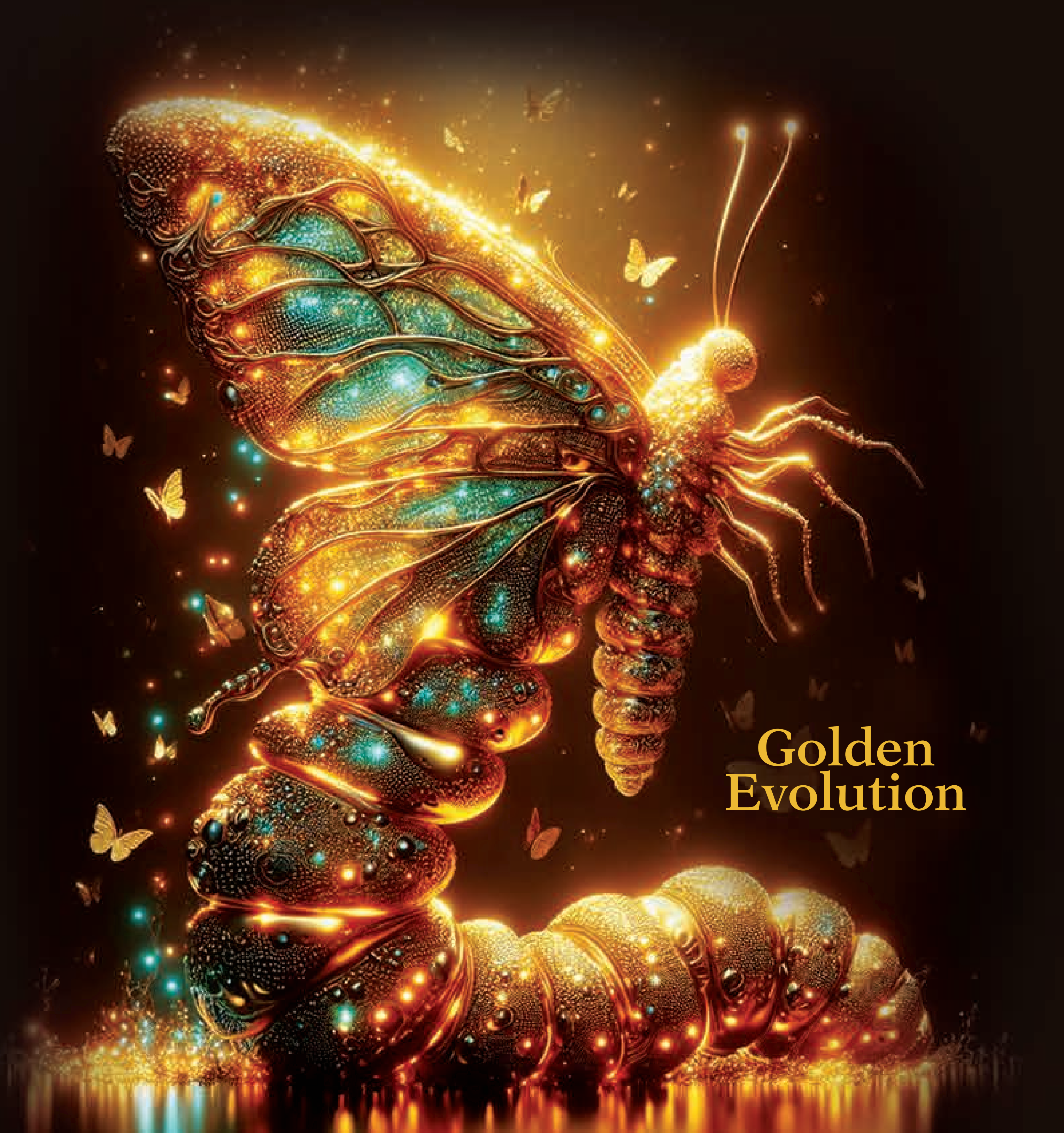
BEVERLY JCG LTD.

BEVERLY WILSHIRE
MEDICAL CENTRE
碧薇麗

ANNUAL REPORT 2023



Golden Evolution

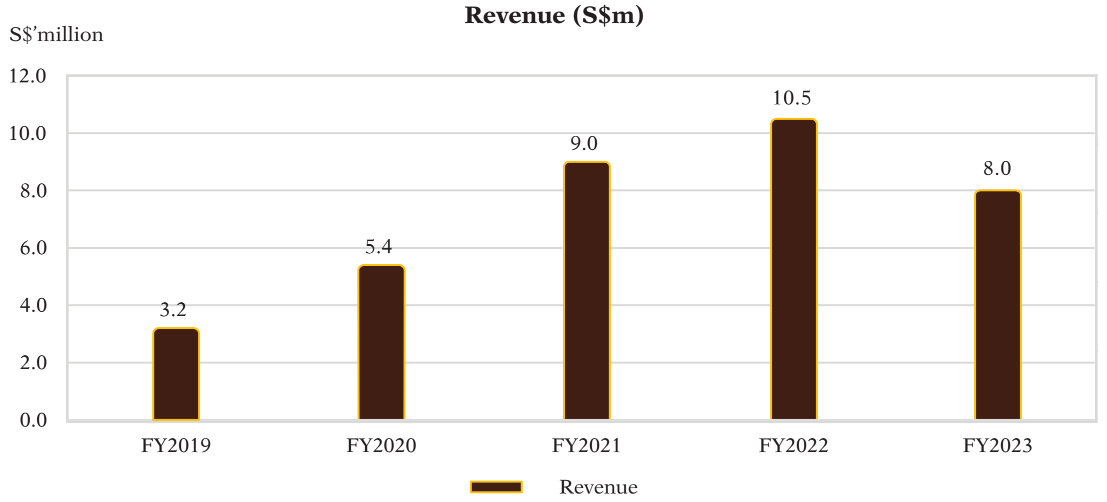
Contents

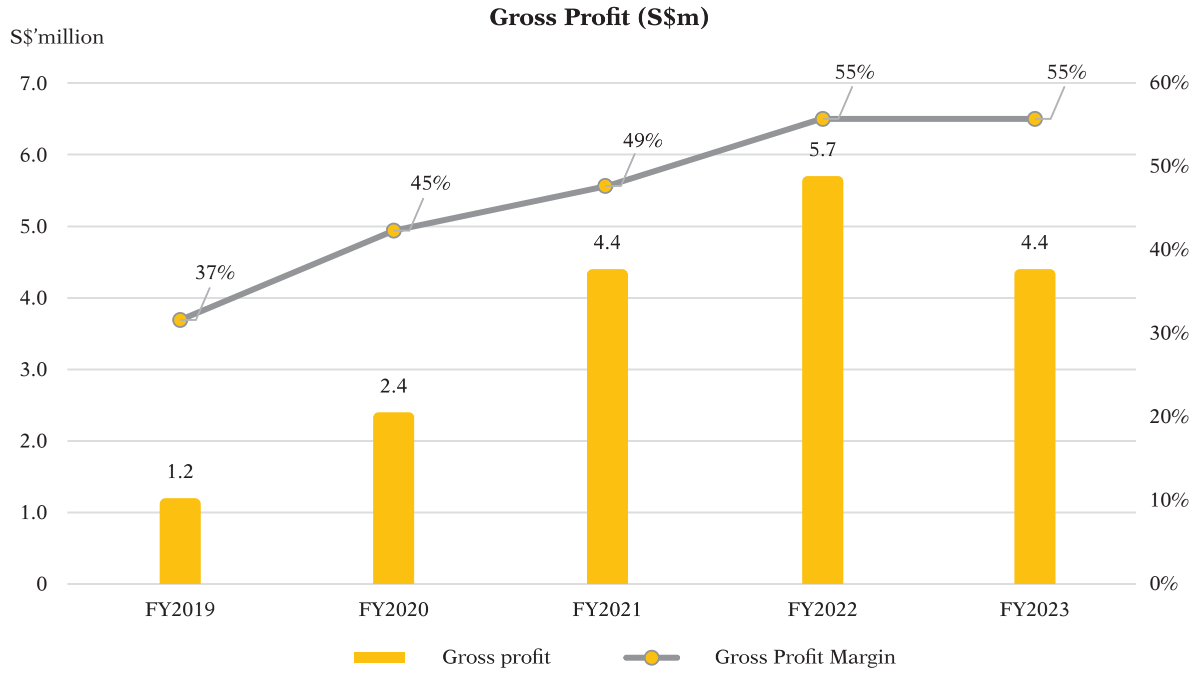
The Company has prepared this annual report, and the Company's Sponsor, Evolve Capital Advisory Private Limited (the "**Sponsor**"), has reviewed its contents for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

This annual report has not been examined or approved by the SGX-ST, and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

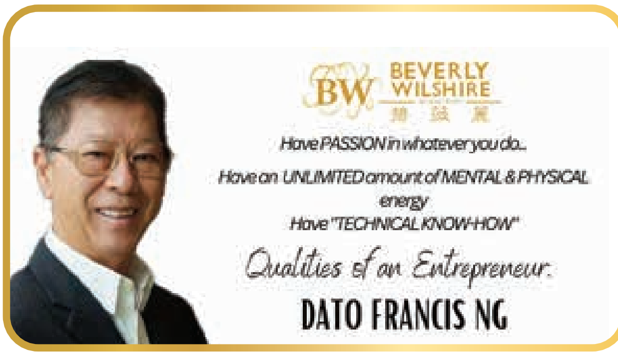
The details of the contact person for the Sponsor are:–
Name : Mr Jerry Chua (Registered Professional, Evolve Capital Advisory Private Limited)
Address : 138 Robinson Road, Oxley Tower, #13-02, Singapore 068906
Tel : (65) 6241 6626

Financial Highlights





CEO's Statement



Dear Shareholders,

On behalf of the Board of Directors of Beverly JCG Ltd. ("**BJCG**" or the "**Company**"), it is my pleasure to present to you the annual report of BJCG and its subsidiaries (the "**Group**") for the financial year ended 31 December 2023 ("**FY2023**").

In FY2023, we continued to execute our strategic plan to grow our business – both through organic and inorganic means, such as mergers and acquisitions – so as to expand and strengthen our position in the healthcare, beauty and wellness industry.

In late 2023, we initiated a stringent austerity drive budget for the Group. Through this strategic move, the Board of Directors is fully confident that it would be able to steer the Group towards an improved financial performance.

REFLECTING ON OUR JOURNEY

Since our inception, BJCG has undergone transformative changes. From our beginnings as Albedo Limited, we pivoted towards healthcare and wellness industry. The acquisitions of the remaining 49% Beverly Wilshire ("**BW**") entities, 100% Beverly Bangsar Sdn. Bhd. ("**BBSB**") and the setting up of two SPVs to acquire 70% of the operations of BK Hospital Pte Ltd (the "**BK Hospital**") in Tanjong Pagar added significant milestones to the Group. Our presence in Malaysia and establishing our first venture in Singapore, despite an uncertain global macroeconomic environment, we have upheld our commitment to growth, demonstrating our adaptability and strategic insight in navigating challenges in the industry.

2023 BY THE NUMBERS

Revenue for FY2023 declined by 23% from S$10.51 million in the year ended 31 December 2022 ("**FY2022**") to S$8.04 million in FY2023, as we generated less revenue from our aesthetic medical and healthcare segment and our trading and distribution segment. The decrease in revenue from our aesthetic medical and healthcare segment was due to lower revenue from our Natasha group entities and Beverly Dentistree Sdn Bhd (the "**Natasha Group**"), as we revamped the business model to reduce operating costs and expenses. This resulted in gross profits decreasing by 23% from S$5.74 million in FY2022 to S$4.40 million in FY2023, while gross profit margin remained at 55% in FY2023.

Our total comprehensive loss for the year increased marginally from S$2.24 million in FY2022 to S$2.39 million in FY2023, a 7% y-o-y increase.

STRATEGIC GROWTH AND EXPANSION

We recently made some acquisitions in Malaysia and Singapore that have been instrumental in positioning BJCG as a top provider of aesthetic medicine in the region. Our acquisition of 49% of the remaining BW Entities ensures that major controlling shareholders are all aligned. Additionally, the BW Entities bring a skilled team of professionals led by myself. We believe that with the improved financial performance of the BW Entities, the demand for high-end medical services and aesthetics in Malaysia and Southeast Asia will continue to grow, buoyed by increasing affluence and the endemic approach to COVID-19.

CEO's Statement

Our proposed 70% acquisition of BK Hospital operation via SPVs was particularly significant as it will allow us to expand our operations beyond Malaysia and establish a foothold in Singapore. This aligns with our vision of becoming a key player in the healthcare industry across the Asia-Pacific region, reinforcing our market position and laying a solid foundation for future growth. All our strategic decisions are aligned with our long-term goal of achieving sustainable growth and leadership in the industry.

In September 2023, we announced a share consolidation exercise, consolidating 50 ordinary shares into one ordinary share, to enhance market interest and liquidity in our stock. This exercise has achieved the volatility and improved our liquidity as envisaged.

COMMITMENT TO EXCELLENCE

We have enhanced our governance structures by promoting ethical business conduct and prohibiting bribery or corruption.

We recognise the importance of diverse perspectives and believe in providing equal opportunities for all employees. We actively promote fair treatment, equal opportunities, and non-discrimination within our workforce. BJCG also aims to maintain a diverse board composition, which enhances performance and decision-making processes. By valuing and fostering diversity, we create an inclusive work environment that attracts and retains top talent, encourages innovation, and better serves the needs of our diverse customer base.

LOOKING FORWARD

The Group has been always on the look-out to acquire profitable healthcare and wellness ventures both in Singapore, Malaysia and other ASEAN countries.

We have set our goals for the upcoming year, which include expanding our market presence, improving our service offerings, and fostering innovation. We plan to leverage our strengths, explore new opportunities, and stay current with industry trends. We are excited to launch new initiatives that will drive our growth and continue to revolutionise the customer experience in the medical aesthetics industry.

We are confident that our continued focus on innovation and customer-centricity will enable us to build a thriving brand synonymous with excellence in medical aesthetics and healthcare. At the core of our mission is a commitment to consistently deliver safe, effective, and high-quality services to our customers. Our success depends on our customers' satisfaction, and we are fully committed to meeting and exceeding their expectations.

We thank our valued stakeholders, esteemed clients, and trusted business partners for their unwavering support. On behalf of the Board of Directors and Management, we thank our doctors and employees for their dedication and hard work. We look forward to achieving new heights in 2024 and beyond by prioritising long-term value creation and customer satisfaction.

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

Business Segments

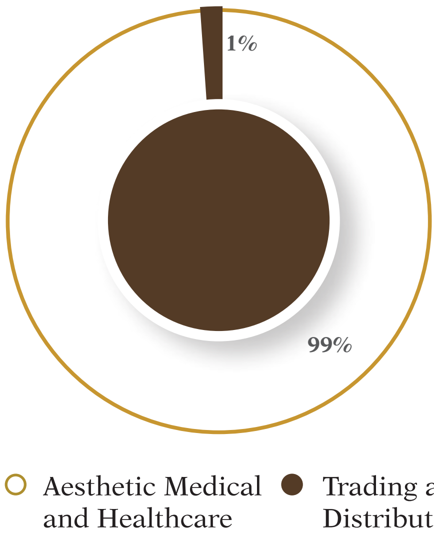
Aesthetic Medical and Healthcare

The provision of aesthetic medical services comprises providing aesthetic medical, beauty and wellness services.

Trading and distribution

Trading and distributing steel raw materials, consumables, instruments, and semi-finished products to steel mills, iron and steel foundries, and aluminum smelters in the Asia-Pacific region. Additionally, the Group provides ancillary services to support our clients' needs.

Business Segment by FY2023 Revenue



Aesthetic Medical and Healthcare

24 Professional Doctors

Professional doctors across diversified medical specialisations such as cosmetic surgery, anaesthesiology, aesthetic medicine, dentistry, dermatology, orthopedic surgery, immunology, oral and maxillofacial surgery and cardiology.

2 Medical Centres

Medical centres are fully equipped with operating theatres for invasive cosmetic surgery and aesthetic medical treatments and wards for patients post surgery.

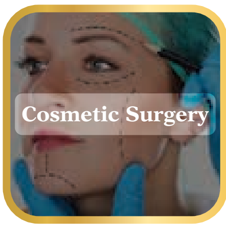
Each medical centre is also equipped with treatment rooms for minimal invasive and non-invasive treatments.

6 Clinics

Each medical centre is equipped with treatment rooms for minimal invasive and non-invasive treatments or MediSpa.

Business Segments

Product And Services



Experienced & Board-certified

All surgeons and anaesthetists are registered under the National Specialist Register (NSR) Malaysia with a combined experience of over 75 years in the field of cosmetic surgery.

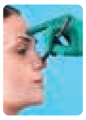
List of top procedures include:
- Facelift
- Blepharoplasty
- Rhinoplasty
- Breast Augmentation
- Tummy Tuck
- Liposuction
- Hair Restoration

Fully Licensed & Accredited

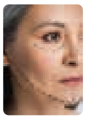
Beverly Wilshire Medical Centre is a fully-integrated medical centre licensed by the Ministry of Health (MOH) Malaysia providing high-quality treatment accessible to as many people as possible.

Top Procedures:
1. Pico Laser
2. CO2 Lasers
3. Thermage
4. Botulinum Toxin (Botox)
5. Fillers
6. Skin Boosters
7. Lasers
8. Thread Lift
9. Fat Reduction
10. Hair Loss Treatment

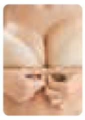
Types of Procedures



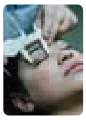
Rhinoplasty
Enhance and alter the size, shape and angle of your nose or correct structural problems with the nose that cause chronic congestion and breathing problems.



Face Lift
Removes or reduces the appearance of wrinkles and sagging of the face caused by age.



Breast Augmentation
Enhance and to correct various facets of body contours. FDA-approved (U.S. Food and Drug Administration) silicone gel-filled breast implants.



Blepharoplasty (Eyelid Surgery)
Cosmetic eye surgery for double eyelids, drooping eyelids, elongating eyes, etc.

Aesthetic Medicine
Injectables
Fillers
Skin Boosters
Platelet Rich Plasma (PRP)
Laser

Skin Tightening Therapy
Thermage
Ultherapy
Thread Lift
Exilis

Weight & Fat Reduction
Fat Reduction Therapy
Weight Management

Hair Treatment
Hair Loss Treatment

Operations and Financial Review

REVIEW OF GROUP'S FINANCIAL PERFORMANCE

Revenue

The Group's revenue from its Aesthetic Medical and Healthcare segment declined by S$2.13 million or 21%, from S$10.07 million in FY2022 to S$7.94 million in FY2023. The drop in revenue was mainly due to lower sales from its Natasha group entities and Beverly Dentistree Sdn Bhd. The Beverly Wilshire Group of Companies in Malaysia continues to be the Group's revenue driver, accounting for approximately 99% of the Group's revenue in FY2023.

Revenue from the Group's Trading and Distribution segment for FY2023 was S$0.10 million, a decrease of S$0.34 million or 78%, from S$0.44 million in FY2022.

Overall, the Group's total revenue was S$8.04 million in FY2023, a decrease of 23%, or S$2.47 million, compared to S$10.51 million in FY2022.

Operating Result

The Group's gross profit decreased by 23% from S$5.74 million in FY2022 to S$4.40 million in FY2023, mainly due to lower revenue from its Natasha Group.

Other income increased by S$0.03 million from S$0.15 million in FY2022 to S$0.18 million in FY2023 due to rental income and foreign exchange gain.

Other losses decreased by S$0.14 million from S$0.16 million in FY2022 to S$0.02 million in FY2023, mainly due to a lower provision of loss allowance on trade receivables.

Due to reduced marketing expenses, distribution expenses decreased by S$0.02 million from S$0.26 million in FY2022 to S$0.24 million in FY2023.

Administrative expenses decreased by S$1.09 million, or 14%, from S$7.66 million in FY2022 to S$6.57 million in FY2023. This reduction was in line with the fall in revenue. The administrative expenses incurred in FY2023 mainly consisted of operational costs, including staff costs and professional fees.

Finance expenses increased from S$0.25 million in FY2022 to S$0.26 million in FY2023 due to higher interest expenses on borrowings and advances.

The income tax credit decreased by S$0.08 million from S$0.18 million in FY2022 to S$0.10 million in FY2023. This was primarily due to the absence of income tax credit arising from deferred tax liabilities resulting from fair value adjustments to intangible assets in Beverly Wilshire Group.

Due to the factors above, the Group's total comprehensive loss increased by 7% to S$2.39 million in FY2023, compared to S$2.24 million in FY2022.

Operations and Financial Review

REVIEW OF GROUP'S FINANCIAL POSITION

Assets and Liabilities

Assets

The group's total assets decreased from S$7.38 million as of December 31, 2022, to S$7.12 million as of December 31, 2023. This decline can be attributed to:

- Decrease in cash and cash equivalents from S$0.91 million in December 2022 to S$0.28 million in December 2023, offset by increased trade and other receivables.

- Increase in intangible assets of S$1.38 million from S$0.67 million as of 31 December 2022 to S$2.05 million as of 31 December 2023, arising from the acquisition of Beverly Bangsar Sdn Bhd. This was offset by a decrease in property, plant, and equipment due to depreciation, from S$4.52 million as of 31 December 2022 to S$3.36 million as of December 31, 2023.

Liabilities

The total liabilities of the Group decreased by S$1.47 million from S$8.50 million as of December 31, 2022, to S$7.03 million as of December 31, 2023. This decline was due to:

- Decrease in borrowings of S$0.84 million due to decreased loans of S$0.55 million from shareholders and a decreased bank loan of S$0.29 million.

- Decrease in lease liabilities of S$0.68 million for our offices and medical centres.

Working Capital

The Group and the Company incurred a total loss of S$2.41 million (2022: S$2.25 million) and S$1.56 million (2022: S$1.75 million) respectively. The Group has net operating cash inflows of S$0.52 million (2022: cash outflows of S$0.72 million) for the financial year ended 31 December 2023. As of 31 December 2023, the Group's current liabilities exceeded its current assets by S$4.05 million (2022: S$3.45 million).

The Board of Directors (including the Audit Committee) believe that the use of the going concern assumption in preparing the financial statements for the financial year ended 31 December 2023 is appropriate after taking into consideration the following assumptions and measures:

(i) The Company received a financial support undertaking letter from Dato' Ng Tian Sang @ Ng Kek Chuan, whereby he will undertake, for as long as he is a controlling shareholder of the Company, to provide continued financial cash flow support to the Group to enable it to continue its operations as a going concern and meet its liabilities as and when they fall due for the next 18 months.

(ii) The BW Malaysia Entities have confirmed in writing to the Company that they do not require any additional funding from the Company to continue their operations for the next 18 months as of the date of this announcement.

(iii) The financial performance of the aesthetic medical and healthcare segment in Malaysia is expected to continue to improve.

Operations and Financial Review

The Company has on 16 January 2024 announced the completion of the Proposed Share Consolidation. Every fifty (50) existing Shares registered in the name of each Shareholder as at the Share Consolidation Record Date has been consolidated into one (1) Consolidated Share. Prior to the Share Consolidation Effective Date, the issued share capital of the Company comprises 29,107,775,223 Shares, and with effect from the Share Consolidation Effective Date, the issued share capital of the Company comprises 582,155,403 Consolidated Shares, after disregarding any fractions of the Consolidated Shares arising from the Proposed Share Consolidation.

On 20 February 2024, the Company announced the results of the Rights Cum Warrants Issue.

Based on the total issued share capital of the Company of 582,155,403 Shares as at the Record Date, a total of 216,241,454 Rights Shares with 216,241,454 2023 Warrants were available for subscription under the Rights Cum Warrants Issue.

As at the close of the Rights Cum Warrants Issue on 15 February 2024, valid acceptances and valid excess applications for a total of 5,294,342 Rights Shares with 5,294,342 2023 Warrants, representing approximately 2.44% of the 216,241,454 Rights Shares with 216,241,454 2023 Warrants available for subscription under the Rights Cum Warrants Issue, were received.

The proceeds arising from the Rights Cum Warrants Issue were approximately S$185,300 which will be utilised towards partial payment of the costs and expenses incurred in connection with the Rights Cum Warrants Issue.

The Company is intending to make further acquisitions, which, if and when completed, are expected to generate additional revenue for the Group, support the Group's cashflow, and ensure that the Group can continue to operate as a going concern.

Subject to obtaining the permission and necessary approvals of SGX-ST, the Company also intends to raise funds of about S$2 million or more via future fund-raising exercises to make profitable acquisitions to further support the Company to operate as a going concern.

The Group intends to conduct various corporate exercises to improve the Group's fundings, net tangible assets position and improve its shareholders' equity.

Board of Directors

Mr. Yap Siean Sin
Independent Non-Executive Chairman

Mr. Yap Siean Sin was appointed as an Independent Director of the Company on 27 June 2017. He was subsequently re-designated as an Independent Non-Executive Chairman of the Company on 1 January 2023. Mr. Yap holds post-graduate qualifications in architecture as well as in town planning. Mr. Yap has extensive experience as a consultant architect and town planner, and also in the business management of numerous construction and property development projects in Malaysia, Singapore and the People's Republic of China. He is a corporate member of the Royal Institute of British Architects, the Malaysian Institute of Town Planners, the Malaysian Institute of Architects, and the British Institute of Interior Design, and is also an Associate Member of the British Institute of Building Engineers. He holds a Bachelor of Science (Hons) degree in Architecture, a Post Graduate Diploma in Architecture from Robert Gordon University in Aberdeen, UK and a Post Graduate Diploma in Town Planning from the University of Westminster in London, UK.

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

Dato' Ng Tian Sang @ Ng Kek Chuan was appointed as Non-Executive Chairman of the Company on 29 November 2019. He was subsequently appointed as Executive Chairman and Chief Executive Officer of the Company on 1 June 2020. On 1 January 2023, he was re-designated to Deputy Chairman and Chief Executive Officer of the Company. Dato' Ng oversees the overall management of the Group's business. He also leads the strategic review of the Group's business as well as the implementation of the future plans of the Group as approved by the Board. Dato' Ng is a member of the Malaysian Institute of Accountants (MIA), a member of the Certified Public Accountants (CPA Australia), and a member of the Australian Institute of Company Directors (AICD). He is also the International Honorary President of the Western Australian Chinese Chamber of Commerce (WACCC). Dato' Ng launched his career after acquiring his Bachelor of Commerce degree from the University of Western Australia in 1971. Dato' Ng previously held positions as Business Controller with IBM World Trade Corporation, Malaysia (1973-1979), Executive Chairman of Econstate Bhd., Chairman of PanGlobal Insurance Bhd., and Executive Deputy Chairman of PanGlobal Bhd. (1995-1999), and Deputy President of the Real Estate and Housing Developers Association (REHDA) (1997-1999). Dato' Ng also served as Executive Deputy Chairman of Midwest Corporation Ltd. (2006-2010) and Senior Independent Non-Executive Director of Tropicana Corporation Bhd. (2011-2015).

Board of Directors

Mr. Kong Sin Seng
Independent Director

Mr Kong Sin Seng was appointed as an Independent Director of the Company on 1 May 2023. Mr Kong's work experience over a period of more than 45 years covered a wide range of industries which include Audit, Financial Services, Manufacturing, Oil & Gas, Trading, Property Development, Gaming and Heavy Equipment Distributorship. During his career, he had also worked in many countries like the UK, Malaysia, Singapore, Indonesia, Vietnam, Cambodia, Laos and Nepal. He sat on the Board of Fitters Diversified Berhad as an Independent Non-Executive Director, Audit Committee Chairman, Head of Risk Committee and member of the Nominating Committee from 2001 to 2014. His last held position was the Chief Executive Officer of a public listed company in Malaysia, MyTech Group Bhd. He retired in 2015 and assumed the position as a Non-Independent and Non-Executive Director until 2021. Mr Kong holds a Bachelor of Arts (Honours) awarded by University of Kent, England. He is a member of the Institute of Chartered Accountants in England and Wales.

Mr. Howard Ng How Er
Executive Director and Deputy Chief Executive Officer

Mr. Howard Ng How Er was appointed as Executive Director of the Company on 29 November 2019. He was subsequently appointed as Deputy Chief Executive Officer of the Company on 23 December 2019. Mr. Ng has been leading the Beverly Wilshire Medical Group of Companies since 2017, managing day-to-day operations and implementing strategic business plans. He has introduced new service offerings such as Orthopaedics and Men's Health to expand the Beverly Wilshire Medical Group's market reach. Prior to Beverly Wilshire Medical Group of Companies, Mr. Ng was attached to Tropicana Danga Cove Sdn Bhd, a joint venture between two large property development companies in Malaysia with over 180 acres of development land within Iskandar Malaysia. Mr. Ng has accumulated over 15 years of experience in various industries, including Property Development, Fast-Moving Consumer Products (FMCG) and Information Technology. He holds a Bachelor's degree in Economics from the University of Western Australia.

Mr. Cheung Wai Man, Raymond
Independent Director

Mr. Cheung Wai Man, Raymond was appointed as an independent director of the company on 28 February 2019. He is also an independent director of Atlantic Partners Asia (a MAS-licensed major payment institution in Singapore), a director of Brickstone (a technology company in Singapore focus on supply chain financing in Asia) and a director with Gathercare Singapore (a peer-to-peer (P2P) medical sharing platform founded in Malaysia). Mr. Cheung brings over 20 years of professional experience in insurance and actuarial science, enterprise risk management (ERM), business consultancy, fund management and financial technology (fintech). He is the founder and Chief Executive Officer with Alpha Millennia Technology providing digital microloan and micro-insurance solutions to SMEs and Micro-SMEs via cooperative networks in South-East Asia since 2021. In June 2022, Mr. Cheung was appointed as a Portfolio Manager with Lucerne Asset Management managing a variable capital company (VCC) fund with a focus on environmental, social and governance (ESG) investments in South-East Asia. Mr. Cheung is also a business advisor/consultant to several fintech companies in Asia including ECXX (a licensed digital asset exchange in Singapore), Delta Underwriting Singapore (a Lloyd's coverholder head-quartered in New Zealand) and OneDegree (a licensed digital insurer in Hong Kong). From 2016 to 2018, Raymond was the regional insurance lead with Grab Holdings whom he pioneered and structured the digital insurance solutions in 8 ASEAN countries. Before that, he was the Regional Chief Risk Officer for AIG Asia Pacific and Asia Capital Reinsurance overseeing the enterprise risk management (ERM) implementation in Asia.

Mr. Cheung is a professional trainer/speaker on multiple topics including ERM, actuarial, risk-based capital (RBC), cyber risk management, AML/CFT regulations, personal data protection, fund management, ESG and sustainability as well as emerging technology (including blockchain, AI and machine learning) modules. He is a part-time lecturer in several institutions including Singapore College of Insurance, Nanyang Technological University, Singapore Management University and ESSEC Business School in Singapore. Mr. Cheung holds a Bachelor of Business (Actuarial Science major) from Nanyang Technological University. He is an associate member of the Institute & Faculties of Actuaries, UK and an associate member of the Singapore Actuarial Society.

Executive Officer

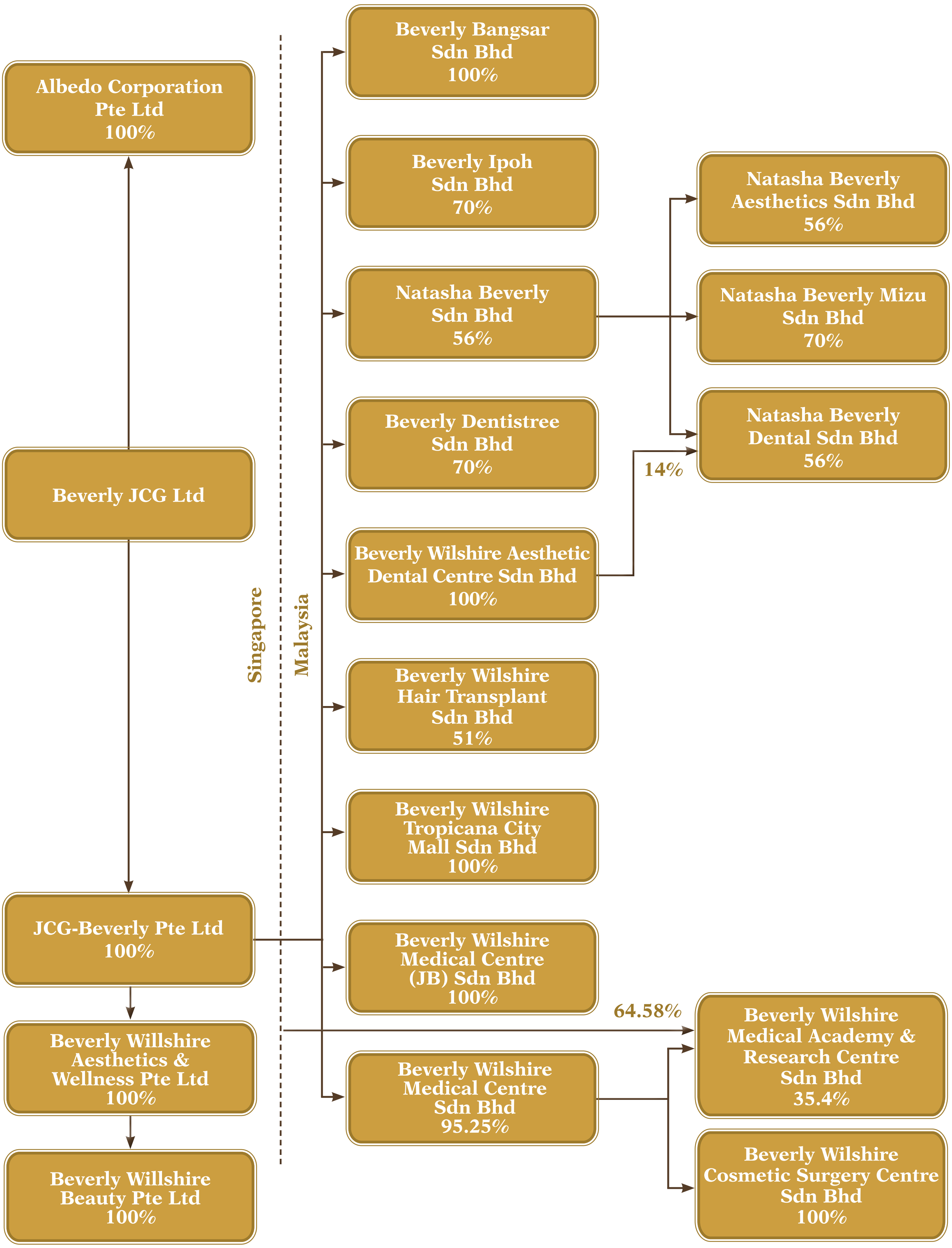
Ms. Toh Chiew Khim, Phyllyst
Chief Financial Officer

Ms. Toh Chiew Khim, Phyllyst joined our group on 24 June 2022 and is our Chief Financial Officer. She is responsible for the Group's financial and management accounting, treasury, taxation and other corporate and regulatory compliance matters.

Before joining the Group, Ms. Toh was the Chief Financial Officer of Sanli Environmental Limited from 2016 to 2020, an environmental engineering company in the field of water and waste management listed on the Catalist board of the SGX-ST. Prior to that, she served for 13 years as Group Financial Controller and Chief Financial Officer at Tiong Woon Corporation Holding Ltd., a leading integrated heavy lift specialist and services provider listed on the mainboard of the SGX-ST.

Ms. Toh graduated with a Diploma in Business Studies from Ngee Ann Polytechnic and subsequently attained a Fellowship from the Association of Chartered Certified Accountants (FCCA). She is a fellow of the Institute of Singapore Chartered Accountants (ISCA).

Corporate Structure



Corporate Information

BOARD OF DIRECTORS

Mr Yap Siean Sin
Independent Non-Executive Chairman

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

Mr Howard Ng How Er
Executive Director and Deputy Chief Executive Officer

Mr Kong Sin Seng
Independent Director

Mr Cheung Wai Man, Raymond
Independent Director

AUDIT COMMITTEE

Mr Kong Sin Seng (Chairman)
Mr Yap Siean Sin
Mr Cheung Wai Man, Raymond

REMUNERATION COMMITTEE

Mr Yap Siean Sin (Chairman)
Mr Kong Sin Seng
Mr Cheung Wai Man, Raymond

NOMINATING COMMITTEE

Mr Yap Siean Sin (Chairman)
Mr Kong Sin Seng
Mr Cheung Wai Man, Raymond

RISK MANAGEMENT COMMITTEE

Mr Cheung Wai Man, Raymond (Chairman)
Dato' Ng Tian Sang @ Ng Kek Chuan
Mr Howard Ng How Er
Mr Kong Sin Seng
Mr Yap Siean Sin

REGISTERED OFFICE

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Ms Ong Beng Hong
Ms Tan Swee Gek

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1 Harbourfront Avenue
Keppel Bay Tower, #14-07
Singapore 098632

INDEPENDENT AUDITOR

RT LLP
Public Accountants and Chartered Accountants
70 Shenton Way #07-15
Eon Shenton
Singapore 079118

Partner-in-charge: Mr Kenneth Ng Boon Chong
Year of appointment: Financial Year ended
31 December 2023

SPONSOR

Evolve Capital Advisory Private Limited
138 Robinson Road
Oxley Tower
#13-02
Singapore 068906

Sustainability Report

The Company has prepared this sustainability report, and the Company's Sponsor, Evolve Capital Advisory Private Limited (the "**Sponsor**"), has reviewed its contents for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

This sustainability report has not been examined or approved by the SGX-ST, and the SGX-ST assumes no responsibility for the contents of this sustainability report, including the correctness of any of the statements or opinions made or reports contained in this sustainability report.

The details of the contact person for the Sponsor are:–
Name: Mr Jerry Chua (Registered Professional, Evolve Capital Advisory Private Limited)
Address: 138 Robinson Road, Oxley Tower, #13-02, Singapore 068906

Board's Statement

We are pleased to present the annual Sustainability Report ("**Report**") of Beverly JCG Ltd ("**BJCG**" or the "**Company**" and, together with its subsidiaries, the "**Group**") for our financial year ended 31 December 2023 ("**FY2023**" or "**reporting period**"). The Sustainability Report covers information for the Group's operating segments, the medical aesthetic segment and trading and distribution segment.

Sustainability is a part of the Group's wider strategy to create long-term value for all its stakeholders. As such, the key material economic, environmental, social, and governance ("**EESG**") factors (collectively, "**Sustainability Factors**") for the Group have been identified and judiciously reviewed by the management.

The data and information provided have not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure the accuracy of data and information. We will consider external assurance in the future. The Board of Directors (the "**Board**") oversees the management and monitoring of these factors and takes them into consideration in the determination of the Group's strategic direction and policies.

REPORTING FRAMEWORK, PERIOD, AND SCOPE

This Report is prepared in compliance with the requirements of Rules 711A, 711B of the SGX Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") and Practice Note 7F: Sustainability Reporting Guide of the Catalist Rules. This Report is also disclosed with reference to the Global Reporting Initiative ("**GRI**") Standards 2021. We have chosen GRI as the sustainability reporting framework as it is internationally recognised and is widely adopted, enabling us to achieve a comprehensive and comparable disclosure of economic, environmental, social and governance performance. This Report highlights the EESG-related initiatives carried throughout a 12-month period, from 1 January to 31 December 2023.

The Company's Sustainability Report summarises the expectations of various stakeholders, the general business environment that the Group is operating in and what the Group has done to ensure the sustainability of the Group over the years. The Board demonstrates to stakeholders our commitment to sustainability reporting steadfastly. In this view, we have subjected our sustainability reporting processes to an internal review.

The information disclosed in this Sustainability Report will provide the reader with a holistic view of the operations of our Group. We will strive to maintain and/or improve the standards of the various EESG factors reported where appropriate and practicable, following the business activities of the Group in the future.

We recognise the importance of aligning with the Task Force on Climate-related Financial Disclosures ("**TCFD**") recommendations, identifying, and addressing climate-related risks and opportunities for our business sustainability. By disclosing this information, our stakeholders will be better informed of the Group's sustainability. We will align with TCFD recommendations in the coming years as we increase our understanding of the risks and opportunities.

FEEDBACK

We welcome feedback from our stakeholders with regard to our sustainability efforts as this enables us to consistently improve our policies, systems, and results. Please send your comments and suggestions to ir@jcg-investment.com.

On behalf of the Board,

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

12 April 2024

Sustainability Governance

Sustainability governance is critical for aligning business practices with societal and environmental needs, managing risks, meeting stakeholder expectations, and ensuring long-term resilience and success. It provides a structured approach to integrating sustainability into the core of the business, contributing to both ethical leadership and responsible corporate citizenship. We have established sustainability governance to advance the Group's sustainability agenda carried out by the Board and management.

The Board is ultimately accountable for oversight of Group's sustainability agenda, including but not limited to, overseeing the management of material Sustainability Factors including climate-related risks and opportunities and integrating sustainability-related considerations in Group's strategic direction and policies. The Sustainability Committee ("**SC**"), chaired by the Chief Executive Officer ("**CEO**") and comprises C-suites and senior management from different operations, manages strategic sustainability efforts and facilitates reporting. The Sustainability Working Group ("**SWG**"), represented by Heads of Departments ("**HODs**") across different operations, coordinates reporting and executes initiatives across different operations.

Approach to Sustainability

OUR SUSTAINABILITY METHODOLOGY

STAKEHOLDER ENGAGEMENT

An important starting point in our sustainability journey is to identify our stakeholders and material EESG factors relevant to our business. BJCG places a high value on the input from internal and external stakeholders, regularly engaging them to gather feedback and understanding their expectations through various channels. This ongoing engagement serves as a foundation for shaping the company's sustainability strategy, allowing it to effectively address material Sustainability Factors. These key stakeholders include, but are not limited to, employees, suppliers and service providers, government and regulators, investors/shareholders and customers. We adopt various channels of communication to understand the needs and concerns of key stakeholders and incorporate these into our corporate strategies to achieve mutually beneficial relationships.

Stakeholders	Engagement Platforms	Frequency of Engagement	Key Concerns Raised	Our Response
Employees	• Open dialogue	Ongoing	• Fair remuneration, compensation, and benefits • Workplace safety	Regular engagement and feedback between staff and Heads of Departments
Suppliers and service providers	• Background review and assessment • Face to face meetings • Discuss terms and conditions to meet the same expectations	Ongoing	• Receipt of timely payments • Quality of products	Establishing mutually agreed-upon terms
Government and regulators	• Regulatory reports • Medical licensing and compliance	As appropriate	• Regulatory compliance • Timeliness of reporting	Compliance with all relevant regulations; code of conduct
Investors/ Shareholders	• Results announcements • Annual report • Annual general meeting • Shareholder engagement	Quarterly Annually As appropriate	• Growth strategy and future plan	Actively engage and promote regular, effective and fair communication with shareholders
Customers	• Social media • E-mail queries • Face to face business transactional engagements	Open dialogue	• Quality of products and services • Customer satisfaction	Obtain timely feedback from customers

Approach to Sustainability

MATERIALITY ASSESSMENT

Our sustainability process begins with the identification and evaluation of various Sustainability Factors. These factors were then rated and clustered to see the most prevalent issues according to stakeholders. On top of the stakeholders' perspective, the SC further assesses the result based on strategic importance and gives different priorities on each issue. Sustainability risk rating process is similar to the Enterprise Risk Management ("**ERM**") exercise which guides us in the materiality assessment. The prioritisation of the Sustainability Factors is done by the SC to propose to the Board which Sustainability Factors will be considered as material that require focused management by the Company and to be disclosed in the Group's sustainability reporting.

Based on the result of the materiality assessment, the Board reviews and validates the outcomes of the assessment. All approved material Sustainability Factors will be addressed in the sustainability report based on the following criteria: Significance of sustainability impacts on stakeholders' interests/ decisions and high importance of sustainability impacts to BJCG Group's businesses.

IDENTIFICATION
Identify actual and potential impacts on the economy, environment, social, and governance that are of relevance to the Group

RATING
Assess the pervasiveness of Sustainability Factors across the Group and cluster similar Sustainability Factors

PRIORITISATION
Prioritise the impacts based on their significance to determine the material Sustainability Factors for reporting

VALIDATION
Internal validation of material Sustainability Factors by Board and disclosure in Sustainability Report

BJCG MATERIAL SUSTAINABILITY FACTORS FY2023

ECONOMIC
Economic Performance
Anti-Corruption

ENVIRONMENTAL
Supplier Environmental Assessment

SOCIAL
Diversity and Fair Employment
Training and Education
Local Communities

GOVERNANCE
Corporate Governance
Code of Conduct
Risk Management

Economic

ECONOMIC PERFORMANCE

At BJCG, we understand the importance of operating sustainably and responsibly. Our focus on economic performance is not only critical to our long-term success, but also essential to our ability to deliver value to all of our stakeholders. BJCG firmly believes that focus on financial sustainability is critical, and we are fully committed to the highest standards of corporate governance. The company's basic principle is that long-term profitability and shareholder value are ensured by taking into account the interests of stakeholders, such as shareholders, employees, suppliers, and society as a whole. We are dedicated to pursuing sustainable growth while managing risks and creating value for all stakeholders. Through our ongoing efforts to improve our economic performance, we are confident that we can continue to build a strong and sustainable business that delivers value over the long term.

For detailed financial results, please refer to the following sections in this Annual Report:

- Operations and Financial Review, pages 6 to 8
- Financial Statements, pages 72 to 148

ANTI-CORRUPTION

BJCG is committed to taking responsibility and playing a part in fighting corruption by ethically conducting our business. We expect lawful and ethical behaviour from all employees and business partners which prohibits any form of bribery and corruption. There were no incidents of corruption during FY2023 (FY2022: Nil), and we have achieved our target. We will maintain zero incidents of corruption as our short, medium and long term target.

Whistle-blowing Policy

Our Group has issued written policies and procedures regarding whistle-blowing to its directors and employees, identifying and illustrating actions or observations that may constitute matters that should be raised and the various avenues through which they may be raised. We have also set up a dedicated email address (report@jcg-investment.com) for reporting purposes to which access is restricted to the Chairman of the Audit Committee ("**AC**") and his designate. In the pursuit of good corporate governance, the Company encourages its officers, employees, and/or any other parties with whom the Group has a relationship to provide information that evidences unlawful, unethical, and fraudulent practices. Our whistle-blowing policy provides a mechanism for employees and external parties to report concerns over alleged wrongful acts. There were no whistle-blowing cases in FY2023 (FY2022: Nil) and we have attained our target. We aim to have no instances of whistle-blowing cases in short, medium and long term.

Environment

BJCG's direct environmental impact is limited as we do not have any manufacturing operations. Nevertheless, we will always strive to avoid and to further reduce any negative environmental impact, whenever possible. The Group sources and buys end products from environmentally friendly companies. If there are any new product launches, we will perform rigorous checks on the upstream suppliers to ensure that they meet our requirements and are aligned with our Group's environmental objectives.

SUPPLIER ENVIRONMENTAL ASSESSMENT

BJCG will continue to reduce its environmental impact and encourage its stakeholders, such as suppliers and trading partners, to meet the same expectations. The Group also performs periodic supplier assessments on vendors to check that they are providing high-quality and green products.

For our medical aesthetic business and trading and distribution business, the Group performs an annual evaluation of the suppliers considering background review and assessment, online meetings, and discussion of terms and conditions to meet the same expectations. Our evaluation in FY2023 comprised:

1) Evaluating potential medical device suppliers, getting them to implement effective controls;

2) Selecting the most suitable suppliers with high delivery performance and quality products;

3) Having reliable partners and a comprehensive portfolio of services along the value chain; and

4) Ensuring that all products were registered with Kementerian Kesihatan Malaysia (Ministry of Health, Malaysia).

The top five suppliers for medical products to the Group in FY2023 were:

No.	Supplier's Name	Materials Supplied	Supplier's Assessment
1	DKSH Holdings (Malaysia) Bhd. ("**DKSH**")	Drugs, Medication, Hospital Consumables, Aesthetic products such as botox, filler, facial threads	DKSH has in place a comprehensive sustainability framework on initiatives covering economic, environmental, and social perspectives. DKSH Annual Report FY2022 – DKSH won the EcoVadis Gold rating for sustainable business practices, ranking among the top 5% of companies in the industry rated by EcoVadis. DKSH's Business Unit Technology partnered with FlowGen, a leading provider of turnkey renewable energy solutions, to market clean energy solutions in the Asia Pacific ("**APAC**") region. DKSH's Business Unit Performance Materials opened a new distribution center in Thailand that is expected to reduce CO2 emissions by 87.6 tons annually.

Environment

No.	Supplier's Name	Materials Supplied	Supplier's Assessment
2	Zuellig Pharma ("**ZP**")	Drugs, Medication, Hospital Consumables such as gauze, syringes, and sutures. Distributing Aesthetic products such as Botox, filler, and facial threads	Zuellig Pharma Sustainability Report 2022 – Bureau Veritas Quality Assurance Pte Ltd to provide independent assurance for general disclosures. ZP has shown a significant improvement in creating awareness among its internal stakeholders on sustainability. ZP achieved a platinum rating under EcoVadis for the second time in a row. ZP achieved a 31% reduction in overall carbon emissions during the reporting period of 2022. Furthermore, ZP's efforts to expand solar panel installations have resulted in a 21% increase in renewable energy use, which has resulted in a 4.3% reduction in electricity related emissions.
3	Duopharma Biotech Bhd ("**Duopharma**")	Medication	Recognising the criticality of climate change mitigation and adaptation, Duopharma Biotech is investing in the transition to a low-carbon economy and also identifies the risk of climate change on operations and plans to manage the risk which include water management as well as to reduce the energy consumption and carbon emissions. There are no material incidents of non-compliance with environmental laws and regulations in FY2022.
4	Everteam Sdn Bhd ("**Everteam**")	Mentor breasts implants, owned by Johnson & Johnson ("**J&J**")	As the world's largest healthcare company, Mentor's brand owner Johnson & Johnson's sustainability approach means generating social, environmental and economic value for all of their stakeholders. J&J 2023 Annual Report – J&J is subject to a variety of U.S. and international environmental protection measures. It believes that its operations comply in all material respects with application laws and regulations.
5	B.Braun Medical Supplies Sdn Bhd ("**B.Braun**")	IV Solutions, disinfectants, hospital consumables	B.Braun Sustainability Report 2022 – The global sustainability team, which is responsible for the topic within the Group in its own Group Sustainability department since 2022, sets the cornerstones for sustainability at B. Braun. In the reporting year, the group was able to reduce CO_2 emissions by 12.7 percent and the total energy consumption, consisting of electricity consumption and thermal energy, dropped by 2.1 percent compared to the previous year. The total volume of waste generated in the reporting year fell 6.2 percent compared to the previous period. On average, more than 67.4 percent of waste is recycled, meaning that separately collected materials are reused according to their material properties.

Environment

Top supplier for metal products of the Group in FY2023 was:

No.	Supplier's Name	Materials Supplied	Supplier's Assessment
1	Wogen Resources Ltd. ("**WRL**")	Nitrogen Vanadium	WRL website – Environmental Policy – WRL recognises that in order to be a successful and valued partner to its customers and stakeholders, business must be conducted in a sustainable manner. This means that, in addition to operating a business that delivers good commercial value in fulfilling customer objectives, WRL must be sure that its services are delivered in a way that does not threaten the ability of future generations to enjoy these same amenities.

Similar to FY2022, we worked with the right partners who are environmentally conscious and will embark on the journey with us toward a more sustainable business in FY2023. We have achieved our target in FY2023. This shall be our business practice and target for short, medium and long term, to continuously work with environmentally conscious business partners towards a sustainable long-term business.

We are aware of heightened concern regarding human rights. UN Guiding Principles on Business and Human Rights ("**UNGPs**") guide companies to prevent, address, and remedy human rights abuses committed in business operations under its three pillars, Protect, Respect, and Remedy. At present, we are increasing our understanding of Human Rights issues. We hold internal dialogues with our employees and suppliers about the issue. While educating ourselves, in FY2023, we strive to prevent any adverse incidents associated with Human Rights in our business operations, guide ourselves, and embed respect across our operations.

DIVERSITY AND FAIR OPPORTUNITY

Board Diversity

BJCG understands and believes that a diverse Board will help improve the overall performance and operation capability of the Company.

Diversity on the Board enhances decision-making capability, and a diverse Board is more effective in dealing with organisational changes. Additionally, diversified views enhance Board discussions and ensure that the decisions made by the Board have been considered from all points of view.

The Nominating Committee (the "**Committee**") reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors.

- In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described in this Policy, to maintain an appropriate range and balance of skills, experience, and backgrounds on the Board.
- In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.
- The Committee will consider the balance of skills, experience, independence, and knowledge of the Company on the Board and the diversity representation of the Board.

Please refer to our Corporate Governance Report on pages 37 to 40 for information on Board Diversity.

We embrace diversity, and at the same time expect all officers and employees to be aligned with the Group's vision and strategic initiatives.

Our hiring is based on manpower requests and all hiring requires our Deputy Chairman/CEO's approval. Our remuneration package is competitive within the healthcare industry. Appraisals and key performance indicators ("**KPIs**") are implemented for performance review. Our employees consist of people coming from different nationalities and academic qualifications and we strive for fair treatment of all our employees. The total number of employees in the Group was 122 in FY2023 (FY2022: 120).

The Group typically holds a range of activities to foster team building amongst our employees such as World Nurse Day, festive celebrations, and birthday celebrations. We maintain staff interaction via Zoom meetings as well as social media such as group chats to ensure that all our staff members are constantly engaged and kept abreast of happenings within the Group.

Similar to the past, we have provided competitive remuneration and benefits to our employees. We also ensure that our employees' health and safety are safeguarded against any potential workplace hazards. In addition, all hiring within the Group was based on related skills, experiences, and qualifications. We strive for fair employment practices and zero workplace discrimination regardless of race, religion, or gender. We have achieved our target in FY2023. There were no workplace accidents reported in FY2023 (FY2022: Nil).

We are committed to providing competitive remuneration and benefits to our employees. We also strive to safeguard our employees' health and safety against any potential workplace hazards. In addition, all hirings within the Group will be based on related skills, experiences, and qualifications. We strive for no workplace accidents and we continue to strive for fair employment practices and zero workplace discrimination regardless of race, religion, or gender. This shall be our target for short, medium and long term.

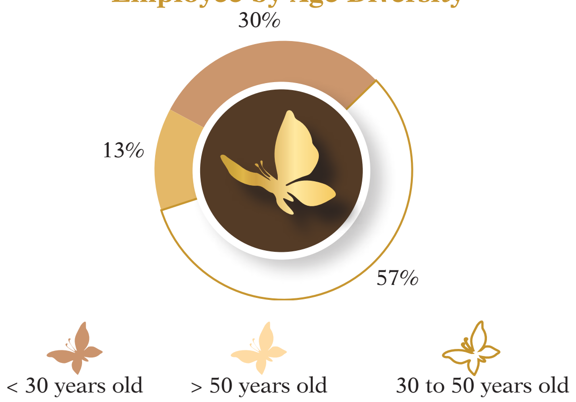
Social

Employee Diversity

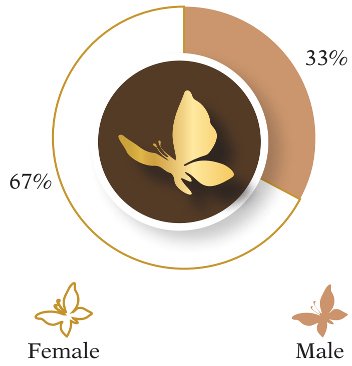
Our headcount distribution is as follows:

FY2023

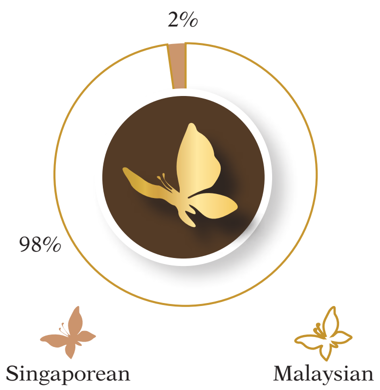
Employee by Age Diversity



Employee by Gender Diversity

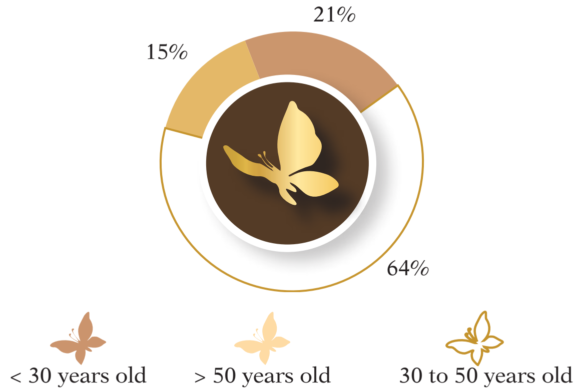


Nationality

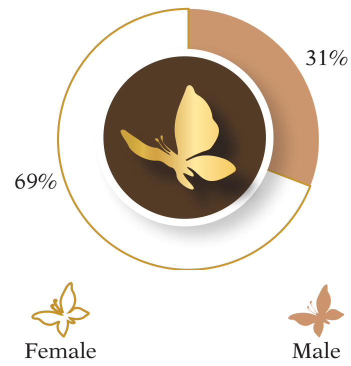


FY2022

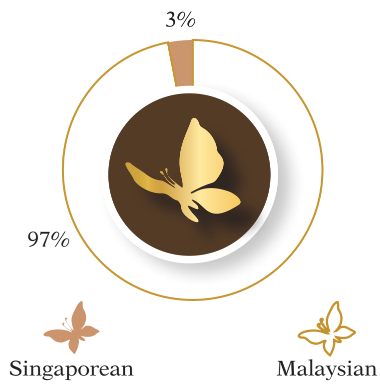
Employee by Age Diversity



Employee by Gender Diversity



Nationality



TRAINING AND EDUCATION

To achieve our sustainability goals, we understand that it is essential to educate and train our employees. We are committed to providing ongoing learning opportunities to help our employees develop the skills and knowledge necessary to support our business continuity. In FY2023, our workforce attended 1,228 (FY2022: 383) total training hours, or 10.0 (FY2022: 3.2) average training hours per employee in total. In FY2023, we monitored the training provided to our staff and confirmed that each employee has attended two trainings this year, in particular 20 Continuing Professional Development (“**CPD**”) points are required each year as prescribed by the Malaysian Medical Academy for Doctors to renew their Annual Practicing Certificate (“**APC**”) and 24 CPD points are required each year as prescribed by the Malaysian Nursing Board for Nurses to renew their APC.

In addition to mandatory continuous medical and technical training as required for the medical staff, we are committed to providing continuous support to upgrade the skills and knowledge of our staff in the area of technical training, especially on nursing department, soft skills training in customer services and sales and management training. We are committed to seeking and identifying relevant courses and seminars for our staff to attend in short, medium and long term.

The trainings attended by the staff include:

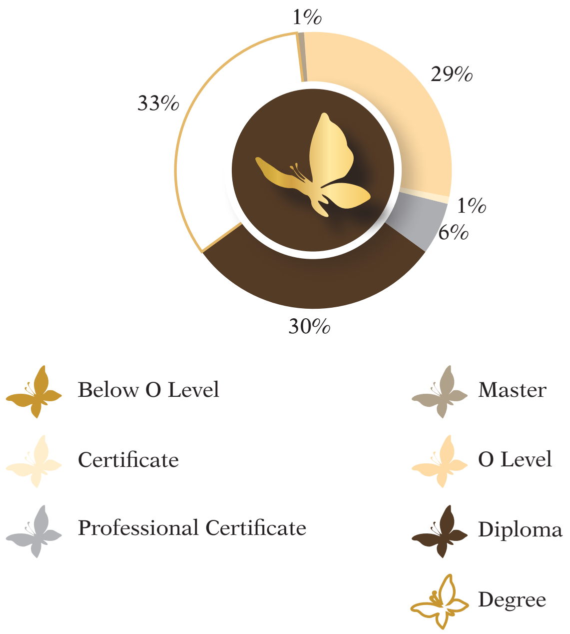
1 Update on Employment Act
2 Briefing on GHS & GPA
3 Briefing on 4 Policies
4 Briefing on 4 Policies (2nd Session)
5 Basic Life Support (BLS) BWJB
6 Basic Life Support (BLS) BWKL
7 PCA Agilia Demonstration
8 GA Equipment Preparation
9 OSHA Amendment Act
10 APHM Conferences & Exhibition
11 Kursus Operator Sterilizer
12 Centralised MSQH Training
13 Seminar Akta Kualiti Alam Sekitar
14 MSQH Orientation Briefing
15 MSQH Onsite Training
16 Compensation and Benefits Training
17 MOSH Conferences
18 Aesthetic Training
19 DI Training and Roleplay
20 Bi Axis Training
21 ACLS Training
22 GPA & GHS Briefing

We have achieved our target and all our employees have attended at least two trainings in FY2023.

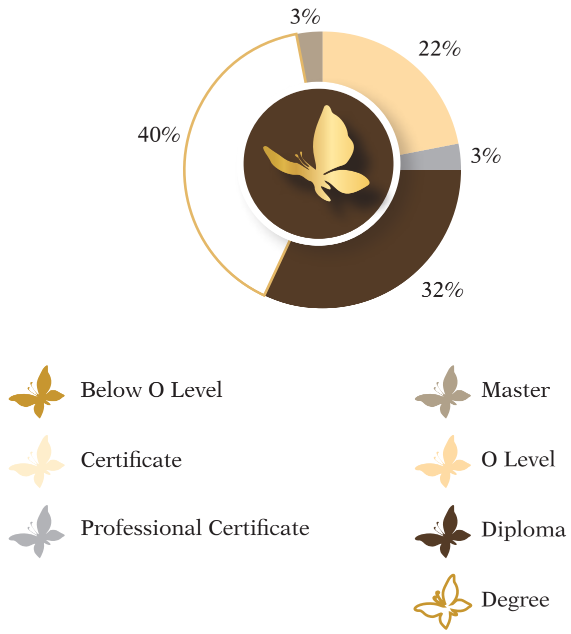
For FY2024 we will monitor the training provided to our medical staff and will ensure that each employee will attend at least two trainings per year, in particular, 20 Continuing Professional Development points are required each year as prescribed by the Malaysian Medical Academy for Doctors to renew their Annual Practicing Certificate and 24 CPD points are required each year as prescribed by the Malaysian Nursing Board for Nurses to renew their APC. In addition to mandatory continuous medical and technical training as required for the medical staff, we are committed to providing continuous support to upgrade the skills and knowledge of our staff in the area of technical training, especially in the nursing department, soft skills training in customer services, sales and, management training.

Social

Qualification Breakdown FY2023



Qualification Breakdown FY2022



LOCAL COMMUNITIES

The Group is committed to serving and giving back to the community. We recognise that for long-term sustainability, we need to achieve a balance between being profit-driven and being a socially responsible corporate citizen.

Staff visit the Rumah Keluarga Kami orphanage in Kajang

Social

To keep our commitment in ensuring sustainable business growth and enriching the lives of the local communities, our main focus of the CSR-related initiatives consistently revolves around addressing the changing needs of our communities. Last year, our dental team consisting of three dentists and four dental staff visited the Rumah Keluarga Kami orphanage in Kajang. This orphanage, registered with the Social Welfare Department, was established by the Society of St. Vincent de Paul to provide a home for underprivileged children who have been victims of child abuse, abandonment, or marginalization, regardless of gender. Since its establishment, over 100 children have resided at the home, and there were 39 children between the ages of 4 and 18 residing there.

The primary objective of the home is to provide underprivileged children with proper nutrition, care, education, a secure place to live, and other basic necessities, as well as love and emotional support. At BW Dental, we are committed to giving back to society and contributing our time and effort to ensure that these children receive consistent, high-quality dental care as part of their overall health maintenance program.

Our oral hygiene maintenance program involves dental screenings and oral hygiene instruction on proper brushing techniques. Afterward, each child receives a goodie bag filled with oral hygiene products and joins us for lunch.

In FY2023, we have not organised any CSR-related initiative. We are committed to conducting community development programme or initiatives in the coming financial year as part of our ongoing efforts to give back to the community and assist underprivileged individuals wherever we are able.

CLIMATE-RELATED DISCLOSURES

As the world continues to experience the effects of climate change, the importance of addressing climate-related risks and capitalising on opportunities for the broader impact on climate become more apparent.

Climate-related Disclosure Pillar	Our Approach
Governance	In relation to the disclosures on our governance around climate-related risks and opportunities, please refer to page 16.
Strategy	We are committed to identifying climate-related risks and opportunities faced by our operations and understanding their impacts on our businesses, strategy, and financial planning in subsequent reports.
Risk Management	We will work towards incorporating the relevant climate-related risks and opportunities into our existing risk management framework to strategically manage those risks in the near future. We will provide such disclosures in subsequent reports.
Metrics and Targets	The Group will consider setting and adopting climate-related metrics and targets in subsequent reports.

Governance

CORPORATE GOVERNANCE

The Company adheres closely to the principles and guidelines of the Code of Corporate Governance 2018 (the "**Code**") and other applicable laws, rules, and regulations, including the Catalist Rules. Please refer to pages 31 to 58 of this Annual Report on the details of the Code and our report on the Group's adherence to the Code.

In our dealings with our customers and suppliers, our employees are to strictly uphold the Company's policy on anti-corruption/bribery, and we may also ask our suppliers through a supplier questionnaire on whether they have anti-corruption/bribery policies with their upstream suppliers.

There were no cases of non-compliance to the Code of Corporate Governance in FY2023 (FY2022: Nil). As for our long term commitment, we target to have no cases of non-compliance to the Code of Corporate Governance to meet all the good governance requirements that are expected of us by our stakeholders.

CODE OF CONDUCT

The Group sets out the expected Code of Conduct in its Employee Handbook. BJCG ensures compliance with labour and employment laws, including working hours and stipulated annual, medical, compassionate, maternity, and childcare leave. Furthermore, the Group does not discriminate against anyone because of, among others, age, gender, national origin, disability, religion, sexual orientation, marital or maternity status, union membership, or political opinion. Non-compliance in relation to discrimination must be reported to our Deputy Chairman/CEO who is responsible for the HR function of the Group or through our whistle-blowing system.

There were no instances of non-compliance to the Code of Conduct in FY2023 (FY2022: Nil). We set our perpetual long-term target to have no instances of non-compliance to the Code of Conduct set out in the Employee Handbook.

RISK MANAGEMENT

ERM is an integral part of good corporate governance as well as resource management. A thorough and comprehensive ERM framework enables BJCG to identify, communicate, and manage its risks and exposures in an integrated, systematic, and consistent manner. For detailed disclosure on ERM, please refer to pages 49 to 50 of this Annual Report.

We aim to review the ERM policies regularly to ensure all relevant risks are identified, communicated, managed, and addressed timely.

GRI Content Index

Statement of use	Beverly JCG Ltd has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE		LOCATION
GRI 2: General Disclosures 2021	2-1	Organizational details	Pages 4 to 5
	2-2	Entities included in the organization's sustainability reporting	Page 15
	2-3	Reporting period, frequency and contact point	Page 15
	2-4	Restatements of information	None
	2-5	External assurance	Page 15
	2-6	Activities, value chain and other business relationships	Pages 4 to 5
	2-7	Employees	Pages 23 to 24
	2-8	Workers who are not employees	None
	2-9	Governance structure and composition	Pages 37 to 40
	2-10	Nomination and selection of the highest governance body	Pages 44 to 45
	2-11	Chair of the highest governance body	Page 9
	2-12	Role of the highest governance body in overseeing the management of impacts	Pages 37 to 40
	2-13	Delegation of responsibility for managing impacts	Page 16
	2-14	Role of the highest governance body in sustainability reporting	Page 16
	2-15	Conflicts of interest	Pages 31 to 32
	2-16	Communication of critical concerns	Page 19, 56
	2-17	Collective knowledge of the highest governance body	Page 16
	2-18	Evaluation of the performance of the highest governance body	Pages 44 to 45
	2-19	Remuneration policies	Pages 45 to 47
	2-20	Process to determine remuneration	Pages 45 to 47

GRI Content Index

GRI STANDARD	DISCLOSURE		LOCATION
	2-21	Annual total compensation ratio	Pages 47 to 48
	2-22	Statement on sustainable development strategy	Page 15
	2-23	Policy commitments	Page 23
	2-24	Embedding policy commitments	Page 23
	2-25	Processes to remediate negative impacts	Page 19, 56
	2-26	Mechanisms for seeking advice and raising concerns	Page 17, 19
	2-27	Compliance with laws and regulations	Page 28
	2-28	Membership associations	None
	2-29	Approach to stakeholder engagement	Page 17
	2-30	Collective bargaining agreements	None
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Page 18
	3-2	List of material topics	Page 18
	3-3	Management of material topics	Pages 19 to 28
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Page 19
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	Page 19
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Pages 20 to 22
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Pages 25 to 26
	404-2	Programs for upgrading employee skills and transition assistance programs	Pages 25 to 26
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Pages 23 to 24
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Pages 26 to 27

Corporate Governance Report

The board of directors (the "**Board**") of Beverly JCG Ltd. (the "**Company**") recognises that good corporate governance is an important objective of the Company and its subsidiaries (the "**Group**") and believes that it will in the long term enhance return on capital through increased accountability.

The Company adheres closely to the principles and guidelines of the Code of Corporate Governance 2018 (the "**Code**") and other applicable laws, rules and regulations, including the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**Catalist Rules**") where applicable except where otherwise stated. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code.

This report describes the Company's corporate governance processes and structures that are currently in place for the financial year ended 31 December 2023 ("**FY2023**"), with specific reference made to the principles and guidelines of the Code, and where applicable, deviations from the Code are explained.

(A) BOARD MATTERS

BOARD'S CONDUCT OF ITS AFFAIRS

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

The current Board comprises five Directors – an Independent Non-Executive Chairman, a Deputy Chairman and CEO, an Executive Director and Deputy CEO and two Independent Directors and collectively have the appropriate mix of core competencies and diversity of experience, as set out below:

Mr Yap Siean Sin (Independent Non-Executive Chairman)
Dato' Ng Tian Sang @ Ng Kek Chuan (Deputy Chairman and Chief Executive Officer ("**CEO**"))
Mr Howard Ng How Er (Executive Director and Deputy Chief Executive Officer ("**Deputy CEO**"))
Mr Kong Sin Seng (Independent Director)
Mr Cheung Wai Man, Raymond (Independent Director)

Provision 1.1 of the Code

The primary function of the Board is to protect and enhance long-term value and returns for the Company's shareholders. The Directors are fiduciaries who act objectively in the best interests of the Company and hold Management accountable for performance. The Board sets appropriate tone from the top and desired organisational culture and ensures proper accountability within the Company. Any Director who faces conflicts of interest will recuse himself from discussions and decisions involving the issues of conflict. Besides carrying out its statutory responsibilities, the Board's role is also to:

- appoint Directors and other key personnel and review their performance;
- provide entrepreneurial leadership, set strategic objectives and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- oversee processes relating to the Group's internal controls, risk management, financial performance, compliance practices and resource allocation;
- provide oversight in the proper conduct of the Group's business and assume responsibility for corporate governance;

Corporate Governance Report

- establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interest and the Group's assets;

- identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;

- set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; and

- consider sustainability issues, such as environmental and social factors, as part of its strategic formulation.

Provision 1.2 of the Code

All Directors are familiar with their duties and responsibilities as Directors, and are expected to objectively discharge their duties and responsibilities as fiduciaries in the interests of the Company. The Company has in place an induction program whereby newly appointed Directors will be given briefings and orientation training by the top management of the Company on the business activities of the Group and its strategic directions, as well as their duties and responsibilities as Directors. In addition, pursuant to Catalist Rule 406(3)(a), a director who has no prior experience as a director of an issuer listed on the SGX-ST will undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST. Directors newly appointed in FY2023 will attend and complete the Listed Entity Director modules 1 to 9 courses provided by the Singapore Institute of Director by the end of July 2024. The Directors are briefed by professionals either during Board meetings or at separate meetings on accounting standards and regulatory changes which have an important bearing on the Company and the Directors' obligations to the Company. All the Audit Committee ("**AC**") members receive updates from the external auditors on updates to accounting issues which have a direct impact on financial statements. In addition, the Board encourages its members to participate in seminars and receive training at the Company's expense to improve themselves and develop and maintain their skills and knowledge in the discharge of their duties as directors. The external auditors ("**EA**") had briefed the AC on changes or amendments to accounting standards in FY2023.

Provision 1.3 of the Code

The Board's approval is required for matters such as the Group's financial plans and annual budget, corporate restructuring, mergers and acquisitions, major investments and divestments, material acquisitions and disposals of assets, major corporate policies on key areas of operations, acceptances of bank facilities, the release of the Group's quarterly and full year's financial results and interested person transactions of a material nature. In the course of deliberations, the Directors are obliged to act in good faith and consider at all times the interests of the Company.

A formal document setting out the following has been adopted by the Board:

(a) the matters reserved for the Board's decision; and

(b) clear directions to Management on matters that must be approved by the Board.

Apart from matters that specifically require the Board's approval, the following disbursements require the prior approval of the AC:

(a) disbursements of funds by the Company (excluding routine payment such as salaries) exceeding S$25,000; and

(b) disbursements of funds by subsidiaries of the Company (excluding routine payment such as salaries and doctors' commissions) exceeding S$50,000.

Apart from matters that specifically require the Board's or the AC's approval, disbursements of funds by subsidiaries of the Company (excluding routine payment such as salaries and doctors' commissions) between S$25,000 up to S$50,000 require prior approval from the Chief Financial Officer of the Company (the "**CFO**"). In addition, the engagement of professional services above S$30,000 is required to be approved by the Board.

The Board had formally met a total of eleven times including several ad-hoc meetings in FY2023.

Provision 1.4 of the Code

To assist the Board in its functions, the Board has established various Board Committees, namely the AC, Remuneration Committee ("**RC**"), Nominating Committee ("**NC**") and the Risk Management Committee ("**RMC**") which were constituted with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. During FY2023, the AC, NC and RC were made up solely of Independent Directors and the RMC comprised of three Independent Directors and two Executive Directors. All Board Committees are made up of a majority of Independent Directors and the effectiveness of each committee is regularly monitored by the Board.

DELEGATION BY THE BOARD

AUDIT COMMITTEE

As at the date of this Annual Report, the AC comprises three Independent Directors as follows:

Mr Kong Sin Seng (Chairman)
Mr Yap Siean Sin
Mr Cheung Wai Man, Raymond

All current members of the AC are non-executive directors, all of whom are considered to be independent.

The AC is guided by the Code when performing its functions.

Its duties include, *inter alia*, overseeing the quality and integrity of the accounting, auditing, internal controls and financial practices of the Group and its exposure to risks of a regulatory and legal nature. It also reviews the effectiveness of the Company's systems of accounting and internal controls.

In FY2023, the AC had formally met a total of four times.

Further details about the AC may be found on pages 50 to 52 of this report.

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NOMINATING COMMITTEE

As at the date of this Annual Report, the NC comprises three Independent Directors as follows:

Mr Yap Siean Sin (Chairman)
Mr Kong Sin Seng
Mr Cheung Wai Man, Raymond

Under its terms of reference, the principal functions of the NC are:

- to make recommendations to the Board on all Board's appointments and re-nominations;
- to propose objective performance criteria to evaluate the Board's performance;
- to assess and determine annually the independence of the Directors; and
- to assess whether any Director, who has multiple board representations, is able to and has been adequately carrying out his duties as a Director.

The NC had formally met once in FY2023. It has also implemented a process for assessing the effectiveness of the Board as a whole.

Further details about the NC may be found on pages 41 to 45 of this report.

REMUNERATION COMMITTEE

As at the date of this Annual Report, the RC comprises three Independent Directors as follows:

Mr Yap Siean Sin (Chairman)
Mr Kong Sin Seng
Mr Cheung Wai Man, Raymond

Under its terms of reference, the principal functions of the RC are, *inter alia*:

- to recommend the Non-Executive and Executive Directors' (if applicable) remuneration to the Board;
- to review and approve the CEO's and senior management's remuneration; and
- to review all benefits and long-term incentive schemes (including share option schemes) and compensation packages for the Directors and senior management.

In FY2023, the RC had formally met once.

Further details about the RC can be found on pages 45 to 47 of this report.

RISK MANAGEMENT COMMITTEE

As at the date of this Annual Report, the RMC comprise three Independent Directors and two Executive Directors as follows:

Mr Cheung Wai Man, Raymond (Chairman)
Dato' Ng Tian Sang @ Ng Kek Chuan
Mr Howard Ng How Er
Mr Yap Siean Sin
Mr Kong Sin Seng

Under its terms of reference, the principal functions of the RMC are, *inter alia*:

- to review and recommend appropriate risk management strategies, policies and risk tolerances in line with the Group's business objectives for the Board's approval to safeguard shareholders' investments and the Company's assets;
- to review and recommend new investment projects to the Board;
- to ensure the ability of the Group to meet changes in significant risks and respond to constant changes to the business and/or external environment;
- to ensure that risk management and internal control systems are available to manage the risk and corrective measures undertaken to address failings and/or weaknesses;
- to ensure the effectiveness of measures deployed by the Management to address those risks (i.e. accept, avoid, transfer or mitigate the risks);
- to obtain the assurance from the Management that the risk management and internal control system is operating adequately and effectively in all material aspects; and
- to promote healthy risk culture and observe dysfunctional trends that could undermine the performance of risk management process.

In FY2023, the RMC had formally met once.

Further details about the RMC can be found on pages 49 to 50 of this report.

Corporate Governance Report

Provision 1.5 of the Code

The Directors attend and actively participate in Board and Board Committee meetings. The number of meetings held by the Board and Board Committees and attendance thereat during FY2023 are as follows:

DIRECTORS	Board No. of meetings		AC No. of meetings		RC No. of meetings		NC No. of meetings		RMC No. of meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Dato' Ng Tian Sang @ Ng Kek Chuan	11	11	4(1)	2	0	0	1	0	1	1
Howard Ng How Er	11	9	4(1)	2	0(1)	0(1)	1(1)	1(1)	1	1
Lam Lee G(2)	11	3	4	1	1	1	1	1	1	1
Yap Siean Sin	11	11	4	4	1	1	1	1	1	1
Cheung Wai Man, Raymond	11	11	4	4	1	1	1	1	1	1
Kong Sin Seng(3)	11	8	4	3	1	0	1	0	1	0

Notes:

(1) Attendance by invitation.

(2) Dr Lam Lee G ceased to be the Lead Independent Director, Chairman of AC and a member of the NC, RC and RMC with effect from 28 April 2023.

(3) Mr Kong Sin Seng was appointed as an Independent Non-Executive Director, Chairman of AC and a member of the NC, RC and RMC with effect from 1 May 2023.

Provision 1.6 of the Code

All Directors are to be from time to time furnished with information concerning the Group to enable them to be fully cognisant of the decisions and actions of the Group's executive management. Management is to provide the Board with unrestricted access to the Company's records and information and complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities. In order to enable the Independent Directors to understand the Group's business, the business and financial environment as well as the risks faced by the Group, the Management is to provide, *inter alia*, the following information to the Independent Directors:

1) board papers (with background or explanatory information relating to the matters brought before the Board, where necessary);

2) updates to the Group's operations and the markets in which the Group operates in; and

3) external auditors' report(s).

The Constitution of the Company provides for Directors to convene meetings by teleconferencing or other similar means e.g. videoconferencing. When a physical Board meeting is not possible, timely communication with members of the Board can be achieved through electronic means.

Provision 1.7 of the Code

The agenda for Board meetings is prepared in consultation with the Chairman. Agendas and board papers (where relevant) are prepared for each meeting and will normally be circulated in advance of each meeting. Senior members of management staff are available to provide explanatory information in the form of briefings to the Directors or formal presentations in attendance at Board meetings, or by external consultants engaged on specific projects.

The Board has separate and independent access to the Company Secretary and Management at the Company's expense at all times in carrying out their duties. Each Director has separate and independent access to external advisers and the right to seek independent legal and other professional advice as and when necessary to enable him to discharge his responsibilities effectively, the cost of such professional advice will be borne by the Company.

The appointment and the removal of the Company Secretary is a decision for the Board as a whole. The Company Secretary and/or a representative of the Company Secretary attends all meetings of the Board and Board Committees of the Company and ensures that Board procedures are followed and that applicable rules and regulations are complied with. The minutes of Board and Board Committees' meetings are circulated to the Board.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Provision 2.1 of the Code

The criterion of independence is based on the definition given in the Code and Rule 406(3)(d) of the Catalist Rules. The Board considers an "independent" director as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company. Under Rule 406(3)(d) of the Catalist Rules, a director will not be considered independent (i) if he is employed by the Company or any of its related corporations for the current or any of the past three financial years, (ii) if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the remuneration committee of the Company, or if he has been a director for an aggregate period of more than 9 years (whether before or after listing).

With three Independent Directors, the Board is able to exercise independent judgment on corporate affairs and provide management with a diverse and objective perspective on issues. Board members also have separate and independent access to the Company's senior management on an ongoing basis. The Independent Directors have confirmed that they are independent in conduct, character and judgement, and do not have any relationship with the Company or its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment in the best interests of the Company. The Independent Directors have further confirmed their independence according to the conditions set out in Rule 406(3)(d) of the Catalist Rules. There are no Directors who have served on the Board beyond nine (9) years from the date of their first appointment.

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Provisions 2.2 and 2.3 of the Code

Provision 2.3 of the Code states that Non-Executive Directors should make up a majority of the Board to avoid undue influence of the management over the Board and ensure appropriate checks and balances are in place. The current Board, of which three out of five of the Directors are Non-Executive Directors, is able to exercise its powers objectively and independently from the management. All of the Non-Executive Directors are also Independent Directors. The Independent Directors are Mr Yap Siean Sin, Mr Kong Sin Seng and Mr Cheung Wai Man, Raymond. The Board had, with effect from 1 January 2023, re-designated Dato' Ng Tian Sang @ Ng Kek Chuan from Executive Chairman and CEO to Deputy Chairman and CEO, and re-designated Mr Yap Siean Sin from Independent Director to Independent Non-Executive Chairman.

Provision 2.4 of the Code

The composition of the Board and Board Committees have been reviewed by the NC to ensure that the Board has the appropriate balance and mix of skills, knowledge, experience and diversity, and collectively possess the necessary core competencies for effective functioning and informed decision-making. The NC is of the view that the current Board comprises persons who as a group provides capabilities required for the Board to be effective.

As of the date of this report, there are no Independent Directors of the Company who sit on the board of the Company's principal subsidiaries. Having regard to factors such as the expertise, skills, knowledge, experience and perspectives which the Board needs to meet the challenges in the business of the Group, the Board will constantly examine its size and its committees' size and, with a view to determine such impact upon its effectiveness and, decide on what it considers an appropriate size for the Board which facilitates effective decision making. The Board considers the present Board and Board Committees' size appropriate for the current nature and scope of the Group's operations. With the introduction of Rule 710A of the Catalist Rules effective from 1 January 2022, the Board has since formulated and maintained a formal Board Diversity Policy which takes into consideration criteria such as age, gender, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Board has since updated its Board Diversity Policy to include specific diversity targets in relation to gender representation, skills and expertise diversity and representation of independence directors on the Board. If a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new director, the NC will consider the benefits of all aspects of diversity including, but not limited to, those described in the Board Diversity Policy and select the appropriate candidate for the position. Details of the Board Diversity Policy have been made available to all directors of the Company. The following table shows the Company's targets and the progress towards achieving these Board diversity targets:

Diversity Targets, Plans and Timelines	Targets Achieved/Progress Towards Achieving Targets
Gender	
To have at least 1 female Director on the Board.	**Target in Progress** – The Company has set an internal target to have a representation of at least one female director on its Board by FY2030.

<table>
<tr><td colspan="2">Skills and Expertise</td></tr>
<tr><td>To ensure that Directors on the Board have relevant skillsets and experience. The Board has identified the following core competencies:

(i) Accounting or Finance
(ii) Business Management
(iii) Legal or Corporate Governance
(iv) Relevant Industry Knowledge or Experience
(v) Strategic Planning Experience
(vi) Customer Based Experience or Knowledge
(vii) Information Technology

The Company believes that diversity in skillsets would support the work of the Board and Board Committees and the needs of the Company, and that an optimal mix of experience would help shape the Company’s strategic objectives and provide effective guidance and oversight of Management and the Company’s operations.</td>
<td>Target Met – The identified core competencies possessed by the current Board is as follows:

<table>
<tr><th>Core Competencies</th><th>Number of Directors</th></tr>
<tr><td>Accounting or finance</td><td>5</td></tr>
<tr><td>Business management</td><td>5</td></tr>
<tr><td>Legal or corporate governance</td><td>5</td></tr>
<tr><td>Relevant industry knowledge or experience</td><td>5</td></tr>
<tr><td>Strategic planning experience</td><td>5</td></tr>
<tr><td>Customer based experience or knowledge</td><td>4</td></tr>
<tr><td>Information technology</td><td>4</td></tr>
</table></td></tr>
<tr><td colspan="2">Board Independence</td></tr>
<tr><td>To have a Board with at least 50% Independent Director representation.</td><td>Target Met – Currently the Independent Directors make up 60% of the Board.</td></tr>
</table>

Provision 2.5 of the Code

For FY2023, the Independent Directors had met at least once in the absence of key management personnel. The Independent Directors provide feedback from such meetings to the Board as appropriate.

The Board’s policy in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender. The Board currently comprises Directors who as a group provide core competencies such as accounting or finance, business management, legal or corporate governance, relevant industry knowledge or experience, strategic planning experience, customer-based experience or knowledge as well as information technology. To maintain or enhance the Board’s balance and diversity, the Board, with the assistance of the NC, is looking into conducting an annual assessment of the existing attributes and core competencies of the Board to ensure that they are complementary and enhance the efficacy of the Board. The table below shows the core competencies possessed by the Board.

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	Number of Directors	Proportion of Board
Core Competencies		
– Accounting or finance	5	100%
– Business management	5	100%
– Legal or corporate governance	5	100%
– Relevant industry knowledge or experience	5	100%
– Strategic planning experience	5	100%
– Customer based experience or knowledge	4	80%
– Information technology	4	80%

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and management, and no one individual has unfettered powers of decision-making.

Provision 3.1 of the Code

In compliance with the Code's provisions on the clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Company's business, Mr Yap Siean Sin is the Independent Non-Executive Chairman and Dato' Ng Tian Sang @ Ng Kek Chuan is the Deputy Chairman and CEO of the Company.

The Chairman and CEO of the Company are separate persons and are not related. The roles of the Chairman and the CEO are deliberately kept distinct through a clear division of responsibilities to ensure effective oversight, appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

Provision 3.2 of the Code

As the Independent Non-Executive Chairman, Mr Yap Siean Sin's overall role is to lead and ensure the effectiveness of the Board. This includes, *inter alia*:

- promoting a culture of openness and debate at the Board;
- facilitating the effective contribution of the Directors to the Board and Group affairs;
- encouraging constructive relations between Executive Directors and Non-Executive Directors;
- promoting high standards of corporate governance; and
- setting the Board agenda with Management and conducting effective Board meetings.

The Chairman is also the face of the Board and plays an important role in ensuring effective communication with shareholders and other stakeholders.

The Deputy Chairman and the Company and Group CEO, Dato' Ng Tian Sang @ Ng Kek Chuan, assisted by the Deputy CEO, Mr Howard Ng How Er, plays an instrumental role in developing the business of the Group and provides the Group with leadership and vision. He also takes a leading role in managing the day-to-day operations with the assistance of key management personnel.

<u>Provision 3.3 of the Code</u>

As the roles of the Chairman and the CEO are held by separate individuals who are not related to each other, and the Chairman elected at the Board meetings is an Independent Director, there is no need for the appointment of a lead Independent Director.

The Independent Directors are available to shareholders where they have concerns and for which contact through the normal channels of the Deputy Chairman and CEO, Executive Director and Deputy CEO, Executive Director or Chief Financial Officer have failed to resolve or for which such contact is inappropriate.

While the Deputy Chairman and CEO, Dato' Ng Tian Sang @ Ng Kek Chuan, is the father of the Executive Director and Deputy CEO, Mr Howard Ng How Er, the Board is of the view that it maintains a strong independent element of the Board as the Board comprises majority Independent Directors. The Board is satisfied that there is currently a strong independent element to contribute to effective decision-making.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

<u>Provisions 4.1 and 4.2 of the Code</u>

The Board has established the NC, chaired by Mr Yap Siean Sin. The NC currently comprises of three Independent Directors. The Chairman of the NC is independent and is not associated in any way with any substantial shareholder of the Company.

<u>Provision 4.1 of the Code</u>

Some of the functions of the NC are, *inter alia*, to:

- determine the criteria for the appointment of new Directors, set up a process for the selection of such appointment;
- review nominations for the appointment and re-appointment of Directors (including alternate Directors, if any) to the Board;
- decide on how the Board's, Board Committee's and Directors' performance may be evaluated and propose objective performance criteria for the Board's approval;
- review succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO or the Deputy CEO and key management personnel; and
- review training and professional development programmes for the Board and its Directors.

Corporate Governance Report

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate balance and mix of expertise and experience to enable management to benefit from a diverse perspective of issues that are brought before the Board. The NC is of the view that the Board comprises Directors capable of exercising objective judgment on the corporate affairs of the Company independently of management and that no individual or small group of individuals dominate the Board's decision-making process.

Provisions 4.3 and 4.5 of the Code

With the introduction of Rule 710A of the Catalist Rules effective from 1 January 2022, the Board has since formulated and maintained a formal Board Diversity Policy which takes into consideration criteria such as age, gender, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Board has since updated its Board Diversity Policy to include specific diversity targets in relation to gender representation, skills and expertise diversity and representation of independence directors on the Board. When a vacancy arises under any circumstance, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the NC, in consultation with the Board, will determine the selection criteria and select candidates with the appropriate expertise and experience for the position. The Company may appoint professional search firms and recruitment consultants to assist in the selection and evaluation process if the appointment requires a specific skill set or industry specialisation. The NC will then meet with the short-listed candidate, nominate and recommend the most suitable candidate to the Board for approval. The newly appointed Directors by the Board will be subject to re-election by Shareholders at the next annual general meeting and thereafter, they are subject to the one-third rotation rule pursuant to the Company's Constitution. The NC also ensures that new directors are aware of their duties and obligations.

Provision 4.4 of the Code

In determining the independence of Directors annually, the NC has reviewed and is of the view that Mr Yap Siean Sin, Mr Kong Sin Seng and Mr Cheung Wai Man, Raymond are independent. The Independent Directors have also confirmed their independence in accordance with the Code and Rule 406(3)(d) of the Catalist Rules during the NC meeting held on 28 February 2024 subsequent to FY2023 and all the Independent Directors have provided their independent declarations. In addition, the Independent Directors do not have any relationship as stated in the Code and Rule 406(3)(d) of the Catalist Rules that would otherwise deem any of them not to be independent.

Provision 4.5 of the Code

The NC has adopted internal guidelines addressing competing time commitments that are faced when Directors serve on multiple boards and have other principal commitments. However, the Board, with the concurrence of the NC, has agreed that the Company shall not impose a maximum number of listed board representations on the Directors as the Board is of the opinion that setting a fixed number would not adequately take into account the varied circumstances of each Director. The NC will instead focus on whether a Director has sufficient time to adequately discharge his duties to the Company. The NC would monitor and determine annually, on a case-by-case basis, whether the Directors have given sufficient time and attention to the affairs of the Company and adequately carry out his duties as a Director of the Company.

The NC has reviewed and is satisfied that in FY2023, the Directors, some of who have multiple board representations, have been able to devote adequate time and attention to the affairs of the Company to fulfil their duties as Directors of the Company.

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<u>Provision 4.5 of the Code</u>

The year of initial appointment and last re-election date of each current Director and his current and past directorship(s) in other listed companies are listed below:

Director	Date of initial appointment	Date of last re-election	Current directorships in listed companies	Past directorships in listed companies (preceding three years)	Other principal commitments
Mr Yap Siean Sin	27 June 2017	28 April 2023	Nil	– Asia-Pacific Strategic Investment Limited	– Spring Rise Pte Ltd – Cavacole (5) Pte Ltd – Pacific Coast Pte. Ltd. – Spring Malaysia (MM2H) Sdn. Bhd. – Timur Baiduri Sdn. Bhd. – Arealink Corporation Sdn. Bhd. – Seni Rancang (M) Sdn. Bhd. – Moi Siean Holdings Sdn. Bhd. – Jururancang YSS (Sole Proprietorship) – Arkitek Seni Perundung. (Sole Proprietorship)
Mr Kong Sin Seng	14 May 2018	NA	Nil	– Fitters Diversified Berhad – MyTech Group Bhd	– Beverly Wilshire Sdn Bhd
Mr Cheung Wai Man, Raymond	28 February 2019	29 June 2021	– SDAI Limited	Nil	– Alpha Consultant Pte. Ltd. – Alpha Millennia Technology Pte. Ltd – Alpha Millennia – Consulting Pte. Ltd – Atlantic Partners Asia (SG) Pte Ltd – CER Consultancy Pte Ltd – PT Alpha Millennia Indonesia – Two Actuarial Solutions Pte. Ltd. – BRCA Pte Ltd – JPL Advisory LLP – URock Asset Pte Ltd
Dato' Ng Tian Sang @ Ng Kek Chuan	29 November 2019	28 April 2023	Nil	Nil	–
Mr Howard Ng How Er	29 November 2019	28 April 2022	Nil	Nil	–

Corporate Governance Report

The profiles of the Directors can be found on pages 9 to 10 of this report.

Pursuant to Regulation 90 of the Company's Constitution, at least one-third of the Directors shall retire from office by rotation and be subject to re-election at the Company's annual general meeting, except that the Managing Director will not be subject to retirement by rotation or be taken into account in determining the number of Directors to retire. All Directors are required to submit themselves for re-nomination and re-appointment at regular intervals and at least once every three years. In addition, a new Director appointed by the Board during the year shall hold office only until the next annual general meeting and shall then be eligible for re-election at the Company's annual general meeting, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting. The shareholders approve the appointment or re-appointment of Board members at the annual general meeting.

The NC will assess and evaluate whether Directors retiring at each annual general meeting are properly qualified for re-appointment by virtue of their skills, experience and contributions. In accordance with the Company's Constitution, Mr Kong Sin Seng, Mr Howard Ng How Er and Mr Cheung Wai Man, Raymond are due to retire at the Company's forthcoming Annual General Meeting ("**AGM**"). Mr Cheung Wai Man, Raymond shall retire at the 2024 AGM and will not seek re-election.

The NC has recommended to the Board that Mr Kong Sin Seng and Mr Howard Ng How Er be nominated for re-election at the forthcoming AGM. In making the recommendation, the NC had considered Mr Kong Sin Seng's and Mr Howard Ng How Er's overall contributions and performance. Mr Kong Sin Seng abstained from making any deliberations on his re-election.

Mr Kong Sin Seng will, upon re-election as a Director of the Company, remain as the Chairman of the AC and a member of the RC, NC and RMC. Mr Kong Sin Seng will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

Mr Howard Ng How Er will, upon re-election as a Director of the Company, remain as Deputy Chief Executive Officer, an Executive Director and a member of the RMC.

As at the date of this report, all of the Directors have interests in the shares and/or share options in the Company (whether directly or indirectly). Save for Dato' Ng Tian Sang @ Ng Kek Chuan and Mr Howard Ng, none of the Directors holds shares in the subsidiaries of the Company. Further details on Dato' Ng Tian Sang @ Ng Kek Chuan and Mr Howard Ng's interest in subsidiaries of the Company may be found on page 60 of this report.

The Company does not have any alternate directors.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole and that of each of its committees and individual directors.

The effectiveness of the Board will ultimately affect the performance of the Group. The Board ensures compliance with the applicable laws and the Board members should act in good faith, with due diligence and care in the best interests of the Company and its shareholders.

The performance of the key executives will be reviewed annually by the NC and the Board.

Provision 5.1 of the Code

The NC has established an appraisal process to assess the performance and effectiveness of the Board as a whole. For this purpose, the NC has developed a checklist to assist in its assessment of the effectiveness of the Board and of each board committee separately as well as the contribution by the Chairman, Deputy Chairman and CEO and each individual director at least once every year. Feedback and comments received from the Directors are reviewed by the NC. In its assessment, the NC takes into consideration the frequency of the Board meetings, Board independence, the rate at which issues raised are adequately dealt with, the effectiveness of the Board Committees, and reports from the various committees.

Provision 5.2 of the Code

The NC and the Board has assessed the performance of the current Board, Board Committees and Individual Directors to-date and is of the view that performance of the Board as a whole, the Board Committees and Individual Directors have been satisfactory. No external facilitator has been used for the assessment in FY2023.

Each Director abstains from voting on any resolution and making recommendations and/or participating in any deliberation in respect of the assessment of his performance or re-nomination as a Director.

(B) REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provisions 6.1 and 6.2 of the Code

The Board has established the RC, chaired by Mr Yap Siean Sin. The RC comprises three Independent Directors.

It is within the terms of reference of the RC to review and recommend to the Board, a general framework of remuneration for the Board and key executives and to review and recommend the specific remuneration packages and terms of employment for each Director and the key executives. Each member of the RC abstains from voting on any resolutions and making any recommendations in respect of his remuneration package.

Provision 6.1 of the Code

The RC recommends and reviews remuneration packages of the key executives on a regular basis, with the aim of building a capable and committed management team. The Directors are not involved in deciding their own remuneration.

Provision 6.3 of the Code

The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.

Corporate Governance Report

Provision 6.4 of the Code

If necessary, the RC may seek expert advice outside the Company on remuneration of the Directors and key executives. The RC ensures that in the event of such advice being sought, existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. The Company has not appointed any remuneration consultants for FY2023.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

In setting remuneration packages, the Company takes into consideration the remuneration and employment conditions within the same industry, as well as the Group's performance.

Provision 7.1 of the Code

The remuneration for the key executives comprises a basic salary component and a variable component which is the annual bonus, based on the performance of the Group as a whole and individual performance. The variable annual bonus is structured so as to link rewards to corporate and individual performance and is aligned with the interests of Shareholders and other stakeholders and promotes the long-term success of the Company.

The annual review of the remuneration of the key executives are carried out by the RC to ensure that their remuneration commensurate with their performance, giving due regard to the profitability of the Group, its financial performance as well as general economic conditions under which the Group operates.

Provision 7.2 of the Code

The Independent Directors and non-executive directors (if any) receive directors' fees, in accordance with their contributions, taking into account factors such as effort, time spent, responsibilities of the Directors and the need to pay competitive fees to attract, motivate and retain the Directors. Directors' fees are recommended by the Board for approval at the Company's annual general meeting. At the extraordinary general meeting held on 8 December 2021, shareholder approval was obtained for, inter alia, the part payment of executive directors' salaries, directors' fees for FY2022 and directors' fees for the financial year ended 31 December 2021 ("**FY2021**") in shares, to conserve cash and to provide the Directors with the opportunity to participate in the equity of the Company and motivate them towards better performance through increased dedication and loyalty. It would also encourage the alignment of interests between the Directors and Shareholders whilst not compromising their independence.

Provision 7.3 of the Code

In reviewing and determining the remuneration packages of the Directors and key executives, the RC considers, amongst other things, their responsibilities, skills, expertise and contribution to the Company's performance and whether such remuneration packages are competitive and sufficient to ensure that the Company is able to attract and retain the best available executive talent. The RC also ensures that the remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the Company for the long term.

Provision 8.3 of the Code

The RC (comprising of Mr Yap Siean Sin (Chairman), Mr Kong Sin Seng and Mr Cheung Wai Man, Raymond) also administers the JCG Share Performance Plan (the "**JCG SPP**") which was adopted at an extraordinary general meeting on 30 April 2019 and renewed at the annual general meeting held on 28 April 2023. The criteria to determine the grant of JCG SPP include the employee's rank and responsibilities within the Group, his/her performance, years of service, potential for future development of the employee and the performance of the Group. As at the date of this Annual Report, the Company has issued and allotted 2,083,000 shares on 22 March 2024 pursuant to the JCG SPP.

Further details about the JCG SPP may be found on pages 65 and 66 of this report.

The Company currently does not have any contractual provisions which allow it to reclaim incentives from the Executive Directors and Executive Officers in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on actual performance as opposed to a forecast of the Group and/or the Company as well as the actual results of its Executive Directors and Executive Officers, "claw back" provisions may not be relevant or appropriate.

DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1(a) of the Code

After reviewing the industry practice and analysing the advantages and disadvantages in relation to the disclosure of remuneration of each Director and key management personnel, the Company is of the view that disclosing the exact amount of remuneration would be prejudicial to its business interest given the highly competitive environment. The breakdown of remuneration (in percentage terms) of the Directors, CEO and Deputy CEO of the Company paid for FY2023 is set out below:

Name of Director/CEO	Base Salary	Allowance	Directors Fees	Other Benefits[1]	Total
Between S$250,000 and S$500,000					
Dato' Ng Tian Sang @ Ng Kek Chuan	93%	–	–	7%	100%
Below S$250,000					
Mr Howard Ng How Er	82%	4%	–	14%	100%
Mr Yap Siean Sin	–	–	100%	–	100%
Mr Kong Sin Seng	–	–	100%	–	100%
Mr Cheung Wai Man, Raymond	–	–	100%	–	100%

Notes:

(1) Other benefits include employer's contribution to Employee Provident Fund and bonus.

The Directors' fees for FY2024, as a lump sum, will be subject to the approval by shareholders at the forthcoming AGM.

Corporate Governance Report

Provision 8.1(b) of the Code

The aggregate remuneration paid to the key executive (who are not Directors or the CEO) for services rendered to the Group on an individual basis is below S$250,000 during FY2023 and are set out below:

Name of Key Executive	Base Salary	Allowance	Fees	Other Benefits[1]	Total
Below S$250,000					
Ms Toh Chiew Khim	86%	–	–	14%	100%

Notes:
(1) Other benefits include employer's contribution to Central Provident Fund and bonus.

The Company had one key executive personnel (excluding the Directors) in FY2023. The total aggregate remuneration of the key executive is not disclosed in this annual report as the Board is of the opinion that such disclosure would be prejudicial to the Company's business interests, given the highly competitive conditions in the industry and the fact that the management team consists of only one key executive personnel at any material time (excluding the Directors).

Provision 8.2 of the Code

Save for (a) the Deputy Chairman and CEO, and (b) the Executive Director and Deputy CEO, whose remuneration has been disclosed above, there are no employees of the Company who are substantial shareholders of the Company or are immediate family members of a Director, CEO or a substantial shareholder of the Company and whose remuneration exceeds S$100,000 for FY2023.

There are no termination or retirement benefits, as well as post-employment benefits that are granted to the Directors, CEO and key executives.

(C) ACCOUNTABILITY AND AUDIT

ACCOUNTABILITY

In presenting interim and full year financial result announcements and the annual financial statements to shareholders promptly, it is the aim of the Board to provide the shareholders with a detailed analysis, explanation and assessment of the Group's financial position and prospects.

Management is to provide the Board with unrestricted access to relevant information on a timely basis in order that it may effectively discharge its duties. The Board members are to be provided with up-to-date financial reports and other information on the Group's performance for effective monitoring and decision making. Such updates and provision of information is done via emails, informal meetings and/or telephonic discussions as and when required.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls to safeguard the interests of the company and its shareholders.

The Board reviews annually the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls.

Provision 9.1 of the Code

The AC, on behalf of the Board, reviews the Group's system of internal controls, including financial, operational, compliance and information technology, and risk management policies and systems established by management. This ensures that such system is sound and adequate to provide reasonable assurance of the adequacy and effectiveness of the internal controls, addressing financial, operational, compliance and information technology risks and risk management systems. In addition, the Group has, based on the internal audit performed for FY2023, made improvements to the internal controls and systems to provide reasonable assurance that assets are safeguarded, operational controls are in place, business risks are suitably protected, proper accounting records are maintained and financial information used within the business and for publication, are reasonable and accurate. The Board acknowledges that it is responsible for the overall internal control framework, but recognises that all internal control systems contain inherent limitations and that no cost-effective internal control system will preclude all errors and irregularities as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against loss or misstatement. The Company had in place an Enterprise Risk Management framework during FY2023.

Provision 9.1 of the Code

On 10 January 2020, the RMC was established to assist the Board in determining the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation.

The effectiveness of the internal control systems and procedures are monitored by Management. The Company had engaged Messers BDO Advisory Pte Ltd ("**BDO**") (the "**Internal Auditors**") as its outsourced internal auditor. There was no internal audit work performed in FY2023.

At present, the Board relies on the assurances provided by Management, the external audit reports and management letter prepared by the external auditors on any material non-compliance or internal control weaknesses. Based on the internal controls and risk management systems established and maintained by the Group, reviews conducted by the external auditors and assurance from Management, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology risks, and risk management systems were adequate and effective for FY2023.

Provision 9.2 of the Code

The Board has also received assurance from the Deputy Chairman and CEO, Dato' Ng Tian Sang @ Ng Kek Chuan and the CFO, Ms Toh Chiew Khim:

(a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(b) regarding the adequacy and effectiveness of the Company's risk management and internal controls system.

The system of internal controls provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal control and/or risk management could provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Provision 10.1 of the Code

Specifically, the AC has the following functions:

- reviewing the audit plans and scope of audit of the external auditors, including appraising the quality of their work and the assistance provided to them by the Management;

- recommending to the Board (i) the proposals to the shareholders on the appointment, re-appointment and removal of external auditors and (ii) the remuneration and terms of engagement of the external auditors, after evaluating the external auditors' cost effectiveness, independence and objectivity and the nature and extent of non-audit services provided by them;

- reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;

- reviewing and reporting to the Board at least annually the adequacy of the internal control systems and risk management system of the Group, including financial, operational, compliance and information technology controls, by reviewing written reports from the internal auditors, and Management's responses and actions to correct any deficiencies;

- reviewing the annual financial statements and financial result announcements to shareholders before submission to the Board for adoption;

- reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

- reviewing interested person transactions to ensure that they are on normal commercial terms and not prejudicial to the interests of the Company or its shareholders;

- reviewing the assurance from the CEO and the CFO on the financial records and financial statements; and

- reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

The AC has authority to investigate any matter within its terms of reference, and has full access to, and the co-operation of, the Management and resources which are necessary to enable it to discharge its functions properly. It also has full discretion to invite any executive Director or executive officer to attend its meetings.

In addition to the activities undertaken to fulfil its responsibilities, the AC is kept abreast of the changes to accounting standards and issues which have a direct impact on financial statements via briefing by its external auditors during the AC meetings.

Provisions 10.2 and 10.3 of the Code

The Board has established the AC, chaired by Mr Kong Sin Seng. The members comprise the three Independent Directors of the Company, who collectively bring with them invaluable managerial and professional expertise in the financial and business management spheres. None of the AC members were previous partners or directors of the Company's external audit firm within the last two years and none of the AC members hold any financial interest in the external audit firm.

The AC has met with the Group's external auditors and its management to review accounting, auditing and financial reporting matters for FY2023.

Provision 10.5 of the Code

In FY2023, the AC had met the external auditors separately, without the presence of the Management, to discuss the reasonableness of the financial reporting process, as well as to review the adequacy of audit arrangements with particular emphasis on the observations and recommendations of the external auditors, the scope and quality of their audits and the independence and objectivity of the external auditors.

The AC has reasonable resources to enable it to discharge its functions properly. The Board is of the view that the members of the AC are appropriately qualified to discharge their responsibilities and at least two members of the AC, including the Chairman of the AC, have recent and relevant accounting or related financial management expertise or experience.

The amount of audit fees paid to RT LLP in FY2023 was S$120,000. Non-audit fees paid to RT LLP in FY2023 was S$3,450. Having reviewed, amongst others, the scope and quality of their audits and their independence, the AC is satisfied that the independence and objectivity of the external auditors is not affected during their engagement for the financial year ended 31 December 2023.

The Company has received the notice of nomination from its shareholders dated 7 March 2024 on the appointment of UHY Lee Seng Chan & Co. ("**UHYLSC**") in place of the retiring auditors, RT LLP ("**RT**").

The AC is of the view that the change of auditors is in the best interests of the Company as it would enable the Company to benefit from a change of perspectives. A change of auditors accords with good corporate governance practice and will enable the Company to benefit from fresh perspectives and have access to the views of a new professional audit firm.

Corporate Governance Report

The AC has also considered the Audit Quality Indicators Disclosure Framework issued by the Accounting Corporate Regulatory Authority of Singapore ("**ACRA**"), as well as the criteria for the evaluation and selection of external auditors contained in the Guidebook for Audit Committees in Singapore, in assessing the suitability of UHYLSC as the Company's new auditors. It will be proposed at the upcoming AGM that the Company effects the change of auditors from the financial year ending 31 December 2024. Accordingly, RT will not be seeking re-appointment at the forthcoming AGM of the Company.

The Board, with the concurrence of the AC, is satisfied that UHYLSC will be able to meet the audit requirements of the Group after having considered factors such as the adequacy of the resources and experience of UHYLSC and the audit engagement partner assigned to the audit, UHYLSC's other audit engagements, the size and complexity of the Company, and the number and experience of supervisory and professional staff who will be assigned to the Company's audit. The Board, with the concurrence of the AC, is also satisfied that if UHYLSC is appointed, Rule 712 and Rule 715 read together with Rule 716 of the Catalist Rules will be complied with.

UHYLSC has given their consent to be appointed as external auditors of the Company, subject to the approval of the shareholders at the AGM.

Further information on the appointment of UHYLSC can be found in the Notice of AGM.

INTERNAL AUDIT

The Group has appointed BDO as its outsourced internal auditor since FY2022. BDO assists the Group in reviewing the adequacy and effectiveness of the Group's internal controls based on an annual internal audit plan that covers applicable financial, operational, compliance and information technology controls. As part of the internal audits, they also provide recommendations to the AC and the Board to address any weaknesses in its internal controls.

BDO performs annual internal audit planning in consultation with, but independent of the Management. The internal audit plan is submitted to the AC for approval prior to the commencement of the internal audit work. In addition, the internal auditor may be involved in ad hoc projects initiated by the Management which require the assurance of the internal auditor in specific areas of concerns. BDO is provided with unfettered access to all the Group's documents, properties, information, records and personnel, including the AC. BDO is a suitably appointed qualified firm of accountants who performs their reviews in accordance with the BDO Global IA methodology which is consistent with the International Professional Practices Framework established by the Institute of Internal Auditors ("**IIA**"). The engagement team is headed by a Partner who has more than 25 years of experience in audit and advisory services. The engagement Partner holds a Bachelor of Accountancy Degree (Honours) from the Nanyang Technological University, Singapore, and is a Chartered Accountant of the Institute of Singapore Chartered Accountants and Certified Internal Auditor of the IIA. As the Group's outsourced internal auditors, BDO is required to provide staff of adequate expertise and experience to conduct the internal audits. Members of the internal audit team also have relevant academic qualifications and internal audit experience. The AC is satisfied that the internal audit function is independent, effective, adequately resourced and has the appropriate standing within the Group. There was no internal audit work performed in FY2023.

<u>Provision 10.4 of the Code</u>

BDO reports to the AC on audit matters and reports administratively to the CFO. The AC also reviews and approves the annual internal audit plans and resources to ensure that BDO has the necessary resources to adequately perform its functions. The AC would also decide on the appointment, termination and remuneration of the internal audit function.

(D) SHAREHOLDERS' RIGHTS AND ENGAGEMENT

SHAREHOLDERS' RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The Company treats all shareholders fairly and equitably, in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company takes a serious view of ensuring full and adequate disclosure, in a timely manner, of material events and matters concerning its businesses through SGXNET, public announcements, press releases, circulars to shareholders and annual reports.

Provision 11.1 of the Code

The Company also ensures that shareholders have the opportunity to participate effectively in and vote at general meetings of shareholders. Shareholders are informed of the rules, including voting procedures that govern general meetings of shareholders. Shareholders are entitled to attend the annual general meeting to ensure a greater level of shareholders' participation and for them to be kept up to date as to the Group's strategies and goals. The notice of the annual general meeting is despatched to shareholders, together with explanatory notes at least 14 days before the meeting.

In line with the Catalist Rules, resolutions tabled at general meetings of the Company will be passed through a process of voting by poll which procedures will be clearly explained by the scrutineers at the Company's general meetings.

Provision 11.2 of the Code

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting. For resolutions on the election or re-election of Directors, the Company provides information on the background of the Directors, their contributions to or role in the Company, and the Board and Board Committee positions they are expected to hold upon election or re-election.

Provision 11.3 of the Code

All Directors are in attendance at the Company's annual general meeting to address shareholders' questions relating to the work of the Board committees. The Company's external auditors, RT LLP, will also be present at the annual general meeting and are available to assist the Directors in addressing any relevant queries by the shareholders relating to the conduct of the audit and the preparation and content of their auditors' report.

Corporate Governance Report

The attendance of the Directors of the Company at the Company's general meetings held during FY2023 are reflected in the table below:

Name of Director	General Meetings
Number of meetings held:	4
Number of meetings attended:	
Dato' Ng Tian Sang @ Ng Kek Chuan	4
Howard Ng How Er	4
Yap Siean Sin	3
Lam Lee G(1)	2
Kong Sin Seng(2)	2
Cheung Wai Man, Raymond	4

Notes:
(1) Dr Lam Lee G ceased to be a Director of the Company with effect from 28 April 2023.
(2) Mr Kong Sin Seng was appointed as an Independent Non-Executive Director with effect from 1 May 2023.

Provision 11.4 of the Code

The Company's Constitution allows a shareholder to appoint up to two proxies to attend and vote in the shareholder's place at the general meetings of shareholders. Pursuant to the introduction of the multiple proxies regime under the Singapore Companies (Amendment) Act 2014, indirect investors who hold the Company's shares through a nominee company or custodian bank or through a Central Provident Fund agent bank may appoint more than two proxies to attend and vote at general meetings.

Provision 11.5 of the Code

The Company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. Such minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

Deviation from Provision 11.6 of the Code

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirements, cash flow, general business condition, development plans and other factors as the Directors may deem appropriate. The Board is not recommending any dividends for FY2023 due to the losses incurred and financial position of the Company.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company has adopted quarterly reporting of its financial results since 1 January 2015. It does not practise selective disclosure. In line with the continuous disclosure obligations of the Company pursuant to the Catalist Rules and the Act, the Board's policy is that all shareholders should be informed regularly and on a timely basis of all major developments that impact the Group.

The Company will communicate pertinent information to its shareholders on a regular and timely basis through:

- the Company's annual reports that are prepared and issued to all shareholders. The Board makes every effort to ensure that the annual report includes all relevant information about the Group, including future developments and other disclosures required by the Act and the Singapore Financial Reporting Standards;

- quarterly financial statements containing a summary of the financial information and affairs of the Group for the financial period. These are announced via the SGXNET;

- notices of annual general meeting and extraordinary general meeting;

- announcements via SGXNET on major developments of the Group; and

- the Group's website at https://www.beverlyjcg.com/ from which shareholders can access information on the Group. The website provides, *inter alia*, the profiles of the Group and information on our Board and management.

The Board views the annual general meeting as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues and ask the Directors or the Management questions regarding the Company and its operations, as well as for the Company to understand the views from the shareholders.

<u>Provision 12.1 of the Code</u>

The Company held an annual general meeting in April 2023 which is the principal forum of dialogue and interaction with its shareholders. In addition to the annual general meeting, the Company held three extraordinary general meetings in April, June and December 2023. Before and after the general meeting, the Directors would also take the opportunity to interact with shareholders. For FY2023, the shareholders were invited to submit questions relating to the resolutions to be tabled at the respective meeting and the Company did not receive any substantial and relevant questions from shareholders.

For the forthcoming AGM, shareholders may submit their questions relating to the resolutions set out in the notice of the AGM in advance. The detailed information on the submission of questions has been specified in the notice of AGM.

<u>Deviation from Provision 12.2 of the Code</u>

The Company currently does not have an investor relations policy but considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arises.

<u>Provision 12.3 of the Code</u>

In addition, shareholders who wish to contact the Company may leave their contact details and their feedback or questions to the Company through an online submission form on the Company's corporate website, through which the Company may respond directly to shareholder on such feedback or questions.

Corporate Governance Report

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provision 13.1 of the Code

An important starting point in Company's sustainability journey is to identify our stakeholders and material aspects relevant to the Company's business. The interests and requirements of key stakeholders are also taken into account when formulating corporate strategies. These key stakeholders include, but are not limited to, customers, suppliers, employees, investors, and regulators. The Company adopts both formal and informal channels of communication to understand the needs of key stakeholders, and incorporate these into the Company's corporate strategies to achieve mutually beneficial relationships.

Provision 13.2 of the Code

The information on the Company's arrangements to identify and engage with its material stakeholder groups and to manage its relationships with such groups, and the Company's strategy and key areas of focus in relation to the management of stakeholder relationships during FY2023 will also be set out in the Company's sustainability report which can be found on pages 14 to 30 of this Annual Report.

Provision 13.3 of the Code

The Company maintains a current corporate website (https://www.beverlyjcg.com/) to communicate and engage with stakeholders.

DEALING IN SECURITIES & WHISTLE-BLOWING

In line with Rule 1204(19) of the Catalist Rules and in implementing the directives issued by the AC in 2006, the Group has continued to adopt an internal code in relation to the dealing of shares of the Company, insider trading and whistle-blowing. The Company has issued memoranda relating to dealing in the securities of the Company to its Directors and employees, setting out the implications of insider trading and guidance on such dealings. Directors and key executives are expected to observe insider trading laws at all times. In FY2023, Directors were also issued notices relating to black-out periods within which the Company and Directors and employees of the Company should not deal in the securities of the Company during the period commencing two weeks before the announcement of the Company's interim financial results and one month before the announcement of the Company's full year financial results and ending on the date of the announcement of the results.

Directors and employees are also discouraged from dealing in the Company's shares on short-term considerations. The Company has also issued written policies and procedures regarding whistle-blowing to its Directors and employees, identifying and illustrating actions or observations which may constitute matters which should be raised, and the various avenues through which they may be raised. The Company has also set up a dedicated email address (report@jcg-investment.com) for reporting purposes to which access is restricted to the Chairman of the AC and his designate. In the pursuit of good corporate governance, the Company encourages its officers, employees, and/or any other parties with whom the Group has a relationship to provide information that evidences unlawful, unethical and fraudulent practices.

INTERESTED PERSONS TRANSACTIONS

As a listed company on the Catalist of the SGX-ST, the Company is required to comply with Chapter 9 of the Catalist Rules on interested person transactions ("**IPT**"). The Company has established controls and reporting procedures for handling IPT. These ensure that such transactions are conducted on an arm's length basis and on normal commercial terms and are not prejudicial to the interests of the Company.

IPTs are executed on fair terms and at arm's length regardless of their nature and size. All IPTs are subject to review by the AC to ensure they were carried out on normal commercial terms. In addition, to ensure compliance with Chapter 9 of the Catalist Rules, the AC and the Board have met and will meet regularly at each scheduled quarterly AC and Board meeting to review if the Company will be entering into an IPT and if so, to ensure that the relevant rules under Chapter 9 of the Catalist Rules are complied with. In the event that a member of the AC is involved in any interested person transaction, he will abstain from reviewing that particular transaction.

Saved for the interested person transactions entered into pursuant to the approval of the shareholders at the EGM on 27 June 2023 under Rule 906 of the Catalist Rules, there were no interest person transactions of S$100,000 or more in value per transaction entered into during FY2023.

The Group does not have any interested persons transaction (excluding transaction less than S$100,000) in FY2023 that is disclosable under Rule 920(1)(a)(ii) of the Catalist Rule.

MATERIAL CONTRACTS

Save as set out below and disclosed in the Report of the Directors and Financial Statements, as announced via SGXNET from time to time in compliance with the Catalist Rules, there were no material contracts, not being contracts entered into in the ordinary course of business of the Company or its subsidiaries, involving the interests of the CEO or any Director or controlling shareholders subsisted at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year:–

(i) the Company had entered into a sale and purchase agreement dated 4 April 2023 with the vendors, which includes Dato' Ng Tian Sang @ Ng Kek Chuan, his spouse Datin' Wong Ling Chu, and his sons Mr Howard Ng How Er and Mr Alexander Ng Zhonglie (the "**Vendors**") in relation to the Company's acquisition of 44.2% of the shareholding interests in Beverly Wilshire Medical Centre Sdn. Bhd.;

(ii) the Company had entered into a sale and purchase agreement dated 4 April 2023 with the Vendors in relation to the Company's acquisition of the remaining of 49% shareholding interests in Beverly Wilshire Medical Centre (JB) Sdn. Bhd.;

(iii) the Company had entered into a sale and purchase agreement dated 4 April 2023 with the Vendors in relation to the Company's acquisition of the remaining 49% shareholding interests in Beverly Wilshire Aesthetic Dental Centre Sdn. Bhd.;

Corporate Governance Report

(iv) the Company had entered into a sale and purchase agreement dated 4 April 2023 with the Vendors in relation to the Company's acquisition of the remaining 49% shareholding interests in Beverly Wilshire Aesthetic Tropicana City Mall Sdn. Bhd.;

(v) the Company had entered into a sale and purchase agreement dated 4 April 2023 with the Vendors in relation to the Company's acquisition of 13.6% of the shareholding interests in Beverly Wilshire Medical Academy and Research Centre Sdn. Bhd.; and

(vi) the Company had entered into a sale and purchase agreement dated 4 April 2023 with the Vendors in relation to the Company's acquisition of 100% of the shareholding interests in Beverly Bangsar Sdn. Bhd..

NON-SPONSOR FEES

Non-Sponsor fees of S$140,150 were paid to the Company's sponsor, Evolve Capital Advisory Private Limited for the period 1 January 2023 to 31 December 2023.

SUSTAINABILITY REPORT

During FY2023, the Board has identified economic performance, materials, supplier environmental assessment, diversity and fair employment practice, training and education, code of conduct, enterprise risk management and risk management policy as the key material environmental, social and governance factors. The Sustainability Report can be found on pages 14 to 30 of this Annual Report.

Directors' Statement

For the financial year ended 31 December 2023

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2023 and the statement of financial position of the Company as at 31 December 2023.

In the opinion of the directors,

(a) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 72 to 148 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, based on the assumptions and measures undertaken as described in Note 4 to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Dato' Ng Tian Sang @ Ng Kek Chuan
Howard Ng How Er
Yap Siean Sin
Cheung Wai Man, Raymond
Kong Sin Seng (appointed on 1 May 2023)
Dr Lam Lee G (resigned on 28 Apr 2023)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Directors' interests in shares or debentures", "Share options" and "Share performance plan" in this statement.

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
Company	**At 31.12.2023**	**At 1.1.2023**	**At 31.12.2023**	**At 1.1.2023**
(No. of ordinary shares)				
Dato' Ng Tian Sang @ Ng Kek Chuan	3,388,889,068	1,734,422,533	4,468,199,607	959,635,423
Howard Ng How Er	1,752,485,612	393,011,793	–	–
Yap Siean Sin	60,000,000	60,000,000	–	–
Cheung Wai Man, Raymond	36,100,009	36,100,009	–	–

Directors' Statement

For the financial year ended 31 December 2023

Directors' interests in shares or debentures (cont'd)

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows: (cont'd)

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 31.12.2023	At 1.1.2023	At 31.12.2023	At 1.1.2023
Subsidiaries				
(No. of ordinary shares)				
Beverly Wilshire Medical Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	3,737,405	–	3,942,885
Howard Ng How Er	–	1,314,295	–	–
Beverly Wilshire Medical Centre (JB) Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	1,772,444	–	1,739,736
Howard Ng How Er	–	579,912	–	–
Beverly Wilshire Tropicana City Mall Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	220,509	–	213,174
Howard Ng How Er	–	71,058	–	–
Beverly Wilshire Aesthetic Dental Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	656,347	–	262,538
Howard Ng How Er	–	131,269	–	–
Beverly Wilshire Hair Transplant Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	2,440	2,440	1,960	1,960
Howard Ng How Er	980	980	–	–
Beverly Wilshire Medical Academy and Research Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	–	–	101,210
Howard Ng How Er	–	–	–	17,320
Beverly Wilshire Cosmetic Surgery Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	–	–	2,829
Howard Ng How Er	–	–	–	484
Natasha Beverly Mizu Sdn Bhd				
Howard Ng How Er	30	30	–	–

Directors' interests in shares or debentures (cont'd)

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows: (cont'd)

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 31.12.2023	At 1.1.2023	At 31.12.2023	At 1.1.2023
Company				
(No. of warrants)				
Dato' Ng Tian Sang @ Ng Kek Chuan	701,961,174	701,961,174	199,665,675	199,665,675
Howard Ng How Er	107,184,160	107,184,160	–	–
Cheung Wai Man, Raymond	2,500,009	2,500,009	–	–

(b) The directors' interests as at 21 January 2024 were different from those as at 31 December 2023 as the Company had on 16 January 2024 completed its proposed share consolidation of every fifty (50) existing ordinary shares in the capital of the Company into one (1) ordinary share and adjustment to warrants:

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 21.01.2024	At 31.12.2023	At 21.01.2024	At 31.12.2023
Company				
(No. of ordinary shares)				
Dato' Ng Tian Sang @ Ng Kek Chuan	67,777,780	3,388,889,068	89,363,991	4,468,199,607
Howard Ng How Er	35,049,712	1,752,485,612	–	–
Yap Siean Sin	1,200,000	60,000,000	–	–
Cheung Wai Man, Raymond	722,000	36,100,009	–	–

Directors' Statement

For the financial year ended 31 December 2023

Directors' interests in shares or debentures (cont'd)

(b) The directors' interests as at 21 January 2024 were different from those as at 31 December 2023 as the Company had on 16 January 2024 completed its proposed share consolidation of every fifty (50) existing ordinary shares in the capital of the Company into one (1) ordinary share and adjustment to warrants: (cont'd)

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 21.01.2024	At 31.12.2023	At 21.01.2024	At 31.12.2023
Subsidiaries				
(No. of ordinary shares)				
Beverly Wilshire Medical Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	–	–	–
Howard Ng How Er	–	–	–	–
Beverly Wilshire Medical Centre (JB) Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	–	–	–
Howard Ng How Er	–	–	–	–
Beverly Wilshire Tropicana City Mall Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	–	–	–
Howard Ng How Er	–	–	–	–
Beverly Wilshire Aesthetic Dental Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	–	–	–
Howard Ng How Er	–	–	–	–
Beverly Wilshire Hair Transplant Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	2,440	2,440	1,960	1,960
Howard Ng How Er	980	980	–	–
Beverly Wilshire Medical Academy and Research Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	–	–	–
Howard Ng How Er	–	–	–	–
Beverly Wilshire Cosmetic Surgery Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	–	–	–	–
Howard Ng How Er	–	–	–	–
Natasha Beverly Mizu Sdn Bhd				
Howard Ng How Er	30	30	–	–

Directors' interests in shares or debentures (cont'd)

(b) The directors' interests as at 21 January 2024 were different from those as at 31 December 2023 as the Company had on 16 January 2024 completed its proposed share consolidation of every fifty (50) existing ordinary shares in the capital of the Company into one (1) ordinary share and adjustment to warrants: (cont'd)

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 21.01.2024	**At 31.12.2023**	**At 21.01.2024**	**At 31.12.2023**
Company				
(No. of warrants)				
Dato' Ng Tian Sang @ Ng Kek Chuan	14,039,211	701,961,174	3,993,287	199,665,675
Howard Ng How Er	2,143,670	107,184,160	–	–
Cheung Wai Man, Raymond	50,000	2,500,009	–	–

Share options

Albedo Limited Employee Share Option Scheme (the "ESOS")

The Albedo's Employee Share Options Scheme ("**ESOS**"), approved on 24 February 2006 and 5 May 2010, is administered by a committee ("**Committee**"). The ESOS shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years, commencing on the date on which the ESOS is adopted by Shareholders in the General Meeting. Subject to compliance with applicable laws and regulations in Singapore, the ESOS may be continued beyond the stipulated period with the approval of the Shareholders and relevant authorities. The members of the Committee are:

Yap Siean Sin (Chairman)
Kong Sin Seng
Cheung Wai Man, Raymond

The ESOS provides an opportunity for selected Directors and/or Employees (the "**Participants**") of the Group who have contributed significantly to the growth and performance of the Group (including non-executive Directors), who satisfy the eligibility criteria as set out in the rules of the ESOS, to participate in the equity of the Company and can be summarised as follows:

- Subject to the rules of the ESOS, the aggregate number of shares in respect of which options may be offered to selected Director and/or Participants for subscription in accordance with the ESOS shall be determined at the discretion of the Committee which shall take into account (where applicable) criteria such as the rank and responsibilities within the Group, performance, years of service and potential for future development and the performance of the Group (provided always that the total number of shares in respect of which options may be granted to any one Grantee shall not exceed 10% of the total number of shares available under the ESOS.

- The Committee shall monitor the grant of options carefully to ensure that the number of the shares which may be issued pursuant to the options will comply with the relevant Catalist Rules of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

Directors' Statement

For the financial year ended 31 December 2023

Share options (cont'd)

Albedo Limited Employee Share Option Scheme (the "ESOS") (cont'd)

- The aggregate number of shares over which the Committee may grant options on any date, when added to the total number of shares issued and issuable in respect of all options granted under the ESOS, shall not exceed 10% of the total issued shares of the Company on the day preceding that offer date of the options.

- Under the ESOS, options granted to the Directors and Participants may, except in certain special circumstances, be exercised at any time after the first anniversary but not later than the tenth anniversary from the date of grant. The ordinary shares of the Company ("**Shares**") under options may be exercised in full or in respect of 1,000 Shares or a multiple thereof, on the payment of the exercise price. The exercise price is based on the average of last dealt prices of the Shares on the SGX-ST for the three market days immediately preceding the date of grant rounded to the nearest whole cent. The Committee may at its discretion fix the exercise price at a discount not exceeding 20% to the above price. No options have been granted at a discount.

On 10 January 2019, the Company made an announcement on the SGX-ST relating to the completion of the Propose Corporate Exercises previously announced on 26 August 2018, 17 December 2018 and 31 December 2018. The Company had completed the Proposed Share Consolidation exercise of every two (2) Share Options held by the Participants of the Company at the Book Closure Date on 10 January 2019, into one (1) Consolidated Share Option. Accordingly, the exercise prices of the share options are adjusted to S$0.020 from S$0.010. There is an aggregate of 76,975,000 share options after share consolidation.

There is no movement in the number of options to subscribe for ordinary shares of the Company pursuant to the ESOS during the financial year ended 31 December 2023.

Date of grant	Balance as at 1.1.2023	Options granted/ adjustment	Options cancelled or lapsed	Balance as at 31.12.2023	Exercise price per share option	Exercisable period
2.10.2014	38,487,500	–	–	38,487,500	S$0.020	2.10.2014-1.10.2024
	38,487,500	–	–	38,487,500		

There is no movement in the number of options to subscribe for ordinary shares of the Company pursuant to the ESOS during the financial year ended 31 December 2022.

Date of grant	Balance as at 1.1.2022	Options granted/ adjustment	Options cancelled or lapsed	Balance as at 31.12.2022	Exercise price per share option	Exercisable period
2.10.2014	38,487,500	–	–	38,487,500	S$0.020	2.10.2014-1.10.2024
	38,487,500	–	–	38,487,500		

Since the commencement of the ESOS till the end of the financial year:

- No options have been granted to the controlling shareholders of the Company or their associates (as defined in the Listing Manual of the SGX-ST);

Share options (cont'd)

Albedo Limited Employee Share Option Scheme (the "ESOS") (cont'd)

- No participants other than the directors of the Company have received 5% or more of the total options available under the Scheme;
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted; and
- No options have been granted at a discount.

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

Share performance plan

JCG Share Performance Plan ("JCG SPP")

The JCG Share Performance Plan approved on 26 September 2019 and administered by the Committee is intended to incentivise Participants to excel in their performance and encourage greater dedication and loyalty to the Company. Through the JCG Share Performance Plan, the Company hopes to be able to recognise and reward contributions and services of Participants and motivate Participants to continue to strive for the Group's long-term prosperity. By giving Participants the opportunity to participate in the equity of the Company as opposed to providing solely cash bonus payments for their performance, the JCG Share Performance Plan aims to foster an ownership culture within the Group.

The JCG Share Performance Plan uses methods fairly common among successful multinational companies to incentivise and motivate Participants to achieve pre-determined targets which create and enhance economic value for Shareholders. Unlike the Albedo ESOS, the award of fully-paid Shares, free of charge, to the Participants is intended to be a more attractive form of bonus from the Company to the Participants. In addition, the Company believes that the JCG Share Performance Plan will be more effective than cash bonuses in motivating Participants as it gives them a stake in the ownership of the Company whilst at the same time allowing the Company to offer incentives and remuneration packages compatible with other multinational companies.

The JCG Share Performance Plan is also intended to complement the Albedo ESOS and serve as an additional and flexible incentive tool. With the JCG Share Performance Plan, the Company would be able to tailor share-based incentives according to the objectives to be achieved by combining Awards under the JCG Share Performance Plan with the grant of Options under the Albedo ESOS.

The JCG Share Performance Plan is also intended to reward other Participants (such as the Non-Executive Directors) who have contributed to the success and development of the Group.

The Awards granted under this JCG Share Performance Plan will be determined at the discretion of the Committee which shall take into account (where applicable) criteria such as the rank and responsibilities within the Group, performance, years of service and potential for future development of the selected Participant. The JCG Share Performance Plan awards fully paid shares to the Participants.

Share performance plan (cont'd)

JCG Share Performance Plan ("JCG SPP") (cont'd)

The Award may be granted by the Committee at any time during the period when the JCG Share Performance Plan is in force. As soon as reasonably practicable after making an Award, the Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award, among others, the Award Date, the Performance Period, the number of Shares which are the subject of the Award, the Performance Condition and the Release Schedule.

Any Award made but prior to the vesting shall lapse when, inter alia, the Participant ceases to be in the employment of the Company, ceases to be an Executive Director or a Non-Executive Director of the Company or a Controlling Shareholder or its Associate, or is guilty of misconduct. Other circumstances whereby Awards made would lapse include the bankruptcy of the Participant, the passing of a resolution for the winding up of the Company on the basis, or by reason, of the Company's insolvency.

The total number of Shares which may be granted under the JCG Share Performance Plan when added to the number of Shares issued and issuable under:

a) all Awards granted thereunder;

b) all the Options under the Albedo ESOS; and

c) any other share scheme which the Company may implement from time to time.

Shall not exceed 15% of the issued ordinary shares of the Company (excluding treasury shares) on the day preceding the relevant date of award. In the event the Company establishes any other share plans, the aggregate of shares under all such share plans and all Options granted under the Albedo ESOS will not exceed 15% of the issued ordinary shares of the Company excluding treasury shares from time to time.

In addition, the total amount of new Shares over which the Committee may grant awards on any date pursuant to the proposed JCG Share Performance Plan, when added to the amount of new shares issued and issuable in respect of all awards granted under the proposed JCG Share Performance Plan, available to:

a) all controlling shareholders and their associates must not exceed 25% of the total number of shares available under the proposed JCG Share Performance Plan; and

b) each controlling shareholder or his associate must not exceed 10% of the total number of shares available under the proposed JCG Share Performance Plan.

The JCG Share Performance Plan will continue in force at the discretion of the Committee to a maximum of ten (10) years commencing from 30 April 2019. Subject to compliance with any applicable laws and regulations in Singapore, the proposed JCG Share Performance Plan may continue beyond the stipulated period with the approval of Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.

No share awards are granted during the financial years ended 31 December 2023 and 2022 pursuant to the JCG Share Performance Plan.

Audit committee

The members of the Audit Committee (the "**AC**") at the end of the financial year were as follows:

Kong Sin Seng (Chairman) (appointed on 1 May 2023)
Yap Siean Sin
Cheung Wai Man, Raymond
Dr Lam Lee G (resigned on 28 Apr 2023)

All members of the AC were non-executive and independent directors.

The AC met 4 times in the financial year and carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967. In performing those functions, the AC reviews:

- The scope and the results of internal audit procedures;
- The audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit and the assistance given by the Company's management to the independent auditor;
- The quarterly and annual financial results and the independent auditor's report on the annual financial statements of the Company before their submission to the Board of Directors;
- The effectiveness of the Company's material internal controls, including financial, operational and compliance and information technology controls via reviews carried out;
- The quality of work performed by the independent auditor;
- The legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- The cost effectiveness, the independence and objectivity of the independent auditor;
- The nature and extent of non-audit services provided by the independent auditor;
- The reports of actions and minutes of the AC to the Board of Directors with such recommendations as the AC considers appropriate; and
- The interested person transactions in accordance with the requirements of the Listing Manual of the SGX-ST.

The AC has met with the independent auditor without the presence of the Company's management at least once a year.

Directors' Statement

For the financial year ended 31 December 2023

Independent auditor

The independent auditor, RT LLP, will not be seeking re-appointment at the forthcoming Annual General Meeting.

On behalf of the directors

Dato' Ng Tian Sang @ Ng Kek Chuan Director	Howard Ng How Er Director

5 April 2024

Independent Auditor's Report

To the members of Beverly JCG Ltd. for the financial year ended 31 December 2023

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Beverly JCG Ltd. (the "**Company**") and its subsidiaries (the "**Group**"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information.

We do not express an opinion on the accompanying financial statements of the Group and the statement of financial position of the Company. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Going concern

The following circumstances give rise to material uncertainties on the Group's and the Company's abilities to continue as going concerns and whether the use of the going concern assumption in the preparation of the accompanying financial statements of the Group and the statement of financial position of the Company is appropriate for the current financial year.

As disclosed in Note 4 to the financial statements, the Group and the Company incurred total losses of S$2,412,000 and S$1,555,000 respectively and as at that date, the Group's and Company's current liabilities exceeded their current assets by S$4,052,000 and S$1,412,000 respectively.

Nevertheless, the Board of Directors of the Company believe that the use of the going concern assumption in the preparation of the financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 December 2023 is appropriate after taking into consideration the assumptions and measures elaborated in Note 4 to the financial statements.

The abilities of the Group and of the Company to continue in operational existence in the foreseeable future and to meet their financial obligations as and when they fall due are dependent on the positive outcome of the actions and measures undertaken as disclosed in Note 4 to the financial statements. Therefore, we were unable to obtain sufficient audit evidence to be able to form an opinion as to whether the going concern basis of presentation of the accompanying financial statements of the Group and the statement of financial position of the Company is appropriate.

If the Group and the Company are unable to continue in operational existence in the foreseeable future, the Group and the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may have to reclassify non-current assets and liabilities to current assets and liabilities respectively. The financial statements do not include any adjustment which may arise from these uncertainties.

Independent Auditor's Report

To the members of Beverly JCG Ltd. for the financial year ended 31 December 2023

2. Formal Purchase Price Allocation to be completed

The Group acquired a 100% stake in Beverly Bangsar Sdn Bhd ("**BBSB**") on 15 September 2023 (the "**Acquisition date**").

A Purchase Price Allocation ("**PPA**") exercise was conducted by an external expert and pending finalisation at the reporting date. The PPA exercise is expected to be completed latest by 31 August 2024. This is in compliance with Singapore Financial Reporting Standard (International) 3 *Business Combinations*, which allows the Group to complete the assessment of the PPA within a year.

Prior to the completion of the formal PPA exercise, the Group has performed a provisional PPA exercise. The provisional PPA exercise has resulted in an element of goodwill amounting to S$1,045,000. A formal PPA exercise is likely to attribute fair values to the respective assets acquired and liabilities assumed which could cause the residual goodwill value to change.

In view of the above, we were unable to obtain sufficient appropriate audit evidence, subject to the completion of the formal PPA exercise, with respect to:

i. The fair value of identifiable intangible asset of S$345,000;

ii. The fair value of assets acquired of S$720,000;

iii. The fair value of the liabilities assumed of S$581,000; and

iv. The goodwill recognised of S$1,045,000.

3. Impairment assessment of property, plant and equipment and investments in subsidiaries

As at 31 December 2023, the carrying amounts of the Group's property, plant and equipment and the Company's investments in subsidiaries were S$3,355,000 and S$10,711,000 respectively. As at 31 December 2023 and 2022, management has not prepared their impairment assessment on the above non-financial assets in accordance with SFRS(I) 1-36 *Impairment of Assets*, and therefore we were unable to obtain sufficient appropriate audit evidence to support the carrying amount of the Group's property, plant and equipment and the Company's investments in subsidiaries as at 31 December 2023 and the corresponding impact to profit or loss for the year then ended. Any impairment loss which might have been necessary on these balances would have increased the loss for the financial year and reduced the net assets as at that date by the same amount.

4. Impairment assessment of amounts due from subsidiaries

As at 31 December 2023, the Company's amounts due from subsidiaries amounted to S$728,000. As at 31 December 2023 and 2022, management has not prepared their impairment assessment on this balance in accordance with SFRS(I) 9 *Financial Instruments*, and therefore we were unable to obtain sufficient appropriate audit evidence to support the carrying amount of the Company's amounts due from subsidiaries as at 31 December 2023 and the corresponding impact to profit or loss for the year then ended. Any impairment loss which might have been necessary on this balance would have increased the loss for the financial year and reduced the net assets as at that date by the same amount.

Independent Auditor's Report

To the members of Beverly JCG Ltd. for the financial year ended 31 December 2023

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act 1967 (the "**Act**") and the Singapore Financial Reporting Standards (International) ("**SFRS(I)**"), and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Report on Other Legal and Regulatory Requirements

In our opinion, in view of the significance of the matters referred to in the *Basis for Disclaimer of Opinion* section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Kenneth Ng Boon Chong.

RT LLP

Public Accountants and
Chartered Accountants
Singapore, 5 April 2024

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2023

	Note	Group 2023 S$'000	Group 2022 S$'000
Revenue	5	8,041	10,510
Cost of sales		(3,641)	(4,769)
Gross profit		4,400	5,741
Other income	6	179	151
Other losses, net	7	(18)	(155)
Expenses			
– Distribution		(241)	(258)
– Administrative		(6,566)	(7,662)
– Finance	10	(263)	(246)
Loss before income tax		(2,509)	(2,429)
Income tax credit	11	97	179
Loss for the year		(2,412)	(2,250)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
– Losses	26(b)(ii)	18	15
Other comprehensive income, net of tax		18	15
Total comprehensive loss		(2,394)	(2,235)
Total loss attributable to:			
Equity holders of the Company		(2,218)	(2,115)
Non-controlling interests		(194)	(135)
		(2,412)	(2,250)
Total comprehensive loss attributable to:			
Equity holders of the Company		(2,200)	(2,100)
Non-controlling interests		(194)	(135)
		(2,394)	(2,235)
Loss per share for loss attributable to equity holders of the Company (cents per share)			
Basic and diluted loss per share[1]	12	(0.49)	(0.54)

[1] The calculation of basic and diluted loss per share have been adjusted retrospectively to reflect the changes in the number of Company's shares due to the share consolidation of 50 existing shares registered in the name of each shareholder into one (1) Consolidated Share on 16 January 2024 as per the requirements of SFRS(I) 1-33, *Earnings per Share*, Paragraph 64.

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position

As at 31 December 2023

	Note	Group		Company	
		2023	2022	2023	2022
		S$'000	S$'000	S$'000	S$'000
ASSETS					
Current assets					
Cash and bank balances	13	283	908	109	529
Trade and other receivables	14	991	814	1,002	840
Inventories	15	447	477	–	–
		1,721	2,199	1,111	1,369
Non-current assets					
Investments in subsidiaries	17	–	–	10,711	2,417
Property, plant and equipment	18	3,355	4,515	137	211
Intangible assets	21	2,045	668	–	–
		5,400	5,183	10,848	2,628
Total assets		7,121	7,382	11,959	3,997
LIABILITIES					
Current liabilities					
Trade and other payables	22	4,038	4,005	1,507	1,693
Income tax payable		6	10	–	–
Lease liabilities	23(a)	687	758	73	68
Borrowings	23(b)	1,042	879	943	627
		5,773	5,652	2,523	2,388
Non-current liabilities					
Lease liabilities	23(a)	1,130	1,743	65	137
Borrowings	23(b)	39	1,041	–	915
Deferred income tax liabilities	24	90	67	–	–
		1,259	2,851	65	1,052
Total liabilities		7,032	8,503	2,588	3,440
NET ASSETS/(LIABILITIES)		89	(1,121)	9,371	557
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	25	84,402	73,887	84,402	73,887
Settlement shares and warrants receivables	16	(3,557)	(3,557)	(3,557)	(3,557)
Other reserves	26	3,021	3,149	3,023	3,169
Accumulated losses		(83,733)	(74,806)	(74,497)	(72,942)
		133	(1,327)	9,371	557
Non-controlling interests	17	(44)	206	–	–
Total equity		89	(1,121)	9,371	557

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2023

	Note	Attributable to equity holders of the Company								
		Share Capital S$'000	**Settlement shares and warrants receivables S$'000**	**Share options reserve S$'000**	**Currency translation reserve S$'000**	**Warrant reserve S$'000**	**Accumulated losses S$'000**	**Total S$'000**	**Non-controlling interests S$'000**	**Total S$'000**
At 1 January 2023		73,887	(3,557)	25	(20)	3,144	(74,806)	(1,327)	206	(1,121)
Net loss for the financial year		–	–	–	–	–	(2,218)	(2,218)	(194)	(2,412)
Other comprehensive income for the financial year		–	–	–	18	–	–	18	–	18
Total comprehensive loss for the financial year		–	–	–	18	–	(2,218)	(2,200)	(194)	(2,394)
Issuance of share capital	25	3,604	–	–	–	–	–	3,604	–	3,604
Changes in ownership interest in subsidiaries	25	6,765	–	–	–	–	(6,709)	56	(56)	–
Expiry of warrants	25	146	–	–	–	(146)	–	–	–	–
Total transactions with owners, recognised directly in equity		10,515	–	–	–	(146)	(6,709)	3,660	(56)	3,604
At 31 December 2023		84,402	(3,557)	25	(2)	2,998	(83,733)	133	(44)	89

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2023

	Note	← Attributable to equity holders of the Company						→		
		Share Capital S$'000	Settlement shares and warrants receivables S$'000	Share options reserve S$'000	Currency translation reserve S$'000	Warrant reserve S$'000	Accumulated losses S$'000	Total S$'000	Non-controlling interests S$'000	Total S$'000
2022										
Beginning of financial year		72,994	(3,557)	25	(35)	3,049	(72,691)	(215)	262	47
Net loss for the financial year		–	–	–	–	–	(2,115)	(2,115)	(135)	(2,250)
Other comprehensive income for the financial year		–	–	–	15	–	–	15	–	15
Total comprehensive loss for the financial year		–	–	–	15	–	(2,115)	(2,100)	(135)	(2,235)
Issuance of share capital	25	988	–	–	–	–	–	988	–	988
Fair value adjustment of warrants	25, 26(b)(iii)	(95)	–	–	–	95	–	–	–	–
Total transactions with owners, recognised directly in equity		893	–	–	–	95	–	988	–	988
Capital contributions from non-controlling interest		–	–	–	–	–	–	–	79	79
End of financial year		73,887	(3,557)	25	(20)	3,144	(74,806)	(1,327)	206	(1,121)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2023

	Note	Group 2023 S$'000	Group 2022 S$'000
Cash flows from operating activities			
Loss before tax		(2,412)	(2,250)
Adjustments for:			
– Income tax credit	11	(97)	(179)
– Loss allowances on trade receivables	29	18	141
– Professional fee by issuance of shares	25(4)	125	–
– Amortisation of intangible assets	21	13	386
– Depreciation of property, plant and equipment	18	1,347	1,531
– Finance expenses	10	263	246
– Modification of lease		(44)	–
– Loss on disposal of property, plant and equipment		1	–
– Unrealised currency translation losses		224	279
		(562)	154
Change in working capital:			
– Trade and other receivables		68	(38)
– Inventories		206	(70)
– Trade and other payables		754	(738)
Cash used in operations		466	(692)
– Interest expense-bank overdrafts		(16)	(28)
– Income tax refunded		(4)	–
Net cash generated from/(used in) operating activities		446	(720)
Cash flows from investing activity			
– Purchase of property, plant and equipment	18	(93)	(113)
– Disposal of property, plant and equipment		8	–
– Acquisition of a subsidiary, net of cash acquired	17(d)	10	–
Net cash used in investing activity		(75)	(113)
Cash flows from financing activities			
– Bank deposit discharged		165	–
– Bank deposit pledged		–	(78)
– Net proceeds from share subscription	25	–	600
– Non-controlling interest contribution		–	5
– Proceeds from advances		–	735
– Proceeds from borrowings		700	1,031
– Repayment of lease liabilities		(975)	(1,076)
– Repayment of borrowings		(723)	(720)
– Interest paid		(22)	(78)
Net cash (used in)/generated from financing activities		(855)	419
Net decrease in cash and cash equivalents		(484)	(414)
Cash and cash equivalents			
Beginning of financial year		384	789
Effects of currency translation on cash and cash equivalents		–	9
End of financial year	13	(100)	384

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2023

Reconciliation of liabilities arising from financing activities

	1 January 2023 S$'000	Financing cash flows[1] S$'000	Operating cash flows S$'000	Interest expense S$'000	Non-cash changes: Purchase of property, plant and equipment S$'000	Modification of lease liabilities S$'000	Currency exchange loss S$'000	Acquisition of subsidiary S$'000	Debts capitalisation S$'000	31 December 2023 S$'000
Borrowings (excluding bank overdraft)	1,590	(45)	–	50	–	–	(29)	76	(915)	727
Lease liabilities	2,501	(975)	–	140	84	(44)	(24)	135	–	1,817
Trade and other payables	4,005	–	754	58	–	–	–	256	(1,035)	4,038

	1 January 2022 S$'000	Financing cash flows[1] S$'000	Interest expense S$'000	Purchase of property, plant and equipment S$'000	Non-cash changes: Changes in working capital S$'000	Non-controlling interest contribution S$'000	31 December 2022 S$'000
Borrowings (excluding bank overdraft)	1,279	266	45	–	–	–	1,590
Lease liabilities	2,259	(1,076)	145	1,173	–	–	2,501
Trade and other payables	4,471	707	28	–	(1,127)	(74)	4,005

(1) The cash flows make up the net amount of proceeds from borrowings, repayments of borrowings and repayment of lease liabilities.

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 General information

Beverly JCG Ltd. (the "**Company**") is listed on the Catalist, the sponsor-supervised listing platform of Singapore Exchange Securities Trading Limited (the "**Singapore Exchange**" or "**SGX-ST**") and incorporated and domiciled in Singapore. The principal place of business and registered office is located at 160 Robinson Road, #05-08 SBF Centre, Singapore 068914.

The principal activities of the Company are those of investment holding and provision of management services.

The principal activities of its subsidiaries are disclosed in Note 17(a) to the financial statements.

2. Material accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("**SFRS(I)**") under the historical cost convention, except as disclosed in the accounting policy information below.

These financial statements are presented in Singapore Dollar ("**SGD**" or "**S$**") and all values are rounded to the nearest thousand (S$'000) as indicated.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

Interpretations and amendments to published standards effective in 2023

On 1 January 2023, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("**SFRS(I) INT**") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new or amended SFRS(I) and SFRS(I) INT did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2. Material accounting policies (cont'd)

2.1 Basis of preparation (cont'd)

Standards issued but not yet effective

At the date of authorisation of these financial statements, the following standards that were issued but not yet effective, and have not been adopted early in these financial statements:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current	1 January 2024*
Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements	1 January 2024
Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-21: Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between and Investor and its Associate or Joint Venture	To be determined

* The mandatory effective date of this Amendment had been revised from 1 January 2022 to 1 January 2023 by the ASC in July 2020 via Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current – Deferral of Effective Date and further revised to 1 January 2024 in December 2022 via Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants.

Consequential amendments were also made to various standards as a result of these new or revised standards.

Management anticipates that the adoption of the above standards, if applicable in future periods, will not have a material impact on the financial statements of the Group in the period of their initial adoption.

2.2 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised goods or services to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied over time or at a point in time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd)

2.2 Revenue recognition (cont'd)

(a) *Rendering of services*

Aesthetic services

Revenue from rendering of services that are of short duration is recognised at a point in time when the Group satisfies a performance obligation by transferring control of a promised service to the customer. Advances received relate to the Group's obligation to provide goods and services to customers for which the Group has received advances from customers.

Revenue billed in advance of the rendering of services is recognised as deferred revenue and included in "Trade and other payables" at the reporting date.

(b) *Sale of goods – Steel raw materials*

Revenue is recognised at a point in time when goods are delivered to the customer and all criteria for acceptance have been satisfied.

(c) *Interest income*

Interest income is recognised using the effective interest method.

(d) *Rental income*

Rental income from operating leases (net of any incentives given to the lessees) is recognised when a straight-line basis over the lease term.

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as "Other income".

Government grants relating to assets are deducted against the carrying amount of the assets.

2. Material accounting policies (cont'd)

2.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

The acquisition method of accounting is used to account for business combinations entered into by the Group.

(ii) Acquisitions

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

2. Material accounting policies (cont'd)

2.4 Group accounting (cont'd)

(a) Subsidiaries (cont'd)

(ii) Acquisitions (cont'd)

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill on acquisition" for the subsequent accounting policy on goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

2.5 Property, plant and equipment

(a) Measurement

(i) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

2. Material accounting policies (cont'd)

2.5 Property, plant and equipment (cont'd)

(a) Measurement (cont'd)

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Office equipment and fixtures	2 to 15 years
Renovation	2 to 15 years
Medical and laboratory equipment	3 to 10 years
Clinic equipment	7 years
Motor vehicle	5 to 7 years
Signboard and signage	2 to 5 years
Office and medical centre	3 to 6 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other (losses)/gains, net".

2. Material accounting policies (cont'd)

2.6 Intangible assets

(i) Goodwill on acquisitions

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the entity sold.

(ii) Customer relationships

The customer relationships acquired in business combination are initially recognised at cost, which represents the fair value at the date of acquisition and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses.

These costs are amortised to profit or loss using the straight-line method over 3 years.

The amortisation period and amortisation method are reviewed at least at each reporting date. The effects of any revision are recognised to profit or loss when the changes arise.

(iii) Trademark/brand

The trademark is initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses.

These costs are amortised to profit or loss using the straight-line method over 10 years.

The amortisation period and amortisation method are reviewed at least at each reporting date. The effects of any revision are recognised to profit or loss when the changes arise.

2.7 Borrowing costs

Borrowing costs include interest in respect of lease liabilities recognised in accordance with SFRS(I) 16 *Leases* and borrowings are recognised in profit or loss using the effective interest method.

2.8 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2. Material accounting policies (cont'd)

2.9 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating units ("**CGU**") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Intangible assets
Property, plant and equipment (including right-of-use assets)
Investments in subsidiaries

Intangible assets, property, plant and equipment (including right-of-use assets) and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as revaluation decrease.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd)

2.10 Financial assets

(a) Classification and measurement

The Group classifies and measures its financial assets at amortised cost. The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments of the Group mainly comprise of cash and cash equivalents and trade and other receivables.

Depending on the Group's business model for managing the asset and the cash flow characteristics of the asset, the subsequent measurement are as follows:

Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

*(ii) Equity instrument*s

The Group does not hold any equity investments at their fair values.

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The management does not expect significant adjustments to the Group's financial statements.

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2. Material accounting policies (cont'd)

2.10 Financial assets (cont'd)

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

2.11 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(i) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15 *Revenue from Contracts with Customers*; and

(ii) the amount of expected loss computed using the impairment methodology under SFRS(I) 9 *Financial Instruments*.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit and loss over the period of the borrowings using the effective interest method.

The Group has entered into arrangements under which the bank pays trade suppliers on its behalf, with the Group then reimbursing the bank. Such arrangements are referred to as invoice financing.

2. Material accounting policies (cont'd)

2.14 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities. Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.15 Leases

(a) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- Right-of-use assets

  The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

  These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

  Right-of-use assets are presented within "Property, plant and equipment".

- Lease liabilities

  The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

  Lease payments include the following:

  – Fixed payment (including in-substance fixed payments), less any lease incentives receivables;

  – Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;

  – Amount expected to be payable under residual value guarantees;

2. Material accounting policies (cont'd)

2.15 Leases (cont'd)

(a) When the Group is the lessee: (cont'd)

- Lease liabilities (cont'd)

  Lease payments include the following: (cont'd)

  – The exercise price of a purchase option if is reasonably certain to exercise the option; and

  – Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

  For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

  Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

  – There is a change in future lease payments arising from changes in an index or rate;

  – There is a change in the Group's assessment of whether it will exercise an extension option; or

  – There is modification in the scope or the consideration of the lease that was not part of the original term.

  Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- Short term and low value leases

  The Group has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(b) When the Group is the lessor:

The accounting policy applicable to the Group as a lessor in the comparative period were the same under SFRS(I) 16 *Leases* except when the Group is an intermediate lessor.

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

2. Material accounting policies (cont'd)

2.15 Leases (cont'd)

(b) When the Group is the lessor: (cont'd)

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "Trade and other receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retains in the statement of financial position, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognise lease income from sublease in profit or loss within "Other income". The right-of-use asset relating to the head lease is not derecognised.

For contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

2.16 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.17 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither goodwill or taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

2. Material accounting policies (cont'd)

2.17 Income taxes (cont'd)

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.18 Employee compensation

Employee benefits are recognised as an expense unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund in Singapore and the Employees' Provident Fund in Malaysia on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

2. Material accounting policies (cont'd)

2.18 Employee compensation (cont'd)

(b) Share-based compensation (cont'd)

At each reporting date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balances previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued to the employees.

(c) Performance shares

Benefits to employees including the directors are provided in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("**equity-settled transactions**"). The fair value of the employee services rendered is determined by reference to the fair value of the shares awarded or rights granted, excluding the impact of any non-market vesting conditions. These are fair valued based on the market price of the entity's share on grant date. This fair value is charged to profit or loss over the vesting period of the share-based payment scheme, with the corresponding increase in equity. The value of the charge is adjusted in profit or loss over the remainder of the vesting period to reflect expected and actual quantities vested, with the corresponding adjustment made in equity.

Cancellation of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

(d) Short-term compensated absences

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

2.19 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("**functional currency**"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

2. Material accounting policies (cont'd)

2.19 Currency translation (cont'd)

(b) Transactions and balances

Transactions in a currency other than the functional currency ("**foreign currency**") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments) and financial liabilities. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "Finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "Other (losses)/gains, net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at the average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2. Material accounting policies (cont'd)

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors whose members are responsible for allocating resources and assessing performance of the operating segments.

2.21 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value and bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.22 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When ordinary shares are reacquired ("**treasury shares**"), the amount of consideration paid including any directly attributable incremental costs is recognised directly in equity, until they are cancelled, sold or reissued. When treasury shares are subsequently cancelled, the cost of the treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained earnings of the Company, if the shares are purchased out of earnings of the Company. When treasury shares are subsequently sold or reissued, the cost of treasury shares is reversed from the treasury shares account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

2.23 Warrant reserves

Proceeds from the rights cum warrants issue are allocated separately between the value of the share capital and the value of the warrants. The fair value of the warrants is recorded in warrant reserves until transferred to the share capital account when the warrants are exercised or on expiry of the warrants which is net of transaction costs.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Key sources of estimation uncertainty

*(a) Expected credit loss ("**ECL**") of trade receivables*

The Group uses a provision matrix to measure the loss allowance at lifetime ECL. The Group determines the ECL by grouping trade receivables based on their shared credit risk characteristics and days past due. ECL is estimated based on historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

3. Critical accounting estimates, assumptions and judgements (cont'd)

3.1 Key sources of estimation uncertainty (cont'd)

*(a) Expected credit loss ("**ECL**") of trade receivables (cont'd)*

The assessment of the correlation between historical observed default rates, forward-looking macroeconomic factors and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances. The forward-looking macroeconomic factors and Group's historical credit loss experience may also not be representative of customer's actual default in the future. The information about the ECL on the Group's trade receivables are disclosed in Note 29(b) to the financial statements.

The net carrying amount of trade receivables as at 31 December 2023 is S$72,000 (2022: S$50,000) (Note 14).

*(b) Expected Credit Loss ("**ECL**") of other receivables and deposits*

The Group measures ECL for other receivables and deposits using a general approach. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECL at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The assessment of the correlation between historical observed default rates, forward-looking macroeconomic factors and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances. The forward-looking macroeconomic factors and Group's historical credit loss experience may also not be representative of customer's actual default in the future. The information about the ECL on the Group's other receivables and deposits are disclosed in Note 29(b) to the financial statements.

The net carrying amount of other receivables and deposits as at 31 December 2023 is S$598,000 (2022: S$603,000) (Note 14).

Notes to the Financial Statements
For the financial year ended 31 December 2023

3. Critical accounting estimates, assumptions and judgements (cont'd)

3.1 Key sources of estimation uncertainty (cont'd)

(c) Impairment of non-financial assets

Goodwill

Goodwill is tested for impairment annually and whenever there is an indication that the goodwill may be impaired. In performing the impairment assessment of the carrying amount of goodwill, the recoverable amounts of cash-generating units ("**CGUs**") in which the goodwill, are determined using higher of value-in-use ("**VIU**") calculation and fair value less cost to disposal. The assessment process involves significant management's estimates and is based on assumptions that are affected by future market and economic conditions. It also involves the use of significant judgements such as the forecasted revenue and operating expenses, sales growth rates, gross profit margin and discount rates applied to the VIU calculation. Specific estimates used in the impairment assessment are disclosed in Note 21(a).

Management has assessed that the recoverable amounts of the CGUs are more than the carrying values of the CGUs, and accordingly no impairment charge was recognised. The carrying amount of goodwill is disclosed in Note 21(a).

Other non-financial assets

Property, plant and equipment, intangible assets and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. In determining the recoverable value, an estimate of expected future cash flows from each asset or CGU and an appropriate discount rate is required to be made. An impairment exists when the carrying amount of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

During the financial year ended 31 December 2023, the management has assessed that there is objective evidence or indication that the carrying amount of the Group's property, plant and equipment may not be recoverable as at the reporting date and accordingly an impairment assessment has been carried out. There was no impairment charge recognised for the financial year ended 31 December 2023 and 31 December 2022.

Management has assessed that there is no objective evidence or indication that the carrying amount of the Group's intangible assets and Company's investment in subsidiary may not be recoverable as at the reporting date and accordingly an impairment assessment is not required.

The carrying amounts of other non-financial assets at the reporting date are disclosed in Notes 18, 21, and 26 respectively.

3. Critical accounting estimates, assumptions and judgements (cont'd)

3.2 Judgements made in applying accounting policies

Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control)

The Group considers that it controls Natasha Beverly Dental Sdn. Bhd., Natasha Beverly Mizu Sdn. Bhd. and Natasha Beverly Aesthetics Sdn. Bhd. even though it owns less than 50% of the voting rights in each entity. This is because the Group's subsidiary, Natasha Beverly Sdn. Bhd. is the single largest shareholder of the 3 entities with a 56%, 70% and 56 % of equity interest respectively.

In Natasha Beverly Dental Sdn. Bhd., the subsidiary of the Group, Beverly Wilshire Aesthetic Dental Centre Sdn Bhd, holds 14% of the equity shares, while the remaining 30% is held by the Company's employees, who have no power or rights over the Company.

For Natasha Beverly Mizu Sdn. Bhd., the remaining 30% of equity shares are held by Howard Ng How Er, the director of the Company.

In the case of Natasha Beverly Aesthetics Sdn. Bhd., 20% of the equity shares are held in trust for Beverly Bangsar Sdn Bhd by Howard Ng How Er, and the remaining 24% are held in trust by another single shareholder.

There is no history of the other shareholders collaborating to exercise their votes collectively or to outvote the Group.

4. Going concern

The Group and the Company incurred a total loss of S$2,412,000 (2022: S$2,250,000) and S$1,555,000 (2022: S$1,745,000) respectively and the Group also incurred net cash outflows of S$484,000 (2022: S$414,000) for the financial year ended 31 December 2023. As at 31 December 2023, the Group's and Company's current liabilities exceeded their current assets by S$4,052,000 (2022:S$3,453,000) and S$1,412,000 (2022: S$1,019,000) respectively.

The Board of Directors believe that the use of the going concern assumption in preparing the financial statements for the financial year ended 31 December 2023 is appropriate after taking into consideration the following assumptions and measures:

(i) The Company received a financial support undertaking letter from Dato' Ng Tian Sang @ Ng Kek Chuan, whereby he will undertake, for as long as he is a controlling shareholder of the Company, to provide continuing financial cash flow support to the Group to enable it to continue its operations as a going concern and to meet its liabilities as and when they fall due for the next 18 months.

(ii) The Company has entered into advance agreements (the "**Advance Agreements**") with each of Yap Mee Lee and Dato' Ng Tian Sang @ Ng Kek Chuan in 2023 pursuant to which the Lenders have agreed to extend unsecured interest-bearing loans for an aggregate amount of S$370,000.

Notes to the Financial Statements

For the financial year ended 31 December 2023

4. Going concern (cont'd)

The loans are to be repaid by the Company 12 months from the date of the respective Advance Agreements, with an option for the Company and the respective Lenders to extend the repayment date for another 6 -12 months. The interest rate for the loans is 6 – 8% per annum. As of 31 December 2023, the Company has received all the loans amounting to S$370,000. Except for Dato' Ng Tian Sang @ Ng Kek Chuan, who is the Deputy Chairman and CEO of the Company and a controlling shareholder of the Company, the lender, Yap Mee Lee holds shares in the Company, comprising less than 5% of the total issued share capital of the Company and is a director of Albedo Corporation Pte Ltd, a wholly-owned subsidiary of the company has signed a letter, confirming that she is independent and unrelated to the Company. The Company is able to repay the above loans on their respective repayment dates.

(iii) The Beverly Wilshire Malaysia Entities have confirmed in writing to the Company that they do not require any additional funding from the Company to continue their operations for the next 18 months as of the date of this announcement.

(iv) The financial performance of the aesthetic medical and healthcare segment in Malaysia is expected to improve.

(v) Subject to obtaining the permission and necessary approvals of SGX-ST, the Company also intends to raise funds of about S$2 million or more via future fund-raising exercises, and the Company intends to allocate at least 50% of the gross proceeds raised to make profitable acquisitions to further support the Company to operate as a going concern.

5. Revenue

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time in the following major product and service lines and geographical locations. Revenue is attributed to countries by location of customers.

	Group	
	2023 S$'000	2022 S$'000
At a point in time		
Aesthetic services		
– Malaysia	7,943	10,071
Sales of goods – Steel raw materials		
– Singapore	98	439
	8,041	10,510

6. Other income

	Group	
	2023	**2022**
	S$'000	**S$'000**
Interest income from bank deposits	5	3
Rental income on operating lease	32	6
Rental rebates	5	23
Government grants – Government-Paid Child Care Leave[1]	–	1
Government grants – Wages Subsidy Programme[2]	–*	4
Vaccination income	–	16
Gain on foreign exchange	8	–
Insurance claims	61	–
Share services fee income	38	53
Others	30	45
	179	151

[1] Government-Paid Child Care Leave ("**GPCL**") are provided to working parents under the GPCL scheme to provide sufficient time for parents to care for and spend quality time with their children.

[2] The Wage Subsidy Programme in Malaysia was introduced to help businesses affected by the COVID-19 pandemic to sustain companies and lower retrenchment rates.

* Less than S$1,000

7. Other losses, net

	Group	
	2023	**2022**
	S$'000	**S$'000**
Loss allowances on trade receivables	18	141
Foreign exchange loss	–	7
Other	–	7
	18	155

Notes to the Financial Statements

For the financial year ended 31 December 2023

8. Expenses by nature

	Group 2023 S$'000	Group 2022 S$'000
Agent commission	354	268
Amortisation of intangible assets (Note 21)	13	386
Consultant fees	131	107
Depreciation of property, plant and equipment (Note 18)	1,347	1,531
Directors' fees	148	149
Doctors' commissions (Note 9)	867	1,031
Employee compensation (Note 9)	4,290	4,839
Entertainment expenses	1	2
Electricity expenses	105	122
Fees on audit services paid/payable to:		
– Auditor of the Company	120	143
– Other auditors	30	39
IT expenses	5	11
Insurance	63	80
Marketing expenses	169	173
Purchase of inventories	1,468	2,178
Printing and stationery	19	32
Professional fees	643	461
Rental expense – short-term leases	–	5
Transportation expenses	17	20
Travelling and accommodation	28	89
Changes in inventories	87	400
Other	543	623
Total cost of sales, distribution and administrative expenses	10,448	12,689

9. Employee compensation

	Group 2023 S$'000	Group 2022 S$'000
Wages and salaries	4,664	5,476
Employer's contribution to defined contribution plans	344	360
Other short-term benefits	149	34
	5,157	5,870

10. Finance expenses

	Group 2023 S$'000	Group 2022 S$'000
Interest expense		
– Borrowings (non-related party)	86	64
– Borrowings (related party)	13	–
– Bank overdrafts	16	28
– Invoice financing	22	14
– Lease liabilities (Note 19(c))	126	140
	263	246

11. Income tax credit

	Group 2023 S$'000	Group 2022 S$'000
Tax credit attributable to loss is made up of:		
Current year tax	6	–
Loss for the financial year:		
– Deferred income tax (Note 24)	(90)	(175)
	(84)	(175)
Over provision in prior financial years:		
– Current income tax	(13)	(4)
	(97)	(179)

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax is as follows:

	Group 2023 S$'000	Group 2022 S$'000
Loss before income tax	(2,509)	(2,429)
Tax calculated at tax rate of 17% (2022: 17%)	(427)	(413)
Effects of:		
– Different tax rates in other countries	(31)	(36)
– Expenses not deductible for tax purposes	282	214
– Unrecognised tax losses	298	366
– Utilisation of previously unrecognised tax losses	(206)	(306)
– Over provision of income tax in prior financial years	(13)	(4)
Tax credit	(97)	(179)

12. Loss per share

(a) Basic loss per share

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.[1]

	2023	2022
Net loss attributable to equity holders of the Company (S$'000)	(2,218)	(2,115)
Adjusted weighted average number of ordinary shares outstanding for basic loss per share ('000)[1]	449,412	389,300
Basic loss per share (cents per share)[2]	(0.49)	(0.54)

(b) Diluted loss per share

For the purpose of calculating diluted loss per share, loss attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has dilutive potential ordinary shares in respect of share options and warrants.

For share options and warrants, the weighted average number of shares on issue has been adjusted as if all dilutive share options and warrants were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options and warrants less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net loss.

Diluted loss per share attributable to equity holders of the Company are calculated as follows:

	2023	2022
Net loss attributable to equity holders of the Company (S$'000)	(2,218)	(2,115)
Adjusted weighted average number of ordinary shares outstanding for diluted loss per share ('000)[1]	449,412	389,300
Adjustments for ('000)[1]		
– Employee share options (Note 25(a))	770	770
– Warrants	84,847	86,558
	85,617	87,328
Diluted loss per share (cents per share)[2]	(0.49)#	(0.54)#

As loss was recorded, the dilutive potential shares from share options and warrants are anti-dilutive and no change is made to the diluted loss per share.

(1) Included the effects of the completion of the share consolidation of 50 existing shares registered in the name of each shareholder into one (1) Consolidated Share on 16 January 2024 as per the requirements of SFRS(I) 1-33, *Earnings per Share*, Paragraph 64.

(2) The calculation of basic and diluted loss per share have been adjusted retrospectively to reflect the changes in the number of Company's shares due to the share consolidation as disclosed above as per the requirements of SFRS(I) 1-33, *Earnings per Share*, Paragraph 64.

Notes to the Financial Statements

For the financial year ended 31 December 2023

13. Cash and bank balances

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Cash at bank and on hand	254	714	109	529
Short-term bank deposit[1]	29	194	–	–
	283	908	109	529

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2023 S$'000	2022 S$'000
Cash and bank balances (as above)	283	908
Less: Bank deposits pledged[1]	(29)	(194)
Less: Bank overdrafts (Note 23)	(354)	(330)
Cash and cash equivalents per consolidated statement of cash flows	(100)	384

[1] Bank deposits are pledged in relation to banking facilities granted to a subsidiary of the Company.

14. Trade and other receivables

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Trade receivables				
– Non-related parties	253	227	–	–
– Related parties	–	6	–	–
	253	233	–	–
Less: Loss allowance (Note 29(b)(i))	(181)	(183)	–	–
	72	50	–	–
Other receivables				
– Subsidiaries	–	–	728	731
– Related parties	–	38	–	15
– Non-related parties	240	161	20	4
	240	199	748	750
Deposits	358	404	20	65
Prepayments	321	161	234	25
	991	814	1,002	840

The average credit period of trade receivables is 60 days (2022: 60 days). No interest is charged on the trade receivables.

Other receivables from subsidiaries and related parties are non-trade, unsecured, interest-free and repayable on demand.

Other receivables from non-related parties are non-trade, unsecured, interest-free and repayable on demand.

Notes to the Financial Statements

For the financial year ended 31 December 2023

15. Inventories

	Group	
	2023	2022
	S$'000	S$'000
Drugs, medicine and medical consumables	447	477
Recognised as an expense and included in "Cost of sales"		
– Finished/trading goods	87	400
– Drugs, medicine and medical consumables	1,468	2,178

16. Settlement shares and warrants receivables

During the financial year ended 31 December 2020, the Directors of the Company approved the plan to unwind the acquisition of Brand X Lab Pte Ltd ("**Brand X**"). Subsequently, on 16 February 2021, the Company entered into an unwinding and settlement agreement (the "**Agreement**") with Tan Suying ("**TSY**") in respect of the mutual agreement by TSY and the Company to unwind the acquisition of Brand X.

On 18 January 2022, TSY and the Company entered into a supplemental agreement (the "**Supplemental Agreement**") to amend, modify and vary the terms and provisions of the Agreement. The key modifications to the Agreement are summarised below:

- TSY to refrain from exercising the voting rights and transfer of the consideration shares and warrants that she received from the acquisition;

- The methods for the unwinding of the acquisition shall be by way of capital reduction pursuant to Division 3A (Part IV) of the Companies Act, and subject always to due compliance with and observation of the applicable provisions of the Catalist Rules of the SGX-ST and the Constitution of the Company which shall result in the cancellation of the 1,583,333,333 ordinary shares of the Company held by TSY as part of the consideration for the disposal and transfer of the 100,000 ordinary shares of Brand X to TSY. Selective off-market share buy-back as a method of unwinding the acquisition was removed;

- TSY and the Company shall endeavour to complete the unwinding of the acquisition by no later than 31 August 2022, failing which, both parties shall continue to assist each other in unwinding the acquisition as soon as possible;

- The mutual agreement to unwind the acquisition is irrevocable, and neither TSY nor the Company shall be entitled or have the right to terminate the Agreement and the unwinding of the acquisition; and

- The date of effective transfer of any and all rights and entitlements, as well as any and all obligations attached to the 100,000 ordinary shares of Brand X, being the sale shares, shall remain 1 January 2021 or such earliest date permissible under applicable laws and regulations as well as the financial reporting standards.

Accordingly, Brand X is de-consolidated from 1 January 2021. The fair value of the consideration receivable for the unwinding of Brand X amounting to S$3,557,000 is classified as "Settlement shares and warrants receivables" on the Company and Group's statement of financial position as at 31 December 2022 and 31 December 2023.

Notes to the Financial Statements

For the financial year ended 31 December 2023

17. Investments in subsidiaries

	Company 2023 S$'000	Company 2022 S$'000
Equity investments at cost		
Beginning of financial year	6,491	6,491
Additions	8,294	–
End of financial year	14,785	6,491
Allowance for impairment loss		
Beginning of financial year	4,074	4,074
Written off	–	–
End of financial year	4,074	4,074
Carrying amount	10,711	2,417

(a) The Group has the following subsidiaries as at 31 December 2023 and 2022:

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Company 2023 %	Proportion of ordinary shares held by the Company 2022 %	Proportion of ordinary shares held by the Group 2023 %	Proportion of ordinary shares held by the Group 2022 %	Proportion of ordinary shares held by non-controlling interests 2023 %	Proportion of ordinary shares held by non-controlling interests 2022 %
Held by the Company								
Albedo Corporation Pte. Ltd. ("**ACPL**")(1)	To carry on the business of general merchants, importers, exporters, commission agents and dealers in raw materials, consumables, instruments and semi-finished products for steel mills, iron and steel foundries and aluminium smelters in the Asia-Pacific region	Singapore	100	100	100	100	–	–
JCG-Beverly Pte. Ltd.(1)	Investment holding and provision of management services	Singapore	100	100	100	100	–	–

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For the financial year ended 31 December 2023

17. Investments in subsidiaries (cont'd)

(a) The Group has the following subsidiaries as at 31 December 2023 and 2022: (cont'd)

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2023 %	2022 %	2023 %	2022 %	2023 %	2022 %
Held by JCG-Beverly Pte. Ltd.								
Beverly Wilshire Medical Centre Sdn. Bhd.[2][3][7]	Provision of cosmetic and plastic surgery, health screening and as medical specialist centre with out-patient and day care services and activities	Malaysia	–	–	95.25	51	4.75	49
Beverly Wilshire Medical Centre (JB) Sdn. Bhd.[2][3][7]	Provision of aesthetic and cosmetic surgery and reconstructive surgery	Malaysia	–	–	100	51	–	49
Beverly Wilshire Tropicana City Mall Sdn. Bhd.[2][3][7]	Provision of cosmetological and aesthetical related treatments	Malaysia	–	–	100	51	–	49
Beverly Wilshire Aesthetic Dental Centre Sdn. Bhd.[2][3][7]	Provision of aesthetic dental care	Malaysia	–	–	100	51	–	49
Beverly Wilshire Hair Transplant Sdn. Bhd.[2][3][4]	Provision of hair transplant care	Malaysia	–	–	51	51	49	49
Beverly Dentistree Sdn. Bhd (f.k.a Beverly Medical Centre Sdn. Bhd)[2][3]	Provision of aesthetic dental care	Malaysia	–	–	70	70	30	30

17. Investments in subsidiaries (cont'd)

(a) The Group has the following subsidiaries as at 31 December 2023 and 2022: (cont'd)

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Company 2023 %	2022 %	Proportion of ordinary shares held by the Group 2023 %	2022 %	Proportion of ordinary shares held by non-controlling interests 2023 %	2022 %
Held by JCG-Beverly Pte. Ltd. (cont'd)								
Beverly Wilshire Medical Academy and Research Centre Sdn. Bhd.(2)(3)(7)	Provision of aesthetic, cosmetic and plastic surgery, healthy aging therapy, health screening and wellness and medical research	Malaysia	–	–	98.32*	69*	1.68	31
Natasha Beverly Sdn. Bhd.(2)(3)	Provision of physiotherapy, spa, reflexology services and activities	Malaysia	–	–	56	56	44	44
Beverly Ipoh Sdn. Bhd.(2)(3)	Provision of aesthetic medicine and related activities	Malaysia	–	–	70	70	30	30
Beverly Wilshire Aesthetics & Wellness Pte. Ltd.(8)	Provision of clinics and other general medical services	Singapore	–	–	100	–	–	–
Beverly Wilshire Beauty Pte. Ltd.(8)	Provision of beauty salons and SPAs	Singapore	–	–	100	–	–	–
Beverly Bangsar Sdn Bhd(6)	Provision of aesthetic medical services	Malaysia	–	–	100	–	–	–
Held by Beverly Wilshire Medical Centre Sdn Bhd								
Beverly Wilshire Cosmetic Surgery Centre Sdn. Bhd.(2)(3)(4)(7)	Provision of cosmetic and plastic surgery treatment and services	Malaysia	–	–	95.25	51	–	49

* 35.42% is held through Beverly Wilshire Medical Centre Sdn. Bhd.

17. Investments in subsidiaries (cont'd)

(a) The Group has the following subsidiaries as at 31 December 2023 and 2022: (cont'd)

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2023 %	2022 %	2023 %	2022 %	2023 %	2022 %
Held by Natasha Beverly Sdn. Bhd								
Natasha Beverly Dental Sdn. Bhd. (f.k.a Spinalive Beverly Sdn. Bhd.)(2)(3)(5)(9)	Provision of aesthetic dental services	Malaysia	–	–	45#	39#	55	61
Natasha Beverly Mizu Sdn. Bhd. (f.k.a DS Beverly Sdn. Bhd.)(2)(3)(9)	Provision of healthy aging, regenerative medicine, health screening services and medical spa procedures	Malaysia	–	–	39	39	61	61
Natasha Beverly Aesthetics Sdn. Bhd.(2)(3)(9)	Provision of aesthetic medicine and related activities	Malaysia	–	–	31	31	69	69

\# 14% is held through Beverly Wilshire Aesthetic Dental Centre Sdn. Bhd.

(1) Audited by RT LLP.

(2) For the purpose of the consolidated financial statements, these financial statements are reviewed and/or audited by RT LLP

(3) Audited by SC Teh & Co, Chartered Accountants, Malaysia.

(4) Beverly Wilshire Hair Transplant Sdn. Bhd. and Beverly Wilshire Cosmetic Surgery Centre Sdn. Bhd. remains dormant during the financial years ended 31 December 2023 and 2022, however they have not opted for audit exemption.

(5) On 11 May 2021, NBDSB's business activities was changed to the provision of aesthetic dental care. On 25 August 2021, NBSB and Beverly Wilshire Aesthetic Dental Centre Sdn Bhd ("**BWAD**") and Arlena Philip Lee ("**Dr Arlena**") entered into a definitive agreement to establish a joint venture company. The shareholdings interest of NBSB, Dr Arlena and BWAD are 56%, 30% and 14% respectively.

On 14 November 2022, NBSB had increased its issued and paid-up share capital from 100 ordinary shares to 861,368 ordinary shares.

(6) On 15 September 2023, the Company completed the allotment and issuance of an aggregate of 1,390,000,000 shares at an issue price of S$0.0011 per share pursuant to completion of the acquisition of 100% of the shareholding interests in Beverly Bangsar Sdn Bhd.

(7) On 15 September 2023, the Company completed the allotment and issuance of an aggregate of 6,150,000,000 shares at an issue price of S$0.0011 per share pursuant to completion of the acquisition of 49.0% of the shareholding interests in each of Beverly Wilshire Medical Centre (JB) Sdn Bhd, Beverly Wilshire Aesthetic Dental Centre Sdn Bhd and Beverly Wilshire Tropicana City Mall Sdn Bhd, 44.2% of the shareholding interests in Beverly Wilshire Medical Centre Sdn Bhd and 13.6% of the shareholding interests in Beverly Wilshire Medical Academy & Research Centre Sdn Bhd.

(8) Newly incorporated on 8 September 2023.

(9) Deemed to be a subsidiary by virtue of control.

17. Investments in subsidiaries (cont'd)

(b) The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations.

31 December 2023 *In thousands of S$*	**Beverly Wilshire Medical Centre Sdn Bhd**	**Beverly Wilshire Medical Centre (JB) Sdn Bhd**	**Beverly Wilshire Tropicana City Mall Sdn Bhd**	**Beverly Wilshire Aesthetic Dental Centre Sdn Bhd**	**Beverly Wilshire Medical Academy and Research Centre Sdn Bhd**	**Natasha Beverly Sdn Bhd**	**Other individually immaterial subsidiaries**	**Total**
NCI percentage	4.75%	–	–	–	1.68%	44.00%		
Current assets	1,414	421	171	58	4	313		
Current liabilities	(2,012)	(524)	(231)	(478)	(168)	(835)		
Non-current assets	569	1,317	34	79	113	616		
Non-current liabilities	–	(602)	–	–	–	(296)		
Net (liabilities)/assets	(29)	612	(26)	(341)	(51)	(202)		
Net (liabilities)/assets attributable to NCI	(1)	–	–	–	(1)	(89)	47	(44)
Revenue	4,259	2,078	614	515	23	–		
Loss	(312)	(34)	(28)	(90)	(26)	(116)		
Total comprehensive loss	(312)	(34)	(28)	(90)	(26)	(116)		
Loss allocated to NCI	(15)	–	–	–	–*	(51)	(128)	(194)
Cash flow from operating activities	493	162	–*	40	3	116		
Cash flow from/(to) investing activities	114	(2)	–*	(16)	–	7		
Cash flow to financing activities	(638)	(102)	(47)	(35)	(4)	(124)		
Net (decrease)/increase in cash and cash equivalents	(31)	58	(47)	(11)	(1)	(1)		

17. Investments in subsidiaries (cont'd)

(b) The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations. (cont'd)

31 December 2022 *In thousands of S$*	**Beverly Wilshire Medical Centre Sdn Bhd**	**Beverly Wilshire Medical Centre (JB) Sdn Bhd**	**Beverly Wilshire Tropicana City Mall Sdn Bhd**	**Beverly Wilshire Aesthetic Dental Centre Sdn Bhd**	**Beverly Wilshire Medical Academy and Research Centre Sdn Bhd**	**Natasha Beverly Sdn Bhd**	**Other individually immaterial subsidiaries**	**Total**
NCI percentage	49.00%	49.00%	49.00%	49.00%	31.00%	44.00%		
Current assets	1,545	403	206	82	5	80		
Current liabilities	(2,276)	(622)	(256)	(463)	(172)	(537)		
Non-current assets	906	1,730	85	114	155	801		
Non-current liabilities	(315)	(796)	(24)	(21)	–	(438)		
Net (liabilities)/assets	(140)	715	11	(288)	(12)	(94)		
Net (liabilities)/assets attributable to NCI	(69)	350	5	(141)	(4)	(41)	105	206
Revenue	5,013	2,455	598	703	36	56		
Profit/(loss)	521	93	15	–*	(50)	(151)		
Total comprehensive income/(loss)	521	93	15	–*	(50)	(151)		
Profit/(loss) allocated to NCI	255	46	7	–*	(16)	(66)	(361)	(135)
Cash flow from/(to) operating activities	589	(116)	4	72	7	286		
Cash flow to investing activities	(130)	(9)	(2)	(46)	–	(147)		
Cash flow to financing activities	(861)	(86)	(47)	(38)	(6)	(150)		
Net (decrease)/increase in cash and cash equivalents	(402)	(211)	(45)	(12)	1	(11)		

17. Investments in subsidiaries (cont'd)

(c) On 15 September 2023, the Group acquired additional interest, increasing its ownership in the following subsidiaries as shown below. The following summarises the effect of changes in the equity interests that are attributable to the owners of the Group:

31 December 2023 *In thousands of S$*	Held by JCG-Beverly Pte. Ltd. Beverly Wilshire Medical Centre Sdn Bhd	Beverly Wilshire Medical Centre (JB) Sdn Bhd	Beverly Wilshire Tropicana City Mall Sdn Bhd	Beverly Wilshire Aesthetic Dental Centre Sdn Bhd	Beverly Wilshire Medical Academy and Research Centre Sdn Bhd	Total
NCI percentage	44.20%	49.00%	49.00%	49.00%	29.32%	
Carrying amount of NCI acquired	(380)	517	84	(95)	(70)	56
Consideration paid to NCI	(3,078)	(3,031)	(406)	(228)	(22)	(6,765)
A (decrease)/increase in equity attributable to owners of the Company	(3,458)	(2,514)	(322)	(323)	(92)	(6,709)
The decrease in equity attributable to owners of the Company comprised:						
A decrease in retained earnings	(3,458)	(2,514)	(322)	(323)	(92)	(6,709)

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For the financial year ended 31 December 2023

17. Investments in subsidiaries (cont'd)

(d) Acquisition of Subsidiary

Acquisition of Beverly Bangsar Sdn Bhd ("**BBSB**") ("**BBSB Acquisition**")

On 15 September 2023, the Company announced the completion of the acquisition of 100% of the issued share capital of Beverly Bangsar Sdn Bhd from BBSB Vendors after all the conditions precedent as set out in the sales and purchase agreement dated 4 April 2023 have been fulfilled.

Following the completion of the acquisition, the Company holds 100% of the issued share capital of BBSB.

The fair value of identifiable assets and liabilities of BBSB as at the acquisition date were:

	S$'000
Purchase consideration	1,529

Assets and liabilities recognised as a result of the acquisition

	Fair Value S$'000
Cash and cash equivalents	10
Trade and other receivables	263
Inventories	176
Property, plant and equipment	271
Intangible assets	345
Trade and other payables	(256)
Lease liabilities	(136)
Borrowings	(76)
Deferred income tax liabilities	(113)
Net identifiable assets acquired	484
Add: Goodwill	1,045
	1,529

The purchase consideration of S$1,529,000 was settled by the allotment and issuance of a total of 1,390,000,000 ordinary shares of the Company. Hence, there is a S$10,000 of net cash inflow impact on the acquisition.

The goodwill is attributable to BBSB's strong future prospect in the aesthetic medical services and the BBSB Acquisition provides synergistic with and complementary to the Group's existing medical aesthetics and healthcare business.

The acquired business contributed revenue of S$188,000 and net profit of S$39,000 to the Group for the period from 1 October 2023 to 31 December 2023.

Had BBSB been acquired from 1 January 2023, consolidated revenue and consolidated loss for the year ended 31 December 2023 would have been S$8,465,000 and S$2,541,000 respectively.

18. Property, plant and equipment

Group	Office equipment and fixtures S$'000	Renovation S$'000	Medical and laboratory equipment S$'000	Motor vehicle S$'000	Signboard and signage S$'000	Office and medical centre S$'000	Total S$'000
2023							
Cost							
Beginning of financial year	2,156	4,006	5,902	98	73	5,349	17,584
Currency translation differences	(118)	(222)	(310)	(7)	(5)	(291)	(953)
Additions	8	–	168	–	1	–	177
Addition – newly acquired subsidiary	13	4	220	–	13	221	471
Disposals	(1)	–	(11)	–	–	–	(12)
Effect of lease modification	–	–	–	–	–	(44)	(44)
End of financial year	2,058	3,788	5,969	91	82	5,235	17,223
Accumulated depreciation							
Beginning of financial year	1,565	2,945	5,151	98	47	3,263	13,069
Currency translation differences	(92)	(169)	(275)	(7)	(3)	(199)	(745)
Depreciation charge	187	156	286	–	5	713	1,347
Addition – newly acquired subsidiary	5	2	96	–	5	92	200
Disposals	–*	–	(3)	–	–	–	(3)
End of financial year	1,665	2,934	5,255	91	54	3,869	13,868
Net book value							
End of financial year	393	854	714	–	28	1,366	3,355

* Less than S$1,000

Notes to the Financial Statements

For the financial year ended 31 December 2023

18. Property, plant and equipment (cont'd)

Group	Office equipment and fixtures S$'000	Renovation S$'000	Medical and laboratory equipment S$'000	Motor vehicle S$'000	Signboard and signage S$'000	Office and medical centre S$'000	Total S$'000
2022							
Cost							
Beginning of financial year	2,267	4,279	6,084	104	83	5,067	17,884
Currency translation differences	(130)	(254)	(371)	(6)	(5)	(300)	(1,066)
Additions	19	9	189	–	–	1,069	1,286
Write-off	–*	(28)	–	–	(5)	(487)	(520)
End of financial year	2,156	4,006	5,902	98	73	5,349	17,584
Accumulated depreciation							
Beginning of financial year	1,527	2,982	5,076	104	47	3,130	12,866
Currency translation differences	(94)	(183)	(338)	(6)	(3)	(184)	(808)
Depreciation charge	132	174	413	–*	8	804	1,531
Write-off	–*	(28)	–	–	(5)	(487)	(520)
End of financial year	1,565	2,945	5,151	98	47	3,263	13,069
Net book value							
End of financial year	591	1,061	751	–	26	2,086	4,515

* Less than S$1,000

Notes to the Financial Statements

For the financial year ended 31 December 2023

18. Property, plant and equipment (cont'd)

	Office equipment and fixtures S$'000	Renovation S$'000	Signboard and signage S$'000	Office and medical centre S$'000	Total S$'000
Company					
2023					
Cost					
Beginning of financial year	18	9	–	211	238
Additions	2	–	–	–	2
End of financial year	20	9	–	211	240
Accumulated depreciation					
Beginning of financial year	15	–	–	12	27
Depreciation charge	2	3	–	71	76
End of financial year	17	3	–	83	103
Net book value					
End of financial year	3	6	–	128	137
2022					
Cost					
Beginning of financial year	14	28	5	487	534
Additions	4	9	–	211	224
Written off	–*	(28)	(5)	(487)	(520)
End of financial year	18	9	–	211	238
Accumulated depreciation					
Beginning of financial year	14	17	5	363	399
Depreciation charge	1	11	–	136	148
Written off	–*	(28)	(5)	(487)	(520)
End of financial year	15	–*	–	12	27
Net book value					
End of financial year	3	9	–	199	211

* Less than S$1,000

Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 19(a) to the financial statements.

During the financial year, the Group acquired property, plant and equipment and right-of-use assets with an aggregate cost of S$448,000 (2022: S$1,286,000) of which S$84,000 (2022: S$1,173,000) were acquired by means of leases and S$271,000 was derived from the acquisition of a new subsidiary. Cash payments of S$93,000 (2022: S$113,000) were made to purchase property, plant and equipment.

19. Leases – The Group as a lessee

Nature of the Group's leasing activities

Property

The Group leases office space for the purpose of office operations and rendering of medical services to customers respectively.

(a) Carrying amounts

Right-of-use of assets classified within property, plant and equipment

	2023 S$'000	2022 S$'000
As at December	1,366	2,086

(b) Depreciation charge during the financial year

	2023 S$'000	2022 S$'000
Depreciation of right-of-use assets	713	831

(c) Interest expense

	2023 S$'000	2022 S$'000
Interest expense on lease liabilities (Note 10)	126	140

(d) Total cash outflows for all the leases in 2023 was S$835,000 (2022: S$931,000)

(e) Addition of ROU assets during the financial year 2023 was S$221,000 (2022: S$1,173,000) from acquisition of a new subsidiary.

20. Leases – The Group as a lessor

Nature of the Group's leasing activities – Group as an intermediate lessor

Subleases – classified as operating leases

The Group acts as an intermediate lessor under arrangement in which it subleases out office space to a non-related party for monthly lease payments. The sublease periods do not form a major part of the remaining lease terms under the head leases and accordingly, the sub-leases are classified as an operating lease.

Income from subleasing the office space recognised during the financial year 2023 was S$32,000 (2022: S$6,000).

21. Intangible assets

Group	Goodwill S$'000	Trademark/ brand S$'000	Customer relationship S$'000	Total S$'000
Cost				
At 1 January 2022	664	1,160	–	1,824
Acquisitions	–	–	–	–
At 31 December 2022/1 Jan 2023	664	1,160	–	1,824
Acquisitions	1,045	102	243	1,390
At 31 December 2023	1,709	1,262	243	3,214
Accumulated amortisation				
At 1 January 2022	–	770	–	770
Amortisation	–	386	–	386
At 31 December 2022/1 Jan 2023	–	1,156	–	1,156
Amortisation	–	7	6	13
At 31 December 2023	–	1,163	6	1,169
Carrying amounts				
At 31 December 2022	664	4	–	668
At 31 December 2023	1,709	99	237	2,045

(a) *Goodwill arising on consolidation*

Impairment test for goodwill

Goodwill is allocated to the Group's cash-generating units ("**CGUs**") identified according to countries of operation and business segments.

A segment-level summary of the goodwill allocation is as follows:

Cash generating unit ("CGUs")	Carrying amount 2023 S$'000	Carrying amount 2022 S$'000
– Beverly Wilshire Group	664	664
– Beverly Bangsar Sdn Bhd	1,045	–

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21. Intangible assets (cont'd)

(a) *Goodwill arising on consolidation* (cont'd)

The recoverable amount of the CGU was determined based on value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below. The growth rate did not exceed the long-term average growth rate for the business in which the CGU operates.

Beverly Wilshire Group in Malaysia

This CGU was acquired in the financial year ended 31 December 2019. Based on the impairment assessment of the CGU, the estimated recoverable amount of the CGU is S$19,764,000 (2022: S$8,009,000) as at 31 December 2023.

Key assumptions used for value-in-use calculations:

	Beverly Wilshire Group Malaysia	
	2023	2022
	%	%
Gross margin	59.0-60.0	54.0-56.0
Growth rate	10.0-46.3	13.0-41.0
Discount rate	17.3	14.8

Management determined budgeted gross margin based on expectations of market developments. The weighted average growth rates used were consistent with forecasts based on current market and economic conditions and past performance. The discount rates used were pre-tax and reflected specific risks relating to the relevant segments.

Beverly Bangsar Sdn Bhd in Malaysia

This CGU was acquired in the current financial year ended 31 December 2023. PPA has been prepared but yet to be finalised. Acquisition details are disclosed in Note 17(d).

22. Trade and other payables

	Group		Company	
	2023	2022	2023	2022
	S$'000	S$'000	S$'000	S$'000
Current				
Trade payables				
– Non-related parties	362	301	–	–
Other payables				
– Subsidiary	–	–	1	32
– Non-related parties	1,459	1,842	824	1,248
– Related parties	609	364	–	–
Contract liability	350	575	–	–
Accruals for operating expenses	1,258	923	682	413
	4,038	4,005	1,507	1,693

22. Trade and other payables (cont'd)

Other payables due to related parties are non-trade, unsecured, interest-free and repayable on demand.

Contract liability mainly relates to amounts received in advance from customers aesthetic services to be delivered and performed. The Group recognises the related amounts to profit or loss as and when the performance obligation under the contract with customers are fulfilled.

23. Borrowings

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
(a) Lease liabilities				
Current	687	758	73	68
Non-current	1,130	1,743	65	137
	1,817	2,501	138	205
(b) Borrowings				
Current				
Borrowings				
– Loan 1	–	–	573	627
– Loan 7	–	380	–	–
– Loan 8	270	–	270	–
– Loan 9	100	–	100	–
– Loan 10	29	–	–	–
Bank overdraft (Note 13)	354	330	–	–
Invoice financing	289	169	–	–
	1,042	879	943	627
Non-current				
Borrowings				
– Loan 2	–	300	–	300
– Loan 3	–	300	–	300
– Loan 4	–	105	–	105
– Loan 5	–	105	–	105
– Loan 6	–	105	–	105
– Loan 7	–	126	–	–
– Loan 10	39	–	–	–
	39	1,041	–	915
Total	1,081	1,920	943	1,542

(i) Loan 1 is from a wholly owned subsidiary of the Company, Albedo Corporation Pte Ltd, and is unsecured and interest-free with no fixed repayment terms.

(ii) Loan 2 was from Dato' Ng Tian Sang @ Ng Kek Chuan who is the Deputy Chairman and CEO of the Company and a substantial shareholder of the Company. The loan, which bore an interest rate of 4.00% per annum, was unsecured and repayable 18 months from the date of the advance agreement dated 22 August 2022, with an option for the Company and the lender to extend the repayment date for another 6 months. This was part of the debt capitalisation of S$1,950,000 completed on 15 September 2023 as per the Company's announcement on 15 September 2023.

23. Borrowings (cont'd)

(iii) Loan 3 was from Yap Mee Lee who is a shareholder of the Company (whose shareholding interest comprises less than 5% of the share capital of the Company) and a director of Albedo Corporation Pte Ltd and JCG-Beverly Pte Ltd, wholly owned subsidiaries of the Company. The loan, which bore an interest rate of 6.00% per annum, was unsecured and repayable 18 months from the date of the advance agreement dated 18 August 2022, with an option for the Company and the lender to extend the repayment date for another 6 months. This was part of the debt capitalisation of S$1,950,000 completed on 15 September 2023 as per the Company's announcement on 15 September 2023.

(iv) Loan 4 was from Lee Heuk Ping who is a shareholder of the Company (whose shareholding interest comprises less than 5% of the share capital of the Company). The loan, which bore an interest rate of 6.00% per annum, was unsecured and repayable 18 months from the date of the advance agreement dated 18 August 2022, with an option for the Company and the lender to extend the repayment date for another 6 months. This was part of the debt capitalisation of S$1,950,000 completed on 15 September 2023 as per the Company's announcement on 15 September 2023.

(v) Loan 5 was from Pang Tee Nam who is a shareholder of the Company (whose shareholding interest comprises less than 5% of the share capital of the Company). The loan, which bore an interest rate of 6.00% per annum, was unsecured and repayable 18 months from the date of the advance agreement dated 12 October 2022, with an option for the Company and the lender to extend the repayment date for another 6 months. This was part of the debt capitalisation of S$1,950,000 completed on 15 September 2023 as per the Company's announcement on 15 September 2023.

(vi) Loan 6 was from Ong Chee Keon who is a shareholder of the Company (whose shareholding interest comprises less than 5% of the share capital of the Company). The loan, which bore an interest rate of 6.00% per annum, was unsecured and repayable 18 months from the date of the advance agreement dated 12 October 2022, with an option for the Company and the lender to extend the repayment date for another 6 months. This was part of the debt capitalisation of S$1,950,000 completed on 15 September 2023 as per the Company's announcement on 15 September 2023.

(vii) Loan 7 is from United Overseas Bank (Malaysia) Berhad. The UOB Bank loan is procured in May 2020 for BWKL operations. The bank facility is secured by a corporate guarantee from the Company and personal guarantees by certain directors of the Company. The loan bears an interest rate of 1.50% per annum over the bank's prevailing 1-month effective cost of funds on monthly rests.

(viii) Loan 8 is from Dato' Ng Tian Sang @ Ng Kek Chuan who is the Deputy Chairman and CEO of the Company and a substantial shareholder of the Company. The loan, which bears interest rate of 6.00% to 8.00% per annum, is unsecured and repayable on demand.

(ix) Loan 9 is from Yap Mee Lee who is a shareholder of the Company (whose shareholding interest comprises less than 5% of the share capital of the Company) and a director of Albedo Corporation Pte Ltd and JCG-Beverly Pte Ltd, wholly owned subsidiaries of the Company. The loan, which bears an interest rate of 8.00% per annum, is unsecured and repayable 6 months from the date of the advance agreement dated 10 July 2023, with an option for the Company and the lender to extend the repayment date for another 6 months.

23. Borrowings (cont'd)

(x) Loan 10 is from CIMB Bank Berhad. The CIMB Bank loan is procured in April 2020 for BBSB operations. The term loan facility is secured by personal guarantees by certain directors of the Company. The term loan bears an interest rate of 3.5% per annum at Bank Negara Malaysia Funding Rate under Special Relief Facility calculated on a daily rest basis.

(xi) Bank overdraft is from United Overseas Bank (Malaysia) Berhad. The bank facility is secured by a corporate guarantee from the Company and personal guarantees by certain directors of the Company. The bank overdraft bears an interest rate of 0.75% per annum over the bank's base lending rate on daily rests.

(xii) Invoice financing is from United Overseas Bank (Malaysia) Berhad. The invoice financing facility is secured by a corporate guarantee from the Company and personal guarantees by certain directors of the Company. The invoice financing bears an interest rate of 0.75% per annum over the bank's base lending rate.

24. Deferred income tax liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

	Group	
	2023	**2022**
	S$'000	**S$'000**
Deferred income tax liabilities		
– To be settled after one year	90	67
Deferred income tax liabilities, representing fair value gain on customer relationships and property, plant and equipment		
Beginning of financial year	67	242
Arising from business combination (Note 17)	113	–
Credited to profit or loss	(90)	(175)
End of financial year	90	67

The Group has unrecognised tax losses of S$15,420,000 (2022: S$13,994,000) and capital allowances of S$3,438,000 (2022: S$4,322,000) at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses in their respective countries of incorporation.

25. Share capital

	2023 No. of ordinary shares '000	2023 Amount S$'000	2022 No. of ordinary shares '000	2022 Amount S$'000
Group and Company				
Beginning of financial year	19,681,411	73,887	18,662,715	72,994
Shares issued pursuant to:–				
Acquisition of subsidiaries	1,390,000[(1)]	1,529	–	–
Increase in subsidiaries shareholdings	6,150,000[(2)]	6,765	–	–
Debt capitalisation	1,772,728[(3)]	1,950	–	–
Professional fee	113,636[(4)]	125	–	–
Share subscription	–	–	630,000[(5)]	600
Share issuance for part payment of employees' and directors' salaries	–	–	388,696[(6)]	388
Expiry of warrants	–	146[(7)]	–	–
Warrants adjustments	–	–	–	(95)[(8)]
End of financial year	29,107,775	84,402	19,681,411	73,887

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

(1) On 15 September 2023, the Company completed the allotment and issuance of an aggregate of 1,390,000,000 shares at an issue price of S$0.0011 per share pursuant to completion of the acquisition of 100% of the shareholding interests in Beverly Bangsar Sdn Bhd.

(2) On 15 September 2023, the Company completed the allotment and issuance of an aggregate of 6,150,000,000 shares at an issue price of S$0.0011 per share pursuant to completion of the acquisition of 49.0% of the shareholding interests in each of Beverly Wilshire Medical Centre (JB) Sdn Bhd, Beverly Wilshire Aesthetic Dental Centre Sdn Bhd and Beverly Wilshire Tropicana City Mall Sdn Bhd, 44.2% of the shareholding interests in Beverly Wilshire Medical Centre Sdn Bhd and 13.6% of the shareholding interests in Beverly Wilshire Medical Academy & Research Centre Sdn Bhd.

(3) On 15 September 2023, the Company completed the allotment and issuance of an aggregate of 1,772,727,270 shares at an issue price of S$0.0011 per share pursuant to completion of the debt capitalisation of the aggregate outstanding amount of S$1,950,000 owing to the subscribers of the Company.

(4) On 15 September 2023, the Company completed the allotment and issuance of an aggregate of 113,636,364 shares at an issue price of S$0.0011 per share pursuant to completion of the Evolve Share Issuance in connection with the part payment of professional fees to Evolve Capital Advisory Private Limited.

25. Share capital (cont'd)

[5] On 10 March 2022, the Company completed the allotment and issuance of 630,000,000 shares at an issue price of S$0.001 per share and 210,000,000 warrants pursuant to a deed poll executed by the Company on 10 March 2022, each convertible into one share at an exercise price of S$0.001 per warrant. The share subscription expenses amounting to S$30,000 were deducted against the share capital.

[6] On 4 April 2022, the Company completed the allotment and issuance of an aggregate of 388,696,000 shares at an issue price of S$0.001 per share pursuant to part payment of employees' and directors' salaries in shares in lieu of cash.

[7] During the financial year ended 31 December 2023, 85,561,497 unexercised non-transferrable warrants with an exercise price of S$0.002 per warrant expired on 15 January 2023. Accordingly, the warrant reserves were transferred to share capital upon the expiry and termination of the warrants.

[8] During the financial year ended 31 December 2022, 210,000,000 unexercised warrants with an exercise price of S$0.001 per warrant were issued, an amount of S$95,000 attributable to the fair value of the warrants was transferred from shares capital to warrants reserve.

The newly issued shares rank pari passu in all respects with the previously issued shares.

(a) Share options

Albedo Limited Employee Share Option Scheme (the "ESOS")

The Albedo's Employee Share Options Scheme ("**ESOS**"), approved on 24 February 2006 and 5 May 2010, is administered by a committee ("**Committee**"). The ESOS shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years, commencing on the date on which the ESOS is adopted by Shareholders in the General Meeting. Subject to compliance with applicable laws and regulations in Singapore, the ESOS may be continued beyond the stipulated period with the approval of the Shareholders and relevant authorities. The members of the Committee are:

Yap Siean Sin (Chairman)
Kong Sin Seng
Cheung Wai Man, Raymond

The ESOS provides an opportunity for selected Directors and/or Participants of the Group who have contributed significantly to the growth and performance of the Group (including non-executive Directors), who satisfy the eligibility criteria as set out in the rules of the ESOS, to participate in the equity of the Company and can be summarised as follows:

- Subject to the rules of the ESOS, the aggregate number of shares in respect of which options may be offered to selected Director and/or Participants for subscription in accordance with the ESOS shall be determined at the discretion of the Committee which shall take into account (where applicable) criteria such as the rank and responsibilities within the Group, performance, years of service and potential for future development and the performance of the Group (provided always that the total number of shares in respect of which options may be granted to any one Grantee shall not exceed 10% of the total number of shares available under the ESOS).

25. Share capital (cont'd)

(a) Share options (cont'd)

Albedo Limited Employee Share Option Scheme (the "ESOS") (cont'd)

- The Committee shall monitor the grant of options carefully to ensure that the number of the shares which may be issued pursuant to the options will comply with the relevant Catalist Rules of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

- The aggregate number of shares over which the Committee may grant options on any date, when added to the total number of shares issued and issuable in respect of all options granted under the ESOS, shall not exceed 10% of the total issued shares of the Company on the day preceding that offer date of the options.

- Under the ESOS, options granted to the Directors and Participants may, except in certain special circumstances, be exercised at any time after the first anniversary but not later than the tenth anniversary from the date of grant. The ordinary shares of the Company ("**Shares**") under options may be exercised in full or in respect of 1,000 Shares or a multiple thereof, on the payment of the exercise price. The exercise price is based on the average of last dealt prices of the Shares on the SGX-ST for the three market days immediately preceding the date of grant rounded to the nearest whole cent. The Committee may at its discretion fix the exercise price at a discount not exceeding 20% to the above price. No options have been granted at a discount.

Details of the options to subscribe for ordinary shares of the Company pursuant to the ESOS as at 31 December 2023 are as follows:

Date of grant	Balance as at 1.1.2023	Options granted/ adjustment	Options cancelled or lapsed	Balance as at 31.12.2023	Exercise price per share option	Exercisable period
2.10.2014	38,487,500	–	–	38,487,500	S$0.020	2.10.2014-1.10.2024
	38,487,500	–	–	38,487,500		

Details of the options to subscribe for ordinary shares of the Company pursuant to the ESOS as at 31 December 2022 are as follows:

Date of grant	Balance as at 1.1.2022	Options granted/ adjustment	Options cancelled or lapsed	Balance as at 31.12.2022	Exercise price per share option	Exercisable period
2.10.2014	38,487,500	–	–	38,487,500	S$0.020	2.10.2014-1.10.2024
	38,487,500	–	–	38,487,500		

On 10 January 2019, the Company made an announcement on the SGX-ST relating to the completion of the Propose Corporate Exercises previously announced on 26 August 2018, 17 December 2018 and 31 December 2018. The Company had completed the Proposed Share Consolidation exercise of every two (2) Share Options held by the Participants of the Company at the Book Closure Date on 10 January 2019, into one (1) Consolidated Share Option. Accordingly, the exercise prices of the share options are adjusted to S$0.020 from S$0.010. There are an aggregate of 76,975,000 share options after share consolidation.

25. Share capital (cont'd)

(a) Share options (cont'd)

Albedo Limited Employee Share Option Scheme (the "ESOS") (cont'd)

Details of the options to subscribe for ordinary shares of the Company granted to directors and Participants of the Company pursuant to the ESOS were as follows:

2023	Aggregate options granted since commencement of ESOS to 31.12.2023	Aggregate options exercised since commencement of ESOS to 31.12.2023	Aggregate share consolidation adjustment since commencement of ESOS to 31.12.2023	Aggregate options adjustment since commencement of ESOS to 31.12.2023	Aggregate options cancelled, lapsed or transferred since commencement of ESOS to 31.12.2023	Aggregate options outstanding as at 31.12.2023
Non-executive directors	30,000,000	–	(37,857,000)	45,714,000	(37,857,000)	–
Executive director[1]	31,500,000	(1,500,000)	–	45,714,000	(75,714,000)	–
Directors (ceased office)	42,750,000	(600,000)	–	63,159,000	(105,309,000)	–
Employees	81,814,000	–	(39,118,000)	3,806,000	(8,014,500)	38,487,500
	186,064,000	(2,100,000)	(76,975,000)	158,393,000	(226,894,500)	38,487,500

2022	Aggregate options granted since commencement of ESOS to 31.12.2022	Aggregate options exercised since commencement of ESOS to 31.12.2022	Aggregate share consolidation adjustment since commencement of ESOS to 31.12.2022	Aggregate options adjustment since commencement of ESOS to 31.12.2022	Aggregate options cancelled, lapsed or transferred since commencement of ESOS to 31.12.2022	Aggregate options outstanding as at 31.12.2022
Non-executive directors	30,000,000	–	(37,857,000)	45,714,000	(37,857,000)	–
Executive director[1]	31,500,000	(1,500,000)	–	45,714,000	(75,714,000)	–
Directors (ceased office)	42,750,000	(600,000)	–	63,159,000	(105,309,000)	–
Employees	81,814,000	–	(39,118,000)	3,806,000	(8,014,500)	38,487,500
	186,064,000	(2,100,000)	(76,975,000)	158,393,000	(226,894,500)	38,487,500

The Group and the Company have evaluated the financial impact of the share options cancelled to be minimal, accordingly the effect on the share option reserve (Note 26(b)(i)) is not adjusted.

[1] The executive director ceased to be a Director of the Company upon his demise on 6 March 2018. Accordingly, the share options held by Tai Kok Chuan has been transferred to his spouse, Yap Mee Lee, a director and employee of one of the Company's subsidiaries.

25. Share capital (cont'd)

(a) Share options (cont'd)

Albedo Limited Employee Share Option Scheme (the "ESOS") (cont'd)

Since the commencement of the ESOS till the end of the financial year:

- No options have been granted to the controlling shareholders of the Company or their associates (as defined in the Listing Manual of SGX-ST);
- No participants other than the directors of the Company have received 5% or more of the total options available under the Scheme;
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted; and
- No options have been granted at a discount.

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

The fair values of the share options granted were calculated using the Binomial Model. The inputs into the model were as follows:

Before the 2014 Adjustments

	Option 1	Option 2	Option 3	Option 4
Grant date	9.4.2007	2.5.2008	20.6.2008	2.10.2014
Share price at grant date	10 cents	13 cents	14 cents	1.3 cents
Exercise price	10 cents	13 cents	14 cents	1.3 cents
Expected volatility	42%	39.48%	48.78%	56.74%
Expected life (years)	10 years	10 years	10 years	1 year
Risk free rate	4%	3.4%	3.4%	1.67%
Expected dividend yield	9.3%	0%	0%	0%

After the 2014 Adjustments

	Option 1	Option 2	Option 3	Option 4
Grant date	9.4.2007	2.5.2008	20.6.2008	2.10.2014
Share price at valuation date	1.8 cents	1.8 cents	1.8 cents	1.3 cents
Exercise price	1.0 cents	1.3 cents	1.5 cents	1.3 cents
Expected volatility	33.18%	33.18%	33.18%	56.74%
Expected life (years)	2.8 years	3.8 years	4.0 years	5.5 years
Risk free rate	0.56%	0.80%	0.85%	1.67%
Expected dividend yield	0%	0%	0%	0%
Fair value of share options (cents)	0.87	0.71	0.62	0.67

25. Share capital (cont'd)

(a) Share options (cont'd)

Albedo Limited Employee Share Option Scheme (the "ESOS") (cont'd)

After the 2017 Adjustments

	Option 1	Option 2	Option 3	Option 4
Grant date	–	2.5.2008	20.6.2008	2.10.2014
Share price at valuation date	–	0.2 cents	0.2 cents	0.2 cents
Exercise price	–	1.0 cents	1.0 cents	1.0 cents
Expected volatility	–	221.0%	206.0%	145.0%
Expected life (years)	–	0.52 years	0.65 years	6.94 years
Risk free rate	–	0.20%	0.20%	1.86%
Expected dividend yield	–	0%	0%	0%
Fair value of share options (cents)	–	0.048	0.053	0.178

After the 2019 Adjustments

	Option 1	Option 2	Option 3	Option 4
Grant date	–	–	–	2.10.2014
Share price at valuation date	–	–	–	0.1 cents
Exercise price	–	–	–	2.0 cents
Expected volatility	–	–	–	132.0%
Expected life (years)	–	–	–	5.73 years
Risk free rate	–	–	–	2.02%
Expected dividend yield	–	–	–	0%
Fair value of share options (cents)	–	–	–	0.06

Expected volatility was determined by calculating the historical volatility of the Company's share price. The expected life used in the model is based on historical data and is not necessary indicative of future trends, which may also not necessarily be the actual outcome. No other features of the option grant were incorporated into the measurement of fair value.

(b) Share performance plan

JCG Share Performance Plan ("JCG SPP")

The JCG Share Performance Plan is intended to incentivise Participants to excel in their performance and encourage greater dedication and loyalty to the Company. Through the JCG Share Performance Plan, the Company hopes to be able to recognise and reward contributions and services of Participants and motivate Participants to continue to strive for the Group's long-term prosperity. By giving Participants the opportunity to participate in the equity of the Company as opposed to providing solely cash bonus payments for their performance, the JCG Share Performance Plan aims to foster an ownership culture within the Group.

25. Share capital (cont'd)

(b) Share performance plan (cont'd)

JCG Share Performance Plan ("JCG SPP") (cont'd)

The JCG Share Performance Plan uses methods fairly common among successful multinational companies to incentivise and motivate Participants to achieve pre-determined targets which create and enhance economic value for Shareholders. Unlike the Albedo ESOS, the award of fully-paid Shares, free of charge, to the Participants is intended to be a more attractive form of bonus from the Company to the Participants. In addition, the Company believes that the JCG Share Performance Plan will be more effective than cash bonuses in motivating Participants as it gives them a stake in the ownership of the Company whilst at the same time allowing the Company to offer incentives and remuneration packages compatible with other multinational companies.

The JCG Share Performance Plan is intended to complement the Albedo ESOS and serve as an additional and flexible incentive tool. With the JCG Share Performance Plan, the Company would be able to tailor share-based incentives according to the objectives to be achieved by combining Awards under the JCG Share Performance Plan with the grant of Options under the Albedo ESOS.

The JCG Share Performance Plan is intended also to reward other Participants (such as the Non-Executive Directors) who have contributed to the success and development of the Group.

The Awards granted under this JCG Share Performance Plan will be determined at the discretion of the Committee which shall take into account (where applicable) criteria such as the rank and responsibilities within the Group, performance, years of service and potential for future development of the selected Participant. The JCG Share Performance Plan awards fully paid shares to the Participants.

The Award may be granted by the Committee at any time during the period when the JCG Share Performance Plan is in force. As soon as reasonably practicable after making an Award, the Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award, among others, the Award Date, the Performance Period, the number of Shares which are the subject of the Award, the Performance Condition and the Release Schedule.

Any Award made but prior to the vesting shall lapse when, inter alia, the Participant ceases to be in the employment of the Company, ceases to be an Executive Director or a Non-Executive Director of the Company or a Controlling Shareholder or its Associate, or is guilty of misconduct. Other circumstances whereby Awards made would lapse include the bankruptcy of the Participant, the passing of a resolution for the winding up of the Company on the basis, or by reason, of the Company's insolvency.

25. **Share capital (cont'd)**

(b) **Share performance plan (cont'd)**

JCG Share Performance Plan ("JCG SPP") (cont'd)

The total number of Shares which may be granted under the JCG Share Performance Plan when added to the number of Shares issued and issuable under:

(i) all Awards granted thereunder;

(ii) all the Options under the Albedo ESOS; and

(iii) any other share scheme which the Company may implement from time to time,

shall not exceed 15% of the issued ordinary shares of the Company (excluding treasury shares) on the day preceding the relevant date of award. In the event the Company establishes any other share plans, the aggregate of shares under all such share plans and all Options granted under the Albedo ESOS will not exceed 15% of the issued ordinary shares of the Company excluding treasury shares from time to time.

In addition, the total amount of new Shares over which the Remuneration Committee may grant awards on any date pursuant to the proposed JCG Share Performance Plan, when added to the amount of new shares issued and issuable in respect of all awards granted under the proposed JCG Share Performance Plan, available to:

(i) all controlling shareholders and their associates must not exceed 25% of the total number of shares available under the proposed JCG Share Performance Plan; and

(ii) each controlling shareholder or his associate must not exceed 10% of the total number of shares available under the proposed JCG Share Performance Plan.

The JCG Share Performance Plan will continue in force at the discretion of the Remuneration Committee to a maximum of ten (10) years commencing from 30 April 2020. Subject to compliance with any applicable laws and regulations in Singapore, the proposed JCG Share Performance Plan may continue beyond the stipulated period with the approval of Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.

No share awards are granted during the financial years ended 31 December 2023 and 2022 pursuant to the JCG Share Performance Plan.

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26. Other reserves

	Group 2023 S$'000	Group 2022 S$'000	Company 2023 S$'000	Company 2022 S$'000
(a) Composition:				
Share option reserve	25	25	25	25
Currency translation reserve	(2)	(20)	–	–
Warrant reserve	2,998	3,144	2,998	3,144
	3,021	3,149	3,023	3,169
(b) Movements:				
(i) Share option reserve				
Beginning and end of financial year	25	25	25	25
(ii) Currency translation reserve				
Beginning of financial year	(20)	(35)	–	–
Net currency translation of financial statements of foreign subsidiaries	18	15	–	–
End of financial year	(2)	(20)	–	–
(iii) Warrants reserve				
Beginning of financial year	3,144	3,049	3,144	3,049
Warrants adjustment (Note 25[(1)])	(146)	95	(146)	95
End of financial year	2,998	3,144	2,998	3,144

The share option reserve represents the equity-settled share options granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options and is reduced by the expiry or exercise of the share options.

The currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

26. Other reserves (cont'd)

The warrants reserve represents the fair value of the remaining unexercised warrants, details are as follow:

			No of warrants				
	Warrantholder	**Issue date**	**2023**	**2022**	**Exercise price (S$)**	**Terms**	**Expiry Date**
1	Rest Investments Ltd	10 January 2019	952,380,952	952,380,952	0.0014	5 years	9 January 2024
2	Tan Suying	15 April 2019	310,185,185	310,185,185	0.0018	5 years	14 April 2024
3	Dato' Ng Tian Sang	18 July 2019	250,000,000	250,000,000	0.0018	5 years	17 July 2024
4	Vendors of Beverly Wilshire Medical Centre Group	7 November 2019	162,000,000	162,000,000	0.002	5 years	6 November 2024
5	Subscribers of January 2020 Share Subscriptions	16 January 2020	–	85,561,497	0.002	3 years	15 January 2023
6	2021 Rights Cum Warrants Issue	2 June 2021	2,112,779,425	2,112,779,425	0.001	3 years	1 June 2024
7	Subscribers of December 2021 Share Subscriptions	9 December 2021	245,000,000	245,000,000	0.001	3 years	8 December 2024
8	Subscribers of March 2022 Share Subscriptions	10 March 2022	210,000,000	210,000,000	0.001	3 years	9 March 2025

Each of the warrant above are convertible to one unit of ordinary shares.

Other reserves are non-distributable.

27. Accumulated losses

Movement in accumulated losses for the Company is as follows:

	Company	
	2023	2022
	S$'000	S$'000
Beginning of financial year	(72,942)	(71,197)
Net loss for the financial year	(1,555)	(1,745)
End of financial year	(74,497)	(72,942)

28. Commitments and contingent liabilities

Contingent liabilities

The Company had issued corporate guarantee of S$643,000 (2022: S$1,005,000) to United Overseas Bank (Malaysia) Bhd who provided borrowings to its subsidiary (Note 29(b)).

29. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk, liquidity risk and capital risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes establishing detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits.

Financial risk management is carried out by the finance department in accordance with the policies set. The finance personnel identify and evaluates financial risks in close co-operation with the Group's operating units. The finance personnel measures actual exposures against the limits set and prepares periodic reports for review by the Chief Financial Officer. Regular reports are also submitted to the Board of Directors.

(a) Market risk

(i) Currency risk

The Group operates in Asia with dominant operations in Singapore and Malaysia.

The Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposure to the net assets of the Group's foreign operations are monitored throughout the financial year to ensure the impacts to the Group's financial statements are not significant.

29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The Group's currency exposure based on the information provided to key management is as follows:

	SGD S$'000	MYR S$'000	Total S$'000
2023			
Financial assets			
Cash and cash equivalents	111	172	283
Trade and other receivables	41	629	670
	152	801	953
Financial liabilities			
Trade and other payables	1,572	2,116	3,688
Borrowings	508	2,390	2,898
	2,080	4,506	6,586
Net financial liabilities	(1,928)	(3,705)	(5,633)
Less: Net financial assets denominated in the respective entities' functional currencies	1,928	3,705	5,633
Currency exposure of financial liabilities	–	–	–
2022			
Financial assets			
Cash and cash equivalents	575	333	908
Trade and other receivables	118	535	653
	693	868	1,561
Financial liabilities			
Trade and other payables	1,716	1,714	3,430
Borrowings	1,121	3,300	4,421
	2,837	5,014	7,851
Net financial liabilities	(2,144)	(4,146)	(6,290)
Less: Net financial assets denominated in the respective entities' functional currencies	2,144	4,146	6,290
Currency exposure of financial liabilities	–	–	–

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29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The Company's currency exposure based on the information provided to key management is as follows:

	SGD S$'000	MYR S$'000	Total S$'000
2023			
Financial assets			
Cash and cash equivalents	109	–	109
Trade and other receivables	768	–	768
	877	–	877
Financial liabilities			
Trade and other payables	1,507	–	1,507
Borrowings	1,081	–	1,081
	2,588	–	2,588
Net financial liabilities	(1,711)	–	(1,711)
Less: Net financial assets denominated in the Company's functional currency	1,711	–	1,711
Currency exposure of financial liabilities	–	–	–
2022			
Financial assets			
Cash and cash equivalents	529	–	529
Trade and other receivables	815	–	815
	1,344	–	1,344
Financial liabilities			
Trade and other payables	1,693	–	1,693
Borrowings	1,747	–	1,747
	3,440	–	3,440
Net financial liabilities	(2,096)	–	(2,096)
Less: Net financial assets denominated in the Company's functional currency	2,096	–	2,096
Currency exposure of financial liabilities	–	–	–

The Group and Company are not exposed to significant foreign currency risk as their business are transacted in functional currencies, which are SGD and MYR.

29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(a) Market risk (cont'd)

(ii) Price risk

The Group and the Company do not have exposure to equity price risk as it does not hold equity financial assets.

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group and the Company has cash balances placed with reputable banks and financial institutions which generate interest income for the Group and the Company whereby changes in interest rate exposure is not significant. The Group and the Company manages its interest rate risk by placing such balances on varying maturities and interest rate terms.

The Group and the Company are not exposed to significant changes in interest rates for the borrowings at fixed and floating interest rates.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period are as follows:

	Group	
	2023	**2022**
	S$'000	**S$'000**
Fixed rate instruments		
Financial asset		
Short-term bank deposit	29	194
Financial liabilities		
Term loan	68	–
Floating rate instruments		
Financial liabilities		
Bank overdraft	354	330
Invoice financing	289	169
Term loan	–	506
	643	1,005

Notes to the Financial Statements

For the financial year ended 31 December 2023

29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(a) Market risk (cont'd)

(iii) Cash flow and fair value interest rate risks (cont'd)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis point ("**bp**") in interest rates at the end of the reporting period would have increased/decreased equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Equity		Profit or loss	
	100 bp increase S$'000	**100 bp decrease S$'000**	**100 bp increase S$'000**	**100 bp decrease S$'000**
Group				
2023				
Floating rate instruments	–	–	(6)	6
Cash flow sensitivity (net)	–	–	(6)	6
2022				
Floating rate instruments	–	–	(10)	10
Cash flow sensitivity (net)	–	–	(10)	10

(b) Credit risk

Credit risk refers to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade and other receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history and obtaining cash deposits where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(b) Credit risk (cont'd)

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the management based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the management.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position, except as follows:

	Company	
	2023	**2022**
	S$'000	**S$'000**
Corporate guarantee provided to United Overseas Bank (Malaysia) Bhd on its subsidiary's borrowings (Note 28(a))	643	1,005

The Group is of the view that the loss allowance is not material and hence, it is not provided for.

The credit risk for trade receivables based on the information provided to key management is as follows:

	Group	
	2023	**2022**
	S$'000	**S$'000**
By geographical area		
Malaysia	253	233
By types of customers		
Non-related parties		
– Individuals	186	181
– Other companies	67	52
	253	233

29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(b) Credit risk (cont'd)

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

(i) Trade receivables

The Group uses a provision matrix to measure the lifetime expected credit loss ("**ECL**") allowance for trade receivables.

In measuring the expected credit losses, trade receivables is grouped based on their shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written-off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises trade receivables for potential write-off when the counterparty fails to make contractual payments more than 180 days past due. Where receivables are written-off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 December 2023 and 2022 are set out in the provision matrix as follows:

	Current S$'000	Less than 30 days S$'000	31 to 60 days S$'000	61 to 90 days S$'000	More than 90 days S$'000	Total S$'000
Group						
2023						
Trade receivables	67	19	21	5	141	253
Allowance for impairment	–	(14)	(21)	(5)	(141)	(181)
						72
2022						
Trade receivables	32	8	11	6	176	233
Allowance for impairment	–	–	(1)	(6)	(176)	(183)
						50

29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(b) Credit risk (cont'd)

(ii) Other receivables

The Group and the Company use the general approach for assessment of ECLs for these financial assets. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECL at initial recognition.

At each reporting date, the Group and the Company assess whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, the loss allowance is measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, the loss allowance is measured at an amount equal to 12-month ECLs.

As at 31 December 2023, the Group performed an assessment of impairment using the 12-month ECL basis on these financial assets. The Group concluded the loss allowance is insignificant.

(iii) Non-trade receivables from subsidiaries

Non-trade receivables from subsidiaries are provided mainly for short term funding requirements. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The Company concluded that the loss allowance provided for non-trade receivables from subsidiaries is insignificant.

(iv) Cash and cash equivalents

The Group's and the Company held cash and cash equivalents with reputable licensed financial institutions with high credit-ratings and consider to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions at a short notice. At the reporting date, assets held by the Group and the Company for managing liquidity risk included measures undertaken as described in Note 4 and cash and short-term deposits as disclosed in Note 13 to the financial statements.

Management monitors rolling forecasts of the liquidity reserves (comprises of undrawn borrowing facility and cash and bank balances (Note 13) of the Group and the Company on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group in accordance with the practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year S$'000	Between 2 and 5 years S$'000	More than 5 years S$'000
Group			
2023			
Trade and other payables	3,688	–	–
Lease liabilities	687	1,253	–
Borrowings (excluding lease liabilities)	1,042	40	–
2022			
Trade and other payables	3,430	–	–
Lease liabilities	758	1,928	–
Borrowings (excluding lease liabilities)	879	1,075	–

29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(c) Liquidity risk (cont'd)

	Less than 1 year S$'000	Between 2 and 5 years S$'000	More than 5 years S$'000
Company			
2023			
Trade and other payables	1,507	–	–
Lease liabilities	73	67	–
Borrowings (excluding lease liabilities)	943	–	–
2022			
Trade and other payables	1,693	–	–
Lease liabilities	68	146	–
Borrowings (excluding lease liabilities)	627	947	–

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to increase the working capital.

Management monitors capital based on a gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Net debt	6,653	7,518	2,479	2,911
Total equity	89	(1,121)	9,371	557
Total capital	6,742	6,397	11,850	3,468
Gearing ratio	99%	117.5%	21%	83.9%

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2023 and 2022.

29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(e) Fair value measurements

The Group classifies fair value measurements using a fair value hierarchy which reflects the significance of the inputs used in determining the measurements. The fair value hierarchy has the following levels:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2:* inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3:* inputs for the asset or liability which are not based on observable market data (unobservable inputs).

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The carrying amount of financial assets and financial liabilities measured at amortised cost with a maturity of less than one year is assumed to approximate their fair values.

The table below presents financial instruments measured at fair value and classified by level of fair value measurement hierarchy:

	Fair value of financial instruments not carried at fair value				Carrying amount
	Level 1 S$'000	Level 2 S$'000	Level 3 S$'000	Total S$'000	S$'000
Group					
2023					
Liabilities					
Non-current borrowings	–	35	–	35	39
2022					
Liabilities					
Non-current borrowings	–	913	–	913	1,041
Company					
2023					
Liabilities					
Non-current borrowings	–	–	–	–	–
2022					
Liabilities					
Non-current borrowings	-	806	-	806	915

There were no transfers between Levels 1, 2 and 3 during the year.

29. Financial risk management (cont'd)

Financial risk factors (cont'd)

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as follows:

	2023 S$'000	2022 S$'000
Group		
Financial assets measured at amortised cost		
Trade receivables (Note 14)	72	50
Other receivables (Note 14)	598	603
Cash and bank balances (Note 13)	283	908
Total financial assets measured at amortised cost	953	1,561
Financial liabilities measured at amortised cost		
Trade payables (Note 22)	362	301
Other payables (Note 22)	3,326	3,129
Borrowings (Note 23 (b))	1,081	1,920
Total financial liabilities measured at amortised cost	4,769	5,350
Company		
Financial assets at amortised cost		
Other receivables (Note 14)	768	815
Cash and bank balances (Note 13)	109	529
Total financial assets measured at amortised cost	877	1,344
Financial liabilities measured at amortised cost		
Other payables (Note 22)	1,507	1,693
Borrowings (Note 23 (b))	943	1,542
Total financial liabilities measured at amortised cost	2,450	3,235

30. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group	
	2023 S$'000	2022 S$'000
Sales to related parties	–	67
Other income	–	17
Cost of sales	–	37

Outstanding balances as at 31 December 2023 and 2022 are unsecured and receivable/payable within 12 months from the reporting date and disclosed in Notes 14 and 22 to the financial statements respectively.

30. Related party transactions (cont'd)

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2023	**2022**
	S$'000	**S$'000**
Key management personnel		
Wages, salaries and short-term benefits	1,842	1,835
Employer's contribution to defined contribution plans, including Central Provident Fund/Employees' Provident Fund	74	88
	1,916	1,923
Comprised amounts paid to:		
– Directors of the Company	589	632
– Directors of subsidiaries	1,146	1,094
– Other key management personnel	181	197
	1,916	1,923

31. Segment information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors comprises of executive and non-executive directors.

The Board of Directors considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the two primary geographic areas namely, Singapore and Malaysia.

The Board of Directors monitors the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, as set out below, is measured differently from operating profit or loss in the consolidated financial statements.

The Group is organised into three reportable segments as described below, which are the Group's strategic business units. The strategic business units offer different services, and are managed separately because they require different marketing strategies. For each of the strategic business units, the Board of Directors reviews the internal management reports on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Aesthetic medical and healthcare:	Provision of aesthetic medical services includes the provision of aesthetic medical, beauty and wellness services.
Trading and distribution:	Trading and distribution of steel raw materials, consumables, instruments and semi-finished products for steel mills, iron and steel foundries and aluminum smelters in the Asia-Pacific region and provision of ancillary services.
Investment and others:	Business of investment holding, provision of management services and provision of marketing, distribution and related services.

31. Segment information (cont'd)

The segment information provided to the Board of Directors for the reportable segments is as follows:

	Aesthetic medical and healthcare		Trading and distribution		Investment and others		Total	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Segment revenue								
– External parties	7,943	10,071	98	439	–	–	8,041	10,510
Gross profit	4,392	5,728	8	13	–	–	4,400	5,741
Other income	179	133	–*	–*	–*	18	179	151
Other losses, net	(18)	(155)	–	–	–	–	(18)	(155)
Expenses								
– Distribution	(172)	(178)	(69)	(80)	–	–	(241)	(258)
– Administrative	(4,636)	(5,808)	(81)	(81)	(1,849)	(1,773)	(6,566)	(7,662)
– Finance	(182)	(207)	–*	(1)	(81)	(38)	(263)	(246)
Loss before income tax	(437)	(487)	(142)	(149)	(1,930)	(1,793)	(2,509)	(2,429)
Income tax credit	97	179	–	–	–	–	97	179
Net loss for the financial year	(340)	(308)	(142)	(149)	(1,930)	(1,793)	(2,412)	(2,250)

* Less than S$1,000

31. Segment information (cont'd)

The segment information provided to the Board of Directors for the reportable segments is as follows: (cont'd)

	Aesthetic medical and healthcare		Trading and distribution		Investment and others		Total	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Other information								
Depreciation of property, plant and equipment (Note 18)	1,271	1,384	–	–	76	147	1,347	1,531
Amortisation of intangible assets (Note 21)	13	386	–	–	–	–	13	386
Interest expense of borrowings (Note 10)	68	72	–	1	69	33	137	106
Interest expense of lease (Note 10)	114	135	–	–	12	5	126	140
Additions to:								
Property, plant and equipment (Note 18)	446	1,062	–	–	2	224	448	1,286
Assets and liabilities								
Segment and consolidated total assets	6,564	6,372	2	117	555	893	7,121	7,382
Consolidated total assets							7,121	7,382
Segment and consolidated total liabilities	4,944	5,666	65	18	2,023	2,819	7,032	8,503
Consolidated total liabilities							7,032	8,503

The segment loss, segment assets and segment liabilities presented to the Board of Directors are measured in a manner consistent with that of the financial statements. All items are allocated to respective reportable segments.

31. Segment information (cont'd)

(a) Revenue from major products and services

Revenue from external customers is derived mainly from the trading and distribution; and rendering of aesthetic medical and healthcare services. Investment holding and provision of management services are included in "Others".

(b) Revenue from external customers

During the financial years ended 31 December 2023 and 31 December 2022, the Group did not have revenues from transactions with any single external customer amounting to 10 per cent or more of the Group's revenues.

(c) Geographical information

The Group's two major business segments operate in two main geographical areas:

- Singapore – the Company is headquartered and has operations in Singapore. The operations in this area are principally investment holding and trading and distribution of steel mill consumable products;
- Malaysia – the operations in these areas are principally provision of aesthetic medical and healthcare services.

	Group 2023 S$'000	Group 2022 S$'000
Revenue		
– Singapore	98	439
– Malaysia	7,943	10,071
	8,041	10,510

	Group 2023 S$'000	Group 2022 S$'000
Non-current assets		
Singapore	137	211
Malaysia	5,263	4,972
	5,400	5,183

Notes to the Financial Statements

For the financial year ended 31 December 2023

32. Events after reporting date

On 16 January 2024, the Company completed the proposed share consolidation of 50 existing shares registered in the name of each Shareholder into one (1) Consolidated Share.

On 21 February 2024, 5,294,342 Rights Shares and 5,294,342 2023 Warrants were allotted and issued by the Company to successful subscribers pursuant to the Rights Cum Warrants Issue.

On 22 March 2024, pursuant to the vesting of the Share Awards, the Company has allotted and issued 2,083,000 new shares.

33. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Beverly JCG Ltd. on 5 April 2024.

Statistics of Shareholdings

As at 22 March 2024

Issued Share Capital	:	S$90,903,490
No. of Issued Shares	:	589,532,745
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share
No. of Treasury Shares	:	Nil
No. of Subsidiary Shares	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	310	10.77	6,116	0.00
100 – 1,000	762	26.49	460,109	0.08
1,001 – 10,000	1,067	37.09	4,625,163	0.79
10,001 – 1,000,000	691	24.02	65,161,363	11.05
1,000,001 and above	47	1.63	519,279,994	88.08
Total	**2,877**	**100.00**	**589,532,745**	**100.00**

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	UOB Kay Hian Private Limited	142,993,779	24.26
2	United Overseas Bank Nominees (Private) Limited	68,229,761	11.57
3	Tan Suying	37,222,221	6.31
4	Raffles Nominees (Pte.) Limited	36,598,092	6.21
5	Phillip Securities Pte Ltd	34,302,845	5.82
6	Alexander Ng Zhonglie	27,863,796	4.73
7	DBS Nominees (Private) Limited	18,825,016	3.19
8	Yuen Pui Leng Eunice	18,571,428	3.15
9	Citibank Nominees Singapore Pte Ltd	11,849,797	2.01
10	CGS-CIMB Securities (Singapore) Pte. Ltd.	10,843,051	1.84
11	Loke Lai Wan	10,607,142	1.80
12	Teong Teck Lean	8,489,373	1.44
13	OCBC Securities Private Limited	8,264,962	1.40
14	Ng Jwee Phuan @ Frederick (Eric)	7,422,600	1.26
15	Chua Khoon Wong	6,442,857	1.09
16	Chia Suat Peng (Xie Xueping)	5,178,571	0.88
17	Foo Yu Yuan (Fu Yuyuan)	5,178,571	0.88
18	Maybank Securities Pte. Ltd.	4,431,248	0.75
19	Yee Kok Leong	3,818,181	0.65
20	Ifast Financial Pte. Ltd.	3,536,707	0.60
	Total	**470,669,998**	**79.84**

Statistics of Shareholdings
As at 22 March 2024

SHAREHOLDINGS HELD IN THE HAND OF PUBLIC SHAREHOLDERS

Based on information available to the Company as at 22 March 2024, approximately 56.50% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Catalist Rules Section B: Rules of the Catalist is complied with.

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct Interest No. of shares	%	Deemed Interest No. of shares	%
Rest Investments Ltd[(1)]	57,142,857	9.69	–	–
Chua Chuan Seng[(2)]	100	–	57,142,857	9.69
Tan Suying[(3)]	37,222,221	6.31	–	–
Dato' Ng Tian Sang @ Ng Kek Chuan[(4)]	70,777,780	12.01	89,363,991	15.16

Notes:

(1) The 57,142,857 voting shares described as direct interests of Rest Investments Ltd are held through UOB Kay Hian Private Limited as intermediary.

(2) Chua Chuan Seng is the sole shareholder of Rest Investments Ltd, which holds voting shares in the Company and hence he is deemed interested in such voting shares. The total deemed interest consists of 57,142,857 voting shares held by Rest Investments Ltd's intermediary, UOB Kay Hian Private Limited.

(3) Out of the 37,222,221 shares described as direct interests of Tan Suying, 31,666,666 shares have no voting rights.

(4) Out of the 70,777,780 voting shares described as direct interests of Dato' Ng Tian Sang @ Ng Kek Chuan, 66,356,574 and 4,421,206 voting shares are held through United Overseas Bank (Nominees) Private Limited and Philip Securities Pte Ltd as intermediaries respectively. Dato' Ng Tian Sang @ Ng Kek Chuan is deemed to be interested in the 26,450,483, 35,049,712 and 27,863,796 voting shares held by Datin' Wong Ling Chu, Howard Ng How Er and Alexander Ng Zhonglie, who are his spouse and sons respectively.

Statistics of Warrantholdings

As at 22 March 2024

DISTRIBUTION OF WARRANTHOLDINGS(W240531)

Size of Warrantholdings	No. of Warrantholders	%	No. of Warrants	%
1 – 99	3	0.82	171	0.00
100 – 1,000	49	13.43	22,940	0.05
1,001 – 10,000	127	34.79	476,839	1.04
10,001 – 1,000,000	178	48.77	15,662,424	34.29
1,000,001 and above	8	2.19	29,515,698	64.62
TOTAL	**365**	**100.00**	**45,678,072**	**100.00**

TWENTY LARGEST WARRANTHOLDERS

No.	Name	No. of Warrants	%
1	Raffles Nominees (Pte.) Limited	8,331,635	18.24
2	United Overseas Bank Nominees (Private) Limited	7,472,347	16.36
3	Raffles Nominees (Pte.) Limited	4,164,235	9.12
4	UOB Kay Hian Private Limited	3,503,777	7.67
5	Maybank Securities Pte. Ltd.	1,990,078	4.36
6	CGS-CIMB Securities (Singapore) Pte. Ltd.	1,933,420	4.23
7	Chia Kwai Lin	1,084,602	2.37
8	Ng Ngee Hung	1,035,604	2.27
9	Long Sa Kow	973,401	2.13
10	Wong Han Yew	756,700	1.66
11	OCBC Securities Private Limited	674,193	1.48
12	Tan Eng Chua Edwin	648,600	1.42
13	Ang Kim Chuan	612,565	1.34
14	DBS Nominees (Private) Limited	482,902	1.06
15	Lim Chwee Kim	461,225	1.01
16	Mrs Chau-Chan Sui Yung	432,400	0.95
17	Wong Choo Hin	429,157	0.94
18	Tang Boon Siah	389,160	0.85
19	Chung Yuen Yee Kathy	340,882	0.75
20	Tan Heng Weng	324,300	0.71
	Total	**36,041,183**	**78.92**

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Beverly JCG Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") will be held at Anson 1, Level 2, M Hotel, 81 Anson Road, Singapore 079908 on 29 April 2024 at 2.30 p.m. for the following purposes as set out below.

This Notice has been made available on SGXNet and the Company's website.

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2023 together with the Directors' Statement and the Auditors' Report. **(Ordinary Resolution 1)**

2. To re-elect Mr Kong Sin Seng who is retiring pursuant to Regulation 96 of the Company's Constitution.

*Mr Kong Sin Seng, if re-elected, will remain as Chairman of the Audit Committee and a member of the Remuneration Committee, Nominating Committee and Risk Management Committee. Mr Kong Sin Seng will be considered independent for the purpose of Rule 704(7) of the Listing Manual (Section B: Rule of Catalist) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Catalist Rules**"). Additional information on Mr Kong Sin Seng may be found in Additional Information on Directors Seeking Re-Election on pages 159 to 165 of the Annual Report.* **(Ordinary Resolution 2)**

3. To re-elect Mr Howard Ng How Er who is retiring pursuant to Regulation 90 of the Company's Constitution.

Mr Howard Ng How Er, if re-elected, will remain as Deputy Chief Executive Officer, an Executive Director and a member of the Risk Management Committee. Additional information on Mr Howard Ng How Er may be found in Additional Information on Directors Seeking Re-Election on pages 159 to 165 of the Annual Report. **(Ordinary Resolution 3)**

4. To note the retirement of Mr Cheung Wai Man, Raymond who is retiring pursuant to Regulation 90 of the Company's Constitution.

5. To approve the payment of Directors' fees of S$84,000 for the financial year ending 31 December 2024, to be paid quarterly in arrears (FY2023: S$156,000). **(Ordinary Resolution 4)**

6. To appoint UHY Lee Seng Chan & Co. as the Company's Auditors in place of the retiring Auditors, RT LLP, to hold office until the conclusion of the next AGM and to authorise the Board to fix their remuneration. [See Explanatory Note (i)] **(Ordinary Resolution 5)**

7. To transact any other business that may be transacted at an annual general meeting.

AS SPECIAL BUSINESS

8. To consider and, if thought fit, to pass the following resolution as an ordinary resolution, with or without modifications:

"That pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Act**") and Rule 806 of the Catalist Rules, the directors of the Company (the "**Directors**") be and are hereby authorised to allot and issue:

(a) shares in the capital of the Company ("**Shares**");

(b) convertible securities; or

(c) additional securities issued pursuant to adjustment to (b) above; or

(d) Shares arising from the conversion of securities in (b) and (c) above,

in the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit provided that:

(i) the aggregate number of Shares and convertible securities that may be issued must not be more than 100% of the total number of issued Shares excluding treasury shares and subsidiary holdings, of which the aggregate number of Shares and convertible securities issued other than on a pro-rata basis to existing shareholders must not be more than 50% of the total number of issued Shares excluding treasury shares and subsidiary holdings. For the purpose of determining the aggregate number of Shares and convertible securities that may be issued under this resolution, the percentage of the total number of issued Shares excluding treasury shares and subsidiary holdings is based on the total number of issued Shares excluding treasury shares and subsidiary holdings at the time this resolution is passed, after adjusting for (aa) new Shares arising from the conversion or exercise of convertible securities; (bb) new Shares arising from exercising of share options or vesting of share awards outstanding or subsisting at the time of the passing of this resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and (cc) any subsequent bonus issue, consolidation or subdivision of Shares;

(ii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(iii) unless revoked or varied by the Company in a general meeting, such authority conferred by this resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier." [See Explanatory Note (ii)] **(Ordinary Resolution 6)**

Notice of Annual General Meeting

9. To consider and, if thought fit, to authorise the Directors of the Company to grant awards ("**Awards**") in accordance with the provisions of the JCG Share Performance Plan ("**JCG SPP**") and to allot and issue from time to time such number of fully paid-up ordinary shares in the capital of the Company (the "**Shares**") as may be required to be allotted and issued pursuant to the vesting of Awards under the JCG SPP, provided that the aggregate number of Shares available under the JCG SPP, when added to all Shares, options or awards granted under any other share option scheme, share award scheme or share incentive scheme of the Company then in force, shall not exceed 15% of the total issued share capital (excluding treasury shares and subsidiary holdings) of the Company from time to time. [See Explanatory Note (iii)] **(Ordinary Resolution 7)**

By Order of the Board

Ong Beng Hong/Tan Swee Gek
Company Secretaries

12 April 2024

Notice of Annual General Meeting

Explanatory Notes:

(i) The ordinary resolution 5 proposed in item 6 above is to approve the appointment of UHY Lee Seng Chan & Co. ("**UHYLSC**") as auditors of the Company for the financial year ending 31 December 2024 in place of the retiring auditors, RT LLP ("**RT**"), and to authorise the Directors to fix their remuneration.

The Company has received the notice of nomination from one of its shareholders dated 7 March 2024 on the appointment of UHYLSC in place of the retiring auditors, RT. RT, the retiring Auditors, has served as external auditors of the Company since 23 December 2021.

The Audit Committee ("**AC**") is of the view that the change of auditors is in the best interests of the Company as it would enable the Company to benefit from a change of perspectives. A change of auditors accords with good corporate governance practice and will enable the Company to benefit from fresh perspectives and have access to the views of a new professional audit firm. Accordingly, as part of the Company's ongoing corporate governance initiatives as well as to manage its overall business costs and expenses amidst the current business climate, it would be appropriate and timely to effect a change of auditors of the Company and to appoint UHYLSC as the auditors of the Company at the forthcoming AGM of the Company to hold office until the conclusion of the next annual general meeting of the Company.

The AC, in reviewing and deliberating on the suitability of other firms, had evaluated proposals from other audit firms and had taken into consideration various factors including the Audit Quality Indicators Disclosure Framework issued by the Accounting Corporate Regulatory Authority of Singapore ("**ACRA**"), as well as the criteria for the evaluation and selection of external auditors contained in the Guidebook for Audit Committees in Singapore, including various factors such as the adequacy of resources and experiences of the audit firm to be selected and the audit engagement partner to be assigned to the audit, the audit firm's other engagements, the size and complexity of the Group, and the number and experience of supervisory and professional staff to be assigned. The quality and scope of audit services to be provided by UHYLSC will be comparable to the services currently provided by the Company's existing auditors, RT. Upon recommendation from the AC and after due deliberation, the Board is of the view that it would be in the best interests of the Company to effect a change of auditors with effect from the financial year ending 31 December 2024. Accordingly, RT will not be seeking re-appointment at the forthcoming AGM of the Company.

UHYLSC, the proposed Auditors, was established in 1967 and is a firm of Chartered Accountants in Singapore registered with ACRA and approved under the Accountants Act. It is one of the top 14 audit firms in Singapore and has over 120 strong partners and professional staff who are skilled and experienced. UHYLSC has grown over the past five (5) decades to become a leading Chartered Accountant firm offering diversified business advisory services in the region. To meet the client's increasing needs in advisory services in the region, UHYLSC has extended their reach beyond Singapore and Kuala Lumpur. To date, UHYLSC has about 1,000 Singapore clients in various industries, including companies with similar business activities as the Company.

As an independent member firm of UHY International ("**UHY**"), an international network of accounting and consulting firms, UHYLSC is well connected to over 343 major business centres in more than 100 countries worldwide bound together by a commitment to share their clients' aspirations and delivering customised, innovative and practical solutions to help their clients make the right business decisions and to provide a range of commercially focused services and professional advices for clients with international business interests.

For more information about Messrs UHY Lee Seng Chan & Co, please visit its website at http://www.uhylsc.com.sg/.

UHYLSC has assigned Mr Lee Sen Choon ("**Mr Lee**") as the Company's audit engagement partner, if they are appointed. Mr Lee has more than 40 years of audit experience in Singapore and has served a wide range of clients including statutory boards, listed companies, and multinational companies, and has extensive experience in rate-regulated industries. Mr Lee graduated with a degree from the Chartered Institute of Management Accountants, UK and holds a Post Graduate Diploma in Management Studies, UK. Mr Lee is also a practising member of the Institute of Singapore Chartered Accountants.

The AC has enquired on whether the audit engagement partner has been subject to the Practice Monitoring Programme review by ACRA. In this regard, the AC has noted that the audit engagement partner, Mr Lee, was subjected to a Practice Monitoring Programme Review ("**PMP Review**") carried out by ACRA in 2012 and 2015 and he had passed both the practice reviews.

Mr Lee has never served in any executive capacity in the Group nor is he considered to be an affiliate.

The Board, with the concurrence of the AC, is satisfied that UHYLSC will be able to meet the audit requirements of the Group after having considered factors such as the adequacy of the resources and experience of UHYLSC and the audit engagement partner assigned to the audit, UHYLSC's other audit engagements, the size and complexity of the Group, and the number and experience of supervisory and professional staff who will be assigned to the Group's audit.

UHYLSC has given their consent to be appointed as the auditors, subject to the approval of the shareholders at the AGM.

Notice of Annual General Meeting

Assuming that Ordinary Resolution 5 is approved by the Shareholders, for the purposes of Rule 715 of the Catalist Rules, UHYLSC will be appointed as the auditor of the Company's Singapore incorporated subsidiaries:

(i) Albedo Corporation Pte. Ltd.;

(ii) JCG-Beverly Pte. Ltd.;

(iii) Beverly Wilshire Aesthetics & Wellness Pte. Ltd; and

(iv) Beverly Wilshire Beauty Pte. Ltd.

The Board wishes to state that RT had continued to discharge their duties well and professionally throughout their tenure as auditors of the Group and express their appreciation for the past services rendered by RT.

The appointment of UHYLSC as auditors in place of RT will take effect subject to the approval of the same by the Shareholders at the AGM.

In accordance with Rule 712(3) of the Catalist Rules, the Company confirms that:

(a) there were no disagreements with RT on accounting treatments within the last twelve (12) months;

(b) it is not aware of any circumstances connected with the proposed change of auditors that should be brought to the attention of Shareholders of the Company;

(c) there are no specific reasons for the proposed change of auditors save as disclosed above; and

(d) it has complied with Rule 712 and Rule 715 of the Catalist Rules in relation to the proposed appointment of UHYLSC.

In accordance with the requirements of Rule 712 of the Catalist Rules, the Company has received a copy of RT's professional clearance letter dated 9 April 2024 issued to UHYLSC, confirming that RT is not aware of any professional reasons why UHYLSC should not accept appointment as auditors of the Company.

(ii) The ordinary resolution 6 proposed above, if passed, will empower the Directors from the passing of the AGM until the date of the next annual general meeting, to allot and issue Shares and convertible securities in the Company up to an amount not exceeding, in total, 100% of the number of issued Shares in the capital of the Company at the time of passing of this resolution, of which up to 50% may be issued other than on a pro-rata basis to existing shareholders of the Company. For determining the aggregate number of Shares that may be issued the total number of issued Shares excluding treasury shares and subsidiary holdings shall be calculated based on the total number of issued Shares excluding treasury shares and subsidiary holdings at the time of this ordinary resolution 6 above is passed after adjusting for new Shares arising from the conversion or exercise of convertible securities, share options or vesting of share awards which are outstanding or subsisting at the time this ordinary resolution 6 above is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

(iii) The ordinary resolution 7 proposed in item 9 above, if passed, will empower the Directors to grant Awards under the JCG Share Performance Plan and to allot and issue shares as may be required to be issued pursuant to the vesting of Awards under the JCG Share Performance Plan, provided that the aggregate number of shares over which the Committee may grant Awards on any date, when added to the number of shares issued and issuable in respect of all Awards granted under the JCG Share Performance Plan (and any other share-based incentive scheme of the Company), shall not exceed 15% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) on the day preceding that date.

Notes:

(1) The members of the Company are invited to attend physically at the AGM. **There will be no option for shareholders to participate virtually.** This notice of AGM ("**Notice of AGM**") and the proxy form will be despatched to Members via post. This Notice of AGM and the proxy form have been uploaded on SGXNet on 12 April 2024. This announcement may also be accessed at the URL https://www.beverlyjcg.com/investor-relations/announcements/. The Annual Report for the financial year ended 31 December 2023, Mr Howard Ng How Er's notice of nomination to the Company dated 7 March 2024 on the appointment of UHYLSC as the auditors of the Company, RT's professional clearance letter to UHYLSC dated 9 April 2024, and UHYLSC's letter to the Company dated 9 April 2024 in respect of its consent to act as auditors of the Company may be accessed at the Company's website at the URL https://www.beverlyjcg.com/investor-relations/annual-report/ under "Annual Report 2023", and has also been made available on SGXNet.

Notice of Annual General Meeting

(2) Members (including Central Provident Fund ("**CPF**") Investment Scheme members ("**CPF Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**")) may participate in the AGM by:

(a) attending the AGM in person;

(b) raising questions at the AGM or submitting questions in advance of the AGM; and/or

(c) voting at the AGM (i) themselves personally; or (ii) through their duly appointed proxy(ies).

CPF Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 17 April 2024, being seven (7) working days prior to the date of the AGM.

Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process.

(3) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

Where such member appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his/her/its name in the Depository Register and any second named proxy as an alternate to the first named.

(4) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning prescribed to it in Section 181 of the Companies Act:

(a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

(b) a person holding a capital markets services licence holder to provide custodial services under the SFA and who holds shares in that capacity; or

(c) the CPF Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

(5) A member can appoint the Chairman of the AGM as his/her/its proxy **but** this is **not mandatory**.

If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If no specific direction is given as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

(6) The instrument appointing a proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be deposited in the following manner:

(a) if sent by post, be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or

(b) if by electronic mail to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at srs.proxy@boardroomlimited.com,

in either case, not less than 48 hours before the time set for the AGM, and in default the instrument of proxy shall not be treated as valid.

Notice of Annual General Meeting

The instrument appointing a proxy(ies) must be signed by the appointer or his/her/its attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. Where the instrument appointing a proxy(ies) is signed on behalf of the appointer by an attorney, the letter or power of attorney (or other authority) or a duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

The Company shall be entitled to reject the instrument of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument of proxy (such as in the case where the appointer submits more than one (1) instrument of proxy).

In the case of a member whose shares are entered against his/her/its name in the Depository Register (as defined in Section 81SF of the SFA), the Company may reject any instrument of proxy lodged if such member, being the appointer, is not shown to have any shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

(7) Members may raise questions at the AGM and/or submit questions related to the Resolutions to be tabled for approval at the AGM, in advance of the AGM. For members who would like to submit questions in advance of the AGM, they may do so by 2.30 p.m. on 19 April 2024:

(a) in hard copy by sending by post and lodging the same at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or

(b) by email to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at srs.proxy@boardroomlimited.com.

Members will need to identify themselves when posing questions by email or by mail by providing the following details:

(a) the member's full name as it appears on his/her/its CDP/CPF/SRS share records;

(b) the member's NRIC/Passport/UEN number;

(c) the member's contact number and email address; and

(d) the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will address substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM as received from members before the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed. The Company will publish the responses made during the AGM to such questions together with the minutes of the AGM on SGXNET and the Company's website at https://www.beverlyjcg.com/investor-relations/announcements/ within one (1) month after the date of the AGM.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the AGM as proxy to attend, speak and vote at the AGM and/or any adjournment thereof or by attending the AGM and/or any adjournment thereof, submitting any details of Relevant Intermediary Participants in connection with the AGM, submitting any questions to the Company, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service provider) of the appointment of the Chairman of the AGM as proxy, submission of questions and the preparation, compilation and publication of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the Relevant Intermediary Participants to the Company (or its agents), the member has obtained the prior consent of such Relevant Intermediary Participants for the collection, use and disclosure by the Company (or its agents or service provider) of the personal data of such Relevant Intermediary Participants for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Additional Information on Directors Seeking Re-election

Mr Kong Sin Seng and Mr Howard Ng How Er are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 29 April 2024 ("**AGM**") (the "**Retiring Directors**").

Pursuant to Rule 720(5) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), the information relating to the Retiring Directors as set out in Appendix 7F of the Catalist Rules is set out below:

	MR KONG SIN SENG	MR HOWARD NG HOW ER
Date of Appointment	1 May 2023	29 November 2019
Date of last re-appointment (if applicable)	Not Applicable.	28 April 2022
Age	69	46
Country of principal residence	Malaysia	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("**NC**") and has reviewed and considered the qualification, work experience and suitability of Mr Kong Sin Seng for re-appointment as an Independent Director of the Company. The Board has reviewed and concluded Mr Kong Sin Seng possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has reviewed and considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Mr Howard Ng How Er for re-appointment as a Director of the Company. The Board has reviewed and concluded Mr Howard Ng How Er possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive.	Executive. Mr Howard Ng How Er is responsible for the overall management of the Group's business.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chairman of the Audit Committee and a member of the Remuneration Committee, Nominating Committee and Risk Management Committee.	Executive Director, Deputy Chief Executive Officer and a member of the Risk Management Committee.
Professional qualifications	Kent University, England Bachelor of Arts (Honours) Institute of Chartered Accountants in England & Wales.	Not Applicable.

Additional Information on Directors Seeking Re-election

Working experience and occupation(s) during the past 10 years	2001 – 2014 Independent Non-Executive Director, Audit Committee Chairman, Head of Risk Committee and member of the Nomination Committee, Fitters Diversified Berhad 2015 – 2021 Non-Independent and Non-Executive Director, MyTech Group Bhd (previously known as Widetech Bhd) 2004 – 2015 Chief Executive Officer/ Director, Widetech Bhd 2000 – 2004 Chief Executive Officer of Goldwealth Capital	2019 – present Executive Director and Deputy CEO, Beverly JCG Ltd. 2020 – present Chief Executive Officer and Director, Beverly Wilshire Group of Companies 2017 – 2019 General Manager and Director, Beverly Wilshire Group of Companies 2015 – 2017 Director, City Centre Holdings Pty Ltd 2013 – 2015 Senior General Manager, Govt Liaison and Business Development, Tropicana Danga Cove Sdn Bhd
Shareholding interest in the listed issuer and its subsidiaries	No	Yes Refer to Appendix A.
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	Yes, Son of Deputy Chairman and Chief Executive Officer of the Company, Dato' Ng Tian Sang.
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes

Additional Information on Directors Seeking Re-election

Other Principal Commitments* Including Directorships# (for the last 5 years) * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)	Past (for the past 5 years): – MyTech Group Bhd Present: – Beverly Wilshire Medical Centre Sdn Bhd (Retired and Part-Time Financial Consultant)	Past (for the past 5 years): – Wealthy Acorn Sdn Bhd Present: – Datong Berhad
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No

Additional Information on Directors Seeking Re-election

(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

Additional Information on Directors Seeking Re-election

(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

Additional Information on Directors Seeking Re-election

(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

Additional Information on Directors Seeking Re-election

Appendix A

Howard Ng How Er – Disclosure of Shareholding Interests in the Listed Issuer and its Subsidiaries*

		Shares/ Warrants	No. of ordinary shares/warrants	No. of ordinary shares/warrants	No. of ordinary shares/warrants
			Direct Interests	Deemed interests	Total
Listed Issuer	Beverly JCG Ltd.	Shares Warrants	35,049,712 2,317,332	– –	35,049,712 2,317,332
Subsidiary	Beverly Wilshire Hair Transplant Sdn Bhd	Shares	980	–	980

* Excluding shares held under trust deed:

(i) The Company's wholly-owned subsidiary JCG-Beverly Pte Ltd had entered into a trust deed dated 24 January 2020 and a supplementary trust deed dated 21 December 2020 with Mr Howard Ng How Er in respect of ordinary shares held by Mr Howard Ng How Er in the issued and paid-up share capital of Natasha Beverly Sdn. Bhd. (collectively, the "**NBSB Trust Deed**"). Pursuant to the NBSB Trust Deed, Mr Howard Ng How Er declared a trust over all the shares held by him in the issued and paid-up share capital of Natasha Beverly Sdn. Bhd., representing 56% shares in the issued and paid-up share capital of Natasha Beverly Sdn Bhd, in favour of JCG-Beverly Pte Ltd.

(ii) The Company's wholly-owned subsidiary JCG-Beverly Pte Ltd had entered into a trust deed dated 17 April 2020, a supplemental trust deed dated 11 June 2021 and a second supplemental trust deed dated 8 July 2021 with Mr Howard Ng How Er in respect of ordinary shares held by Mr Howard Ng How Er in the issued and paid-up share capital of Beverly Ipoh Sdn. Bhd. (collectively, the "**BISB Trust Deed**"). Pursuant to the BISB Trust Deed, Mr Howard Ng How Er declared a trust over all the shares held by him in the issued and paid-up share capital of Beverly Ipoh Sdn. Bhd., representing 70% shares in the issued and paid-up share capital of Beverly Ipoh Sdn. Bhd, in favour of JCG-Beverly Pte Ltd.

(iii) The Company's 56% owned subsidiary Natasha Beverly Sdn. Bhd. had entered into a trust deed dated 25 November 2020, with Mr Howard Ng How Er and Mr Alexander Ng Zhonglie in respect of ordinary shares held by Mr Howard Ng How Er and Mr Alexander Ng Zhonglie in the issued and paid-up share capital of Natasha Beverly Aesthetic Sdn. Bhd. (the "**NBASB Trust Deed**"). Pursuant to the NBASB Trust Deed, Mr Howard Ng How Er declared a trust over the 30 shares held by him in the issued and paid-up share capital of Natasha Beverly Aesthetic Sdn. Bhd., representing 30% shares in the issued and paid-up share capital of Natasha Beverly Aesthetic Sdn Bhd, in favour of Natasha Beverly Sdn. Bhd.

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PROXY FORM

ANNUAL GENERAL MEETING
BEVERLY JCG LTD.
ACRA Registration Number: 200505118M
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. For investors who have used their Central Provident Fund or Supplementary Retirement Scheme monies to buy Shares in the Company (the "**CPF Investors**" or "**SRS Investors**"), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. CPF or SRS Investors may:
   (a) vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should contact and instruct their respective CPF Agent Banks or SRS Operators at least seven (7) working days before the AGM, i.e. by 5.00 p.m. on 17 April 2024, to allow sufficient time for their respective Relevant Intermediaries to submit a proxy form(s) to appoint the Chairman of the AGM to vote on their behalf.

I/We ____ (Name)

of ____ (Address)

being a *member/members of Beverly JCG Ltd. (the "**Company**") hereby appoint:

(a)

Name	**Address**	**NRIC/Passport No.**	**Proportion of Shareholdings (%)**

and/or (delete as appropriate)

Name	**Address**	**NRIC/Passport No.**	**Proportion of Shareholdings (%)**

OR

(b) the Chairman of the Annual General Meeting ("**AGM**"), as my/our proxy to attend and to vote for me/us on my/our behalf at the AGM of the Company to be held physically at Anson 1, Level 2, M Hotel, 81 Anson Road, Singapore 079908 on 29 April 2024 at 2.30 p.m. and at any adjournment thereof.

* I/We direct *my/our proxy/proxies to vote for or against the resolutions or abstain from the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, in respect of a resolution, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion.

No.	**Resolutions Relating To:**	**For**	**Against**	**Abstain**
	Ordinary Business			
1.	**Ordinary Resolution 1** Adoption of Directors' Statement, Auditors Report and Audited Financial Statements for the financial year ended 31 December 2023			
2.	**Ordinary Resolution 2** Re-election of Mr Kong Sin Seng as a Director of the Company			
3.	**Ordinary Resolution 3** Re-election of Mr Howard Ng How Er as a Director of the Company			
4.	**Ordinary Resolution 4** Approval of Directors' Fees for the financial year ending 31 December 2024			
5.	**Ordinary Resolution 5** Appointment of UHY Lee Seng Chan & Co. as auditors in place of the retiring auditors, RT LLP, and authorising the Board to fix their remuneration.			
	Special Business			
6.	**Ordinary Resolution 6** Authority to allot and issue shares			
7.	**Ordinary Resolution 7** Authority to allot and issue shares pursuant to the JCG Share Performance Plan			

(The resolutions put to vote at the AGM shall be decided by poll. Please indicate with a cross [X] in the space provided whether you wish your vote to be cast for or against the resolutions or to abstain from voting on a resolution as set out in the Notice of AGM. Alternatively, if you wish to exercise some and not all of your votes both "For" and "Against" the relevant resolution and/or to abstain from voting in respect of the relevant resolution, please indicate the number of shares in the boxes provided. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.)**

* Please delete accordingly

Dated this ________ day of 2024.

Number of Shares held in

CDP Register	
Member's Register	
TOTAL	

____
Signature of Shareholder(s) or Common Seal

Important: Please read notes overleaf

Notes:

1. For this AGM, members of the Company (including relevant intermediaries) may vote by way of this Proxy Form appointing the Chairman of the Meeting to vote in accordance with the Proxy Form or by their duly appointed proxies as set out in the Notice of AGM.

2. Please insert the total number of shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares registered in your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

3. A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such a member appoints more than one proxy, the proportion of the shareholding to be represented by each proxy must be specified in the relevant proxy form.

4. A "relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

5. A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such a member appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

6. A proxy need not be a member of the Company.

7. The proxy form appointing a proxy must be signed under the hand of the appointor or by his attorney duly authorised in writing. Where the proxy form appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. Where a proxy form(s) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof (failing previous registration with the Company) must be sent with the executed proxy form either by post or by email, failing which the proxy form may be treated as invalid.

8. The duly executed instrument appointing a proxy or proxies must be sent by post to the office of our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632 or submitted via email to our Share Registrar, at srs.proxy@boardroomlimited.com, not less than forty-eight (48) hours before the time set for the AGM.

9. The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form (including any related attachment) (such as in the case where the appointor submits more than one proxy form appointing the Chairman of the AGM as proxy). In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form appointing the Chairman of the AGM as proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 12 April 2024.

Beverly Wilshire Medical Centre Sdn. Bhd.
Level 9, Kenanga Tower,
No. 237 Jalan Tun Razak,
50400 Kuala Lumpur
Tel (Reception): 03 2118 2888

Beverly Wilshire Medical Centre (JB) Sdn. Bhd.
Level 3 (05-09), Menara Landmark, 12,
Jalan Ngee Heng,
80000 Johor Bahru, Johor
Tel: 07 2282 888

Beverly Wilshire Tropicana City Mall Sdn. Bhd.
L1-03, Level 1, 3 Damansara,
No. 3, Jalan SS 20/27,
47400 Petaling Jaya, Selangor
Tel: 03 7710 6888

Beverly Wilshire Aesthetic Dental Centre Sdn. Bhd.
Level 9, Kenanga Tower,
No. 237 Jalan Tun Razak,
50400 Kuala Lumpur.
Tel: 03 2118 2999

Beverly Dentistree Sdn. Bhd.
A-1-5, Sunway Nexis, No 1,
Jalan PJU 5/1, Kota Damansara,
47810 Petaling Jaya, Selangor
Tel: 03 7622 9680

Natasha Beverly Sdn. Bhd.
96, Jalan Maarof, Bangsar,
Taman Bandaraya,
59100 WP Kuala Lumpur
Tel: 03 2201 0138 / 03 2201 0126

Natasha Beverly Dental Sdn. Bhd.
No. 96, Jalan Maarof, Bangsar,
Taman Bandaraya,
59100 WP Kuala Lumpur
Tel: 03 2201 0116

Natasha Beverly Mizu Sdn. Bhd.
96, Jalan Maarof, Bangsar,
Taman Bandaraya,
59100 WP Kuala Lumpur
Tel: 03 2201 0138

Natasha Beverly Aesthetics Sdn. Bhd.
No. 96 G-1, Jalan Maarof, Bangsar,
Taman Bandaraya,
59100 WP Kuala Lumpur
Tel: 03 2201 0126

Beverly Ipoh Sdn. Bhd.
Clinic name: Dr Elaine @ Beverly (Ipoh)
No. 24, Lorong Taman Ipoh 1,
Taman Ipoh Selatan,
31400 Ipoh Perak Malaysia
Tel: 05 610 1031

Beverly Bangsar Sdn Bhd
79, Jalan Maarof, Bangsar,
59000 Kuala Lumpur,
WP Kuala Lumpur
Tel: 018-7770774

BEVERLY JCG LTD.

BEVERLY JCG LTD.
(Company Registration Number: 200505118M)

REGISTERED OFFICE
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