the announcement in the late evening of 10 February 2021. However, our office was already closed for the Chinese New Year period from 11 February 2021 to 14 February 2021. On 15 February 2021,

the Company sent the final announcement on the term sheet to the Sponsor with some minor amendments, and the Sponsor cleared these amendments on the same day. On the same day, the Company also signed the definitive agreement which did not have any material difference from the terms in the term sheet. On 16 February 2021, the Company decided to release the announcement on the term sheet which was not updated to make reference to the definitive agreement signed on 15 February 2021, as it had already cleared the announcement in respect of the term sheet with the Sponsor. This was also in view of the fact that the transaction in question is governed by Rule 706A of the SGX-ST Catalist Rules, where the requirement is for the issuer to make a periodic (and not immediate) announcement, in accordance with the timelines prescribed in Rule 705 on the announcement of its financial statements on any acquisition of shares resulting in a company becoming a subsidiary or an associated company of the issuer. Accordingly, the Company was of the view that it could announce the definitive agreement with BBSB subsequently as the relevant requirement under Rule 706A of the SGX-ST Catalist Rules was for announcements to be made on a periodic basis. In view of this, the Company then released the announcement on the signing of the definitive agreement with BBSB on 30 April 2021. Be that as it may, the Company acknowledges that it can and should release its announcements in a timelier manner. Going forward, the Group will improve and enhance its procedures and decision-making processes to ensure that announcements are released in a more timely fashion.

#### **SGX-ST Query 2:**

*The Aesthetic JVCo Announcement made reference to a previous announcement on 16 Feb 2021 where NBSB had on 1 Jan 2021 entered into a non-binding term sheet to establish the Aesthetic JVCo. It was also stated in the 16 Feb 2021 announcement that the long-stop date to enter into the definitive agreement has been extended to 15 Feb 2021.*

*How is it possible that when the Company made the announcement on 16 Feb 2021, it was not aware that NBSB has entered into a definitive agreement for the Aesthetic JVCo on 15 Feb 2021?*

#### **Company's Response**

As explained in our response to Query 1 above, the Company released the announcement on the term sheet on 16 February 2021 which was not updated to make reference to the definitive agreement signed on 15 February 2021. The Company acknowledges that it should have announced the definitive agreement on 16 February 2021 instead of the announcement on the term sheet that was already cleared by the Sponsor. The Company then released the announcement on the signing of the definitive agreement with BBSB on 30 April 2021 in accordance with the requirements under Rule 706A of the SGX-ST Catalist Rules. Be that as it may, the Company acknowledges that it can and should release its announcements in a timelier manner. Going forward, the Group will improve and enhance its procedures and decision-making processes to ensure that announcements are released in a more timely fashion.

#### **SGX-ST Query 3:**

*Furthermore, in the announcement of 16 Feb 2021, it was stated that NBASB (the Company's 56% owned subsidiary) was incorporated on 11 Aug 2020 and NBSB had, on 25 Nov 2020, entered into a trust deed agreement with Mr Howard Ng and Mr Alexander Ng ("Trustees") whereby the Trustees*

*have declared a trust over shares they hold in NBASB, in favour of NBSB wef 11 Aug 2020. As a result, NBASB became a 56% owned subsidiary of NBSB.*

*Why were these transactions only announced on 16 Feb 2021?*

#### Company's Response

Under Rule 706A of the SGX-ST Catalist Rules, an issuer must make a periodic announcement, in accordance with the timelines prescribed in Rule 705 on the announcement of its financial statements on any acquisition of shares resulting in a company becoming a subsidiary or an associated company of the issuer. As such, the requirement on the Company is to make a periodic announcement in relation to the incorporation of NBASB, the entry into the term sheet as well as the signing of the definitive agreement, in accordance with the timelines prescribed in Rule 705.

Furthermore, the paid-in capital of NBASB is approximately SGD 134,000 (RM400,000), of which (i) 56% amounting to approximately SGD 75,000 (RM 224,000) is contributed by NBSB in kind in the form of renovation and refurbishment with furniture and fittings and certain equipment, and (ii) approximately SGD 59,000 (RM 176,000) is contributed by BBSB in cash. Under Chapter 10 of the SGX-ST Catalist Rules, where any relative figure computed on the bases set out in Rule 1006 does not exceed 5%, the transaction shall constitute a "non-discloseable transaction" for the purposes of Chapter 10 of the SGX-ST Catalist Rules. As the relative figures for the incorporation of NBASB do not exceed 5%, it shall constitute a "non-discloseable transaction" for the purposes of Chapter 10 of the SGX-ST Catalist Rules.

NBASB was incorporated on 11 August 2020 with a share capital of SGD 33 (RM100) comprising 100 shares with Mr. Howard Ng and Mr. Alexander Ng holding 50 shares each. At that point in time, no announcement was required as NBASB was not considered part of the Group until the signing of the NBASB Trust Deed dated 25 November 2020, whereby 56 shares became held by Mr. Howard Ng and Mr. Alexander Ng in trust for NBSB. However, as the Group was in negotiations with BBSB for the joint venture agreement during that period and in view of Rule 706A of the SGX-ST Catalist Rules and the fact that the incorporation of NBASB is a "non-discloseable transaction", it was decided that it would be clearer to announce the incorporation and trust arrangements together with the proposed joint venture once the final structure and documentation had been put into place. The term sheet for the proposed joint venture with BBSB was eventually signed on 1 January 2021 and the details of incorporation and trust arrangements were subsequently announced on 16 February 2021 together with the entry into the term sheet for the proposed joint venture. As the Company was only required to make periodic announcement of this transaction pursuant to Rule 706A of the SGX-ST Catalist Rules and the fact that the incorporation of NBASB is a "non-discloseable transaction", the Company only released the announcement on 16 February 2021. Be that as it may, the Company acknowledges that it can and should release its announcements in a timelier manner. Going forward, the Group will improve and enhance its procedures and decision-making processes to ensure that announcements are released in a more timely fashion.

#### **SGX-ST Query 4:**

*For the Dental JVCo Announcement on 5 May 2021, the definitive agreement was entered into on 15 April 2021.*

*Why was this only announced on 5 May 2021?*

### Company's Response

Under Chapter 10 of the SGX-ST Catalist Rules, where any relative figure computed on the bases set out in Rule 1006 does not exceed 5%, the transaction shall constitute a "non-discloseable transaction" for the purposes of Chapter 10 of the SGX-ST Catalist Rules. As the relative figures for the incorporation of NBD do not exceed 5%, it shall constitute a "non-discloseable transaction" for the purposes of Chapter 10 of the SGX-ST Catalist Rules.

Under Rule 706A of the SGX-ST Catalist Rules, an issuer must make a periodic announcement, in accordance with the timelines prescribed in Rule 705 on the announcement of its financial statements on any acquisition of shares resulting in a company becoming a subsidiary or an associated company of the issuer. The Company has made a periodic announcement, in relation to the entry into the definitive agreement, in accordance with the timelines prescribed in Rule 705. Be that as it may, the Company acknowledges that it can and should release its announcements in a timelier manner. Going forward, the Group will improve and enhance its procedures and decision-making processes to ensure that announcements are released in a more timely fashion.

### **SGX-ST Query 5:**

*Please recompute the ratios under Catalist Rule 1006, if both the Aesthetic JVCo and the Dental JVCo are aggregated, in view that there are overlaps in the parties involved in both transactions.*

### Company's Response

Based on the latest announced consolidated financial statements of the Group for the financial year ended 31 December 2020 ("FY2020"), the relative figures by aggregating both NBASB and NBD as computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:

<b>Rule 1006 Bases of calculation</b>	<b>Relative figure %</b>
(a) The net asset value of the assets to be disposed of, as compared with the Group's net asset value	Not applicable <sup>(1)</sup>
(b) The net profits attributable to the assets acquired, compared with the Group's net loss	Not applicable <sup>(2)</sup>
(c)(i) The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	0.55% <sup>(3)(i)</sup>
(c)(ii) The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	1.09% <sup>(3)(ii)</sup>

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| (d) | The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue | Not applicable <sup>(4)</sup> |
| (e) | The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves    | Not applicable <sup>(5)</sup> |

**Notes:**

- (1) Rule 1006(a) of the Catalist Rules is not applicable to an acquisition of assets.
- (2) Not applicable as NBASB and NBD have only been recently incorporated.
- (3)(i) Based on the initial capital contribution of RM224,000 (or equivalent to approximately S\$75,000) for NBASB and the initial capital contribution of RM295,000 (or equivalent to approximately S\$98,000) for NBD compared to the Company's market capitalisation of approximately S\$31,630,000. The market capitalisation of the Company was computed based on its existing share capital of 15,814,936,164 Shares (excluding treasury shares) and the VWAP of S\$0.002 per Share on 11 February 2021 (being the last market day on which the Shares were traded preceding the date of the definitive agreement for NBASB).
- (3)(ii) Based on the initial capital contribution of RM224,000 (or equivalent to approximately S\$75,000) for NBASB and the initial capital contribution of RM295,000 (or equivalent to approximately S\$98,000) for NBD compared to the Company's market capitalisation of approximately S\$15,815,000. The market capitalisation of the Company was computed based on its existing share capital of 15,814,936,164 Shares (excluding treasury shares) and the VWAP of S\$0.001 per Share on 14 April 2021 (being the last market day on which the Shares were traded preceding the date of the definitive agreement for NBD).
- (4) Not applicable as there are no equity securities issued as consideration for NBASB and NBD shares.
- (5) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company.

As none of the relative figures computed on the bases pursuant to Rule 1006 of the Catalist Rules exceeds 5%, the transactions on an aggregated basis constitute non-discloseable transactions under Chapter 10 of the Catalist Rules.

**SGX-ST Query 6:**

*SGX-ST Query 6: What are the Company's processes and procedures in getting updates from its subsidiaries and reviewing announcements?*

**Company's Response**

The Group's merger and acquisitions activities in Malaysia are spearheaded by our Executive Chairman. The Executive Chairman will inform the Risk Management Committee ("**RMC**") of the Company, comprising all board members, of any proposed corporate transactions and the Chief Financial Officer ("**CFO**") of the Company will instruct the Company's company secretary to prepare the necessary RMC directors' resolution and circulate them, together with the underlying draft agreements to the RMC for review and approval. At the same time, the CFO starts to prepare the relevant SGX-ST announcement(s), with the assistance of the Company's legal counsel, if necessary. Once reviewed and approved by the RMC, the relevant Group entities will proceed with the proposed corporate transactions. The relevant Group entities will then inform the CFO when the proposed corporate transactions have been completed.

Whenever there are changes in details of the Group entities such as change in name, business activities or share capital, the Finance Manager in Malaysia will inform the Malaysia company secretary to prepare the relevant director's resolution and circulate to the Group entities' board of directors for approval via email. The CFO will also be copied in the email. Once reviewed and approved by the Group entities' board of directors, the relevant Group entities will proceed with the changes in details and the Finance Manager then informs the CFO once the changes in details have been completed.

Once the Company has been notified of the completion of the proposed transactions or changes in details of Group entities, the Company provides a draft of the announcement, together with a copy of underlying agreement(s), to the Sponsor for their review and approval. Once the announcement has been approved by the Sponsor, the Company releases the announcement on SGXNET.

The Executive Chairman will be looking to set up a committee for compliance of announcements, to look into a more effective continuous communication between the subsidiaries and head office and for term sheets and definitive agreements to be announced in accordance with SGX rules.

**SGX-ST Query 7:**

*SGX-ST Query 7: What are the Company's processes and procedures in relation to corporate transactions, such as establishment of JVCos, acquisitions and disposals?*

**Company's Response**

Please kindly refer to our response in Query 6 as our answers are similarly explained.

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

**BY ORDER OF THE BOARD**

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

14 May 2021

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*This announcement has been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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