

GRANT OF EXTENSION OF TIME IN RELATION TO RULE 705(2) OF THE CATALIST RULES

1. INTRODUCTION

The board of directors (the “**Board**” or the “**Directors**”) of Beverly JCG Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement released on 15 August 2022 in relation to its application for an extension of time to comply with Rule 705(2) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**EOT Announcement**”).

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning as ascribed to them in the EOT Announcement.

2. RATIONALE FOR SEEKING THE EXTENSION OF TIME APPLICATION

As stated previously in the EOT Announcement, the reasons for seeking extensions of time under Rules 705(2) of the Catalist Rules are as follows:

- (a) There is a difference in views between the executive directors of the Board who are senior management of the Company (“**Management**”) and that of the audit committee (“**AC**”) on the Board’s assessment of the Group’s ability to continue as a going concern without disclaimer (the “**Going Concern Assessment**”). On the Going Concern Assessment, the AC has stated that it did not arrive at a common understanding between the AC and Management and that the AC will approve the 2QFY2022 Financial Statements with the exception of the Board’s Going Concern Assessment (“**AC Opinion**”). As such, the Management and AC will need additional time to close the gap and come to an agreement between them regarding the Going Concern Assessment and its bases.
- (b) The Sponsor is of the view that the Going Concern Assessment and its bases as set out in the 2QFY2022 Financial Statements remain inadequate and unsatisfactory. In addition to the difference in opinion between the Management and the AC on the Going Concern Assessment and its bases, there is significant reliance by the Company on fund-raising exercises by way of the issuance of new shares and the lack of financial backing/commitment from substantial shareholders in the form of a written undertaking for financial support and/or proof of financial resources. Lastly, Sponsor is of the view that the Going Concern Assessment does not adequately address its concerns in relation to the sustainability of the business or the Management’s plans or strategy for the business.
- (c) The Sponsor notes the auditor’s bases for its disclaimer of opinion in respect of the Group’s ability to continue as a going concern as disclosed in the independent auditor’s report in the financial statements of the Group for the financial year ended 31 December 2021. The Sponsor has also considered the AC Opinion and the Board’s Going Concern Assessment as contained in the 2QFY2022 Financial Statements. The Sponsor notes that for the Group to continue as a going concern and have the requisite strategies to ensure a sustainable business, the following points are critical: (i) the requisite financial commitments and undertakings and the corresponding proof of funds by the substantial shareholders, and (ii) clarity on the business plan and strategy of the Group to ensure recurring and sustainable revenue and cashflow. In view of the reasons set out in paragraphs 2(a) and (b) above, and in particular the AC Opinion, the Sponsor is currently unable to reasonably assess the Group’s ability to operate as a going concern as at the date of this announcement. The Sponsor is therefore of the view that the Extension is required for the AC and the Management to resolve the abovementioned issues relating to the Going Concern Assessment and its bases as set out in the 2QFY2022 Financial Statements prior to release.

3. OUTCOME OF APPLICATION

On 23 August 2022, the SGX-ST advised that based on the Company's submissions and representations to the SGX-ST, it has no objections to the application for extension of time to 24 August 2022 (the "**Waiver**") with regard to compliance with Rule 705(2) of the Catalist Rules subject to the following conditions (the "**Waiver Conditions**") :-

- (a) the Company making an immediate announcement on the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Catalist Listing Rule 106 and if the Waiver Conditions have been satisfied. If the Waiver Conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (b) the Board of Directors' confirmation that the Waiver will not be in contravention of any laws and regulations governing the Company and its constitution (or the equivalent in the Company's country of incorporation); and
- (c) the Company's confirmation that it is not aware of any other information (including but not limited to financial information) with respect to the Group that may have a material bearing on investors' decisions which was not formally disclosed to the investors.

4. CONFIRMATION BY THE BOARD AND THE COMPANY

The Board and the Company hereby confirm that:

- (a) the Waiver will not be in contravention of any laws and regulations governing the Company and its constitution;
- (b) the Company is not aware of any other information (including but not limited to financial information) with respect to the Group that may have a material bearing on investors' decisions which was not formally disclosed to the investors; and
- (c) the Company has satisfied all of the Waiver Conditions above.

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

BY ORDER OF THE BOARD

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

23 August 2022

*This announcement has been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**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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