

**PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE –  
UPDATE ANNOUNCEMENT**

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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**”) refers to the Company’s previous announcements made on 2 June 2020, 5 June 2020 and 29 June 2020 (the “**Previous Announcements**”) in relation to the Rights Cum Warrants Issue.

Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the same meanings and construction as ascribed to them in the Previous Announcements.

**2. UPDATE ON THE RIGHTS CUM WARRANTS ISSUE**

The Company wishes to update shareholders of the Company on the following in relation to the Rights Cum Warrants Issue:

**2.1 REASON FOR DELAY**

After approval for the Rights Cum Warrants Issue was obtained from shareholders of the Company at the extraordinary general meeting held on 29 June 2020, the Company has been looking for an opportune timing to launch the Rights Cum Warrants Issue while hoping for an improvement in market conditions so as to achieve better results under the Rights Cum Warrants Issue.

However, to date, as the pandemic situation has persisted and continues to affect our business and cash position, the Company requires additional cash for working capital for the Group. Notwithstanding this, the Board is cautiously confident that the additional working capital together with an effective strategic plan and a strong management team to execute the plans of the Company will allow the Group to grow successfully and steadily during and after the pandemic. Please refer to Section 2.6 of the circular of the Company dated 5 June 2020 (the “**Circular**”) for further details on the rationale of the Rights Cum Warrants Issue. As set out in the said Section 2.6 of the Circular, the Company intends to use 50% of the Net Proceeds for general working capital needs. In view of the above, the Board is of the view that it is the right time to raise funds to strengthen the financial position and capital base of the Group.

**2.2 RATIONALE FOR PROCEEDING WITH THE RIGHTS CUM WARRANTS ISSUE NOW AND USE OF PROCEEDS**

As mentioned in paragraph 2.1 of this announcement, the pandemic situation has persisted and continues to affect our business and cash position. The Net Proceeds will be used in the following manner:

<b>Breakdown of use of Net Proceeds</b>	<b>As a percentage of the total amount of Net Proceeds (%)</b>
For general working capital needs	50
For the future expansion of the Group	50
<b>Total</b>	<b>100</b>

The breakdown for the allocation of funds in respect of the 50% of Net Proceeds to be used for the working capital needs of the Group is set out in the table below:

<b>Breakdown of the 50% of Net Proceeds to be used for working capital needs</b>	<b>As a percentage of the total amount of Net Proceeds allocated to working capital needs (%)</b>
Manpower costs (including directors' fees)	62
Professional fees such as compliance costs and continuing listing expenses	27
Administrative and head office expenses	11
<b>Total</b>	<b>100</b>

Please refer to Section 2.6 of the Circular for further details on the use of proceeds.

### **2.3 REDUCTION IN THE MAXIMUM NUMBER OF RIGHTS SHARES AND WARRANTS THAT MAY BE OFFERED PURSUANT TO THE RIGHTS CUM WARRANTS ISSUE**

The maximum number of Rights Shares and Warrants that may be offered pursuant to the Rights Cum Warrants Issue which was approved by shareholders of the Company at the extraordinary general meeting held on 29 June 2020 was a figure up to 6,802,407,763 Rights Shares and 6,802,407,763 Warrants. Based on the current number of existing shares, outstanding warrants and employee share options of the Company, the maximum number of Rights Shares and Warrants offered pursuant to the Rights Cum Warrants Issue will be reduced to a figure of up to 5,871,183,766 Rights Shares and 5,871,183,766 Warrants.

### **2.4 UPDATES TO THE CIRCULAR**

All the changes and/or updates (the "**Updates**") in relation to the Circular in respect of the Rights Cum Warrants Issue are set out in Annex A (which is attached to this announcement).

The Updates are summarised as follows:

- (a) the revised maximum number of Rights Shares and Warrants that may be issued under the Rights Cum Warrants Issue in the Maximum Subscription Scenario is up to 5,871,183,766 Rights Shares and 5,871,183,766 Warrants, instead of up to 6,802,407,763 Rights Shares and 6,802,407,763 Warrants;

- (b) the change in the existing share capital of the Company to 15,814,936,164 Shares as of the date of this announcement as opposed to 15,811,689,664 Shares as of the Latest Practicable Date in the Circular (i.e. 26 May 2020);
- (c) the change in the number of outstanding, unexercised warrants of the Company to 1,760,127,634 warrants as of the date of this announcement as opposed to 4,557,046,127 warrants as of the Latest Practicable Date in the Circular;
- (d) the revised Net Proceeds in the Maximum Subscription Scenario is now up to S\$5,721,000 instead of up to S\$6,652,000;
- (e) the revised Warrants Exercise Proceeds in the Maximum Subscription Scenario and assuming all the Warrants are exercised is now up to S\$5,871,000 instead of up to S\$6,802,000; and
- (f) other consequential changes such as the change in the financial effects of the Rights Cum Warrants Issue.

Please refer to Annex A for a table setting out all the Updates in relation to the Circular.

The Board confirms that the Updates are not material in nature and that the Circular still contains full and true disclosure of all material facts about, *inter alia*, the Rights Cum Warrants Issue and the Potential Transfer of Controlling Interest (as defined in the Circular). The Board further confirms that there has been no change in the share price of the Company's Shares from the date of the Circular, the date of the extraordinary general meeting approving the Rights Cum Warrants Issue held on 29 June 2020 and the date of this announcement.

## **2.5 CONFIRMATION FROM THE BOARD**

- (a) Having considered the following:
  - (i) the revised maximum number of Rights Shares and Warrants offered of 5,871,183,766 Rights Shares and 5,871,183,766 Warrants remains within the original number of 6,802,407,763 Rights Shares and 6,802,407,763 Warrants approved by shareholders of the Company at the extraordinary general meeting held on 29 June 2020;
  - (ii) the fact that the Updates are not material in nature, and that the Circular still contains full and true disclosure of all material facts about, *inter alia*, the Rights Cum Warrants Issue and the Potential Transfer of Controlling Interest (as defined in the Circular); and
  - (iii) the fact that there has been no change in the share price of the Company's Shares from the date of the Circular, the date of the extraordinary general meeting approving the Rights Cum Warrants Issue held on 29 June 2020 and the date of this announcement,

the Board confirms that it is of the view that the approval obtained from shareholders of the Company at the extraordinary general meeting held on 29 June 2020 in respect of the Rights Cum Warrants Issue remains proper and valid.

- (b) The Board further confirms that:
  - (i) save for the decrease in the estimated Net Proceeds in the Maximum Subscription Scenario from S\$6,652,000 to S\$5,721,000, the use of the Net Proceeds and the percentage allocation of the Net Proceeds remain the same as disclosed in the Circular. Please refer to Annex A (which is attached to this announcement) for the changes in the estimated Net Proceeds; and
  - (ii) it is in the best interest of the Company and its Shareholders to proceed with the Rights Cum Warrants Issue now due to the reasons set out in paragraphs 2.1 and 2.2 of this announcement.
  
- (c) The Board is of the opinion that:
  - (i) after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements and the Rights cum Warrants Issue is being undertaken for the reasons stated in paragraph 2.2 of this announcement; and
  - (ii) consequently, they are of the opinion that, after taking into consideration the present bank facilities and the net proceeds of the Rights cum Warrants, the Group's present bank facilities and the working capital available to the Group is sufficient to meet its present requirements.

## **2.6 SUPPORT FROM THE BOARD OF THE COMPANY**

The Executive Chairman and Chief Executive Officer (“**CEO**”), the Deputy CEO and the entire Board of the Company have indicated and expressed their support to subscribe for 100% of their rights entitlement under the Rights Cum Warrants Issue in demonstration of their commitment to and confidence in the prospects of the Group.

## **3. RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Rights Cum Warrants Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement 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 the announcement in its proper form and context.

## **4. CAUTIONARY STATEMENT**

**Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The Rights Cum Warrants Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Rights Cum Warrants Issue will materialise or that no changes will be made to the terms thereof.**

The Company will make the necessary announcements when there are further developments.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

## 5. FURTHER ANNOUNCEMENTS

Further announcements will be made by the Company in relation to the Rights Cum Warrants Issue as and when appropriate.

### BY ORDER OF THE BOARD

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

18 March 2021

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*This announcement has been prepared by the Company and its contents have 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.*

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