

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

SUBSCRIPTION OF 105,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.001 PER SHARE, TOGETHER WITH 35,000,000 NEW WARRANTS EXERCISABLE INTO 35,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN EXERCISE PRICE OF S\$0.001 PER NEW WARRANT

1. BACKGROUND

- 1.1. The Board of Directors (the "**Board**" or the "**Directors**") of Beverly JCG Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that it has entered into a subscription agreement dated 28 October 2021 (the "**Subscription Agreement**") with Datuk Seri Pang Tee Nam (the "**Subscriber**") for the issue and allotment by the Company to the Subscriber of an aggregate number of 105,000,000 new ordinary shares ("**Shares**") in the capital of the Company (the "**Subscription Shares**"), together with 35,000,000 new warrants (the "**Investment Warrants**"), on the terms and subject to the conditions of the Subscription Agreement (the "**Subscription**").
- 1.2. Pursuant to the terms of the Subscription Agreement, the Company proposes to raise capital by issuing the Subscription Shares to the Subscriber at an issue price of S\$0.001 per Subscription Share (the "**Issue Price**"), to raise gross proceeds of S\$105,000.
- 1.3. Each Investment Warrant is convertible into, and shall carry the right to subscribe for, one (1) Warrant Share (as defined in paragraph 3.3 of this announcement) at an exercise price of S\$0.001 per Investment Warrant, to raise additional gross proceeds of up to S\$35,000. Please refer to paragraph 3.3 of this announcement for further details on the Investment Warrants and the Warrant Shares.
- 1.4. The Subscription Shares and the Investment Warrants shall be allotted and issued pursuant to the general share issue mandate granted by the Company's shareholders at the Company's annual general meeting held on 29 June 2021 (the "**Share Issue Mandate**").
- 1.5. The Subscription is not underwritten and no placement agent will be appointed for the Subscription. The Subscription will be undertaken pursuant to a private placement exemption under Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the Subscription.

2. INFORMATION ON THE SUBSCRIBER

- 2.1. Details of the shareholding of the Subscriber on completion of the Subscription (and assuming that the Investment Warrants are exercised in full, such number of Warrant Shares (the "**Maximum Warrant Shares**")), as well as the aggregate consideration to be paid by the Subscriber pursuant to the Subscription and exercise of all the Investment Warrants, are set out below:

Number of Subscription Shares	Number of Maximum Warrant Shares	Aggregate Consideration (\$)	Subscription Shares and Maximum Warrant Shares as a % of the Existing Issued Share Capital on a fully diluted basis ⁽¹⁾	Subscription Shares and Maximum Warrant Shares as a % of the Enlarged Issued Share Capital on a fully diluted basis ⁽²⁾
105,000,000	35,000,000	140,000	0.78	0.77

Notes:

- (1) Number of Subscription Shares and Maximum Warrant Shares divided by 17,927,715,589 Shares, being the number of issued shares in the capital of the Company as at the date hereof (the “**Existing Issued Share Capital**”).
- (2) Number of Subscription Shares and Maximum Warrant Shares divided by 18,067,715,589 Shares, being the aggregate of the number of Subscription Shares, the Maximum Warrant Shares and the Existing Issued Share Capital.
- 2.2. The issuance and allotment of the Subscription Shares and the Maximum Warrant Shares, whether in isolation or in aggregate, will not result in a transfer of controlling interest of the Company.
- 2.3. The Subscriber is the Group Chief Operating Officer of MAMEE-Double Decker (M) Sdn Bhd. He holds a Diploma in Business Studies from the Warnambool Institute of Advanced Education, Australia. He is a member of the Malaysian Institute of Accountants (MIA) and the Australian Society of Certified Practising Accountants. He has over 35 years of experience in the food business having joined MAMEE-Double Decker (M) Sdn Bhd in January 1983. As at the date of this announcement, the Subscriber does not directly or indirectly hold any securities in the capital of the Company. The Subscriber is an individual investor and has represented to the Company that he is subscribing for the Subscription Shares and the Investment Warrants for his own account for investment. The Subscriber is not a person whom the Company is prohibited from issuing securities to, as provided for by Rule 812 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist. To the best of the Company’s knowledge, save as disclosed above and in relation to the Subscription, the Subscriber does not have any connection (including business relationship) with the Company, its Directors and substantial shareholders.
- 2.4. The Company has decided to place the Subscription Shares to the Subscriber so as to strengthen the financial position and capital base of the Group. The Board is cautiously confident that the additional working capital together with an effective strategic plan and a strong management team to execute the plans of the Company will allow the Group to grow successfully and steadily even during and after this COVID-19 pandemic. As the pandemic situation has persisted and continues to affect the Company’s business and cash position, the Company requires additional cash for working capital for the Group. As such, the net proceeds will be used for the future expansion of the Group as well as for the working capital needs of the Group.

3. THE SUBSCRIPTION

3.1. The Issue Price and Consideration

The Subscriber proposes to subscribe for an aggregate of 105,000,000 Subscription Shares with 35,000,000 Investment Warrants for an aggregate consideration of S\$105,000 (the “**Consideration**”) at an Issue Price of S\$0.001 per Subscription Share. The Issue Price represents the volume weighted average price of S\$0.001 for trades done on the SGX-ST on 27 October 2021 (being the last full market day on which trades were done immediately preceding the date of the Subscription Agreement) (the “**VWAP**”). The VWAP is S\$0.001.

3.2. The Subscription Shares

There is no moratorium imposed on the Subscription Shares.

The Subscription Shares, when issued and delivered, shall be free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and shall carry all rights similar to the existing Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Subscription.

3.3. The Investment Warrants and Warrant Shares

There is no moratorium imposed on the Investment Warrants or the Warrant Shares.

In addition to the Subscription Shares, the Subscriber is entitled to one (1) Investment Warrant convertible into one (1) Warrant Share at an exercise price of S\$0.001 for every three (3) Subscription Shares subscribed for by the Subscriber under the Subscription Agreement.

The Investment Warrants will be freely and immediately detachable upon issue, will be issued in registered form and will not be listed and traded separately (whether on the Catalist Board of the SGX-ST (the “**Catalist**”) or elsewhere). There is no additional consideration paid for the entitlement to the Investment Warrants.

Subject to the terms and conditions governing the Investment Warrants to be set out in an instrument by way of a deed poll (the “**Deed Poll**”), each Investment Warrant shall carry the right to subscribe for one (1) Share (the “**Warrant Share**”) at the exercise price of S\$0.001 (the “**Investment Warrants Exercise Price**”) at any time during the period commencing on the date of issue of the Investment Warrants and expiring on the day immediately preceding the third (3rd) anniversary of the date of issue of the Investment Warrants (the “**Investment Warrants Exercise Period**”). The Investment Warrants that remain unexercised at the expiry of the Investment Warrants Exercise Period shall lapse and cease to be valid for any purpose. The Investment Warrants are non-transferable under the terms and conditions of the Deed Poll.

The Investment Warrants Exercise Price represents the VWAP.

The Investment Warrants Exercise Price and the number of Investment Warrants shall be subject to adjustments under certain circumstances as provided for in the Deed Poll and appropriate announcements on the adjustments will be made by the Company.

The Company shall, not later than one (1) month before the expiry of the Investment Warrants Exercise Period (the “**Investment Warrants Expiry Date**”), announce the Investment Warrants Expiry Date on SGXNET.

3.4. **Conditions**

Completion of the Subscription is conditional upon:

- (a) the Share Issue Mandate being valid, subsisting and adequate for the purposes of the issue of the Subscription Shares and the Investment Warrants as at the date of completion of the Subscription (the “**Completion Date**”);
- (b) approval in-principle for the listing and quotation of the Subscription Shares and the Warrant Shares on the Catalist being obtained from the SGX-ST and not revoked or amended as at the Completion Date and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Subscriber;
- (c) the issue and subscription of the Subscription Shares and the issue of the Investment Warrants not being prohibited by any statute, order, rule or regulation promulgated after the date of the Subscription Agreement by any applicable legislative, executive or regulatory body or authority of Singapore;
- (d) there having been no occurrence of any event or discovery of any fact rendering any of the warranties in the Subscription Agreement untrue or incorrect in any material respect as at the Completion Date as if they had been given again on the Completion Date; and
- (e) the Company and the Subscriber not being in breach of any of the undertakings and the covenants in the Subscription Agreement as at the Completion Date.

If the conditions set forth in paragraphs 3.3(a) and 3.3(b) above are not satisfied within five (5) months from the date of the Subscription Agreement (or such other date as may be mutually agreed between the Company and the Subscriber), the Subscription Agreement shall terminate and the obligations of the Company to issue the Subscription Shares and the Investment Warrants and the Subscriber to subscribe for the Subscription Shares shall *ipso facto* cease and determine thereafter, and no party shall have any claim against the others for costs, expenses, damages, losses, compensation or otherwise in respect of the Subscription, save for any antecedent breach of the Subscription Agreement or the parties’ respective liability for the payment of costs and expenses under the Subscription Agreement.

3.5. **Additional Listing Application**

The Company will, through its Catalist sponsor, be making an application to the SGX-ST for the listing and quotation of the Subscription Shares and the Warrant Shares on the Catalist. The Company will make the necessary announcements once the approval-in-principle for the listing and quotation of the Subscription Shares and the Warrant Shares has been obtained from the SGX-ST.

4. NEGOTIATION FEE

The Subscriber, who is Malaysian, was referred to the Company by Astramina Advisory Sdn Bhd (“**Astramina**”), a corporate finance advisory firm licensed with the Securities Commission Malaysia. A negotiation fee of \$3,150 equivalent to 3.0% of the Consideration received by the Company shall be paid to Astramina by the Company, of which 50% amounting to S\$1,575 shall be paid in cash and 50% amounting to S\$1,575 shall be paid in 1,575,000 shares of the Company (the “**Negotiator Shares**”) at the issue price of \$0.001 per Negotiator Share. For the avoidance of doubt, the payment of the negotiator fee is contingent on successful completion of the Subscription. The payment in cash will be made no later than three (3) working days following completion of the Subscription and the payment in shares shall be made upon the approval in-principle for the listing and quotation of the Negotiator Shares on the Catalist being obtained from the SGX-ST.

Astramina was introduced to the Company by Dato’ Ng Tian Sang @ Ng Kek Chuan, the Executive Chairman and CEO and substantial shareholder of the Company. Astramina was subsequently appointed by the Company both as its corporate advisor for Malaysian assets and to assist the Company in identifying and negotiating with suitable strategic investors. Apart from the introduction of Astramina to the Company, Dato’ Ng Tian Sang @ Ng Kek Chuan does not have any business relationship with Astramina. Save as aforementioned, Astramina does not have any connection (including business relationship) with the Company, its Directors and substantial shareholders.

5. FINANCIAL EFFECTS OF THE SUBSCRIPTION

The financial effects of the Subscription set out below are for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after completion of the Subscription.

The financial effects of the Subscription on the Group have been computed based on the latest available audited financial statements of the Group for the financial year ended 31 December 2020 (“**FY2020**”) and the following bases and assumptions:

- (a) the expenses incurred in the Subscription are disregarded for the purposes of calculating the financial effects;
- (b) the financial effect on the consolidated net tangible liabilities (“**NTA**”) per Share of the Group is computed based on the assumption that the Subscription was completed on 31 December 2020; and
- (c) the financial effect on the consolidated loss per Share (“**LPS**”) of the Group is computed based on the assumption that the Subscription was completed on 1 January 2020.

NTA per Share

	Before the Subscription	After adjusting for the Subscription Shares	After adjusting for the Subscription Shares and the Maximum Warrant Shares
NTA per share (S\$ cents)	0.024	0.025	0.025

LPS

	Before the Subscription	After adjusting for the Subscription Shares	After adjusting for the Subscription Shares and the Maximum Warrant Shares
LPS per share (S\$ cents)	0.032	0.032	0.032

6. RATIONALE AND USE OF PROCEEDS

The Company's rationale for the Subscription is that the Subscription will be used to strengthen the financial position and capital base of the Group. The Board is cautiously confident that the additional working capital together with an effective strategic plan and a strong management team to execute the plans of the Company will allow the Group to grow successfully and steadily even during and after this COVID-19 pandemic. As the pandemic situation has persisted and continues to affect our business and cash position, the Company requires additional cash for working capital for the Group. As such, the net proceeds will be used for the future expansion of the Group as well as for the working capital needs of the Group.

The net proceeds from the Subscription of approximately S\$105,000 (the "Share Subscription Net Proceeds") will be used by the Company in the following estimated proportions:

Use of Proceeds	Percentage Allocation (%)	Amount of the Share Subscription Net Proceeds (S\$)
Funding growth, development and expansion of its existing medical aesthetics and healthcare business and exploration of new business opportunities as and when they arise	50	52,500
Working capital purposes mainly comprising: (i) Manpower costs; (ii) Professional fees such as compliance costs and continuing listing expenses; and (iii) Administrative and head office expenses	50	52,500
Total	100	105,000

Assuming all the Investment Warrants are exercised, the estimated gross proceeds from the exercise of the Investment Warrants will be approximately S\$35,000 (the “**Investment Warrants Exercise Proceeds**”). As and when the Investment Warrants are exercised, the Investment Warrants Exercise Proceeds may, at the discretion of the Directors, be applied largely in the following proportions:

Use of Proceeds	Percentage Allocation (%)	Amount of the Investment Warrants Exercise Proceeds (S\$)
Funding growth, development and expansion of its existing medical aesthetics and healthcare business and exploration of new business opportunities as and when they arise	50	17,500
Working capital purposes mainly comprising: (i) Manpower costs; (ii) Professional fees such as compliance costs and continuing listing expenses; and (iii) Administrative and head office expenses	50	17,500
Total	100	35,000

Pending the use of the Share Subscription Net Proceeds and the Investment Warrants Exercise Proceeds, such amounts may be deposited in financial institutions or be used for working capital or any other purpose on a short-term basis.

The Company will make periodic announcements as and when the Share Subscription Net Proceeds and the Investment Warrants Exercise Proceeds are materially disbursed and whether the disbursements are in accordance with the use of proceeds as stated in this announcement.

The Company will also provide a status report on the use of the Share Subscription Net Proceeds and the Investment Warrants Exercise Proceeds in the Company’s annual report. Where the Share Subscription Net Proceeds and the Investment Warrants Exercise Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the Company’s announcements and annual report.

Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

7. DIRECTORS’ CONFIRMATION

The Directors are of the opinion that, after taking into consideration the Group’s present financial position, including its banking facilities, its bank and cash balances, the Group will have adequate working capital for its present requirements, with or without the Subscription taking place. Notwithstanding the foregoing, the Directors are of the opinion that the Share Subscription Net Proceeds and the Investment Warrants Exercise Proceeds will further strengthen and supplement the Group’s financial position and capital base.

8. ALLOTMENT AND ISSUANCE OF THE SUBSCRIPTION SHARES, THE INVESTMENT WARRANTS AND THE WARRANT SHARES

The Subscription Shares and the Investment Warrants (and on exercise of the Investment Warrants, the Warrant Shares) will be allotted and issued pursuant to the Share Issue Mandate obtained at the annual general meeting of the Company held on 29 June 2021 (the “AGM”). Pursuant to the Share Issue Mandate, Directors have the authority to issue: (a) Shares; (b) convertible securities; (c) additional securities arising from the adjustment to (b) above; and (d) Shares arising from the conversion of securities in (b) and (c) above (collectively, “Instruments”), provided that the aggregate number of Shares to be issued (including Shares to be issued pursuant to the Instruments, made or granted) does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM, of which the aggregate number of Shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM.

As at the date of the AGM, the total number of issued Shares (excluding treasury shares and subsidiary holdings) was 17,927,715,589. Accordingly, the total number of Shares that may be issued pursuant to the Share Issue Mandate is 17,927,715,589 Shares, of which the maximum number of Shares that can be issued other than on a pro rata basis is 8,963,857,794 Shares. As at the date of this announcement, nil Shares have been issued pursuant to the Share Issue Mandate. As such, the 105,000,000 Subscription Shares and the 35,000,000 Investment Warrants (and on exercise of the Investment Warrants, up to 35,000,000 Warrant Shares) which may be issued pursuant to the Subscription Agreement fall within the limits of the Share Issue Mandate.

9. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Subscription, save for their interests (if any) by way of their shareholdings and/or directorships, as the case may be, in the Company.

In addition, the Subscriber is not under the control or influence of any of the Company's directors or substantial shareholders.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Subscription, the Subscription Agreement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

11. TRADING CAUTION

Shareholders and potential investors are advised to exercise caution in trading their Shares. There is no certainty or assurance as at the date of this announcement that the proposed allotment and issuance of the Subscription Shares with Investment Warrants or the exercise of the Investment Warrants will be completed or that no changes will be made to the terms thereof. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

12. DOCUMENTS FOR INSPECTION

A copy of the Subscription Agreement is available for inspection during normal business hours at the registered office of the Company at 600 North Bridge Road, Parkview Square, #06-02, Singapore 188778 for a period of three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

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

29 October 2021

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

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

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