

ENTRY INTO OF A NEW SALE AND PURCHASE AGREEMENT IN RELATION TO THE ACQUISITION OF THE BK TARGET ASSETS

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Beverly JCG Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s previous announcements made on 25 September 2023 (“**25 September 2023 Announcement**”) and 25 January 2024 in relation to the Proposed Acquisition.

All capitalised terms used but not defined in this announcement shall have the meanings ascribed to them in the 25 September 2023 Announcement.

2. TERMINATION OF THE BK HOSPITAL SPA

As announced in the 25 September 2023 Announcement, parties had entered into the BK Hospital SPA on 25 September 2023.

In accordance with the terms of the BK Hospital SPA, the Completion of the Proposed Acquisition is conditional upon, *inter alia*, the BK Hospital Appraised Value amounting to S\$800,000.

The Company wishes to announce that a valuation of the BK Target Assets was conducted by an independent valuation firm appointed by the Company (“**Valuer**”). Based on a “Cost Approach (Replacement Cost Method)”, the Valuer had determined the value of the BK Target Assets to be S\$167,180 (“**Valuation**”).

Under the BK Hospital SPA, if any condition precedent to Completion is not satisfied, the BK Hospital SPA may be terminated at the election of either party by notice in writing to the other party.

In line with the foregoing, the parties have mutually agreed to terminate the BK Hospital SPA as of the date of this announcement. As such, the BK Hospital SPA shall cease to have any force and effect as of the date of this announcement. The termination of the BK Hospital SPA is not expected to have any material impact on the consolidated net tangible assets or earnings per share of the Group for the financial year ending 31 December 2024.

3. ENTRY INTO OF THE NEW BK HOSPITAL SPA

Notwithstanding the termination of the BK Hospital SPA, the Company remains committed to exploring opportunities for collaboration with BK Hospital and has continued to actively seek avenues for joint projects or ventures that align with both parties’ objectives.

Following discussions between the Company and BK Hospital, the Board had deliberated on the merits of the Proposed Acquisition and wishes to announce that the parties have on the date of this announcement entered into a new sale and purchase agreement in relation to the Proposed Acquisition (“**New BK Hospital SPA**”).

4. INFORMATION ON BK HOSPITAL AND THE BK TARGET ASSETS

Information on BK Hospital and the BK Target Assets are as set out in the 25 September 2023 Announcement.

5. PRINCIPAL TERMS OF THE NEW BK HOSPITAL SPA

5.1 Consideration

The aggregate consideration payable by the Company to BK Hospital (on a cash free and debt free enterprise value basis) pursuant to the Proposed Acquisition shall be a sum of not less than S\$117,026 (the “**New BK Hospital Purchase Consideration**”).

The New BK Hospital Purchase Consideration was arrived at on a willing-buyer willing-seller basis, after negotiations which were conducted on an arm’s length basis between the Company and BK Hospital taking into account, *inter alia*, prevailing market conditions, the Valuation, the business prospects of the BK Aesthetics Clinic, and the capabilities and synergies between BK Hospital and the Group.

The New BK Hospital Purchase Consideration will be satisfied by the Group via the issue and allotment of the New BK Hospital Consideration Shares as described below:

- (a) The Company shall allot and issue to BK Hospital such number of shares in the share capital of the Company, credited as fully paid up and free from encumbrances, equivalent to the New BK Hospital Purchase Consideration (the “**New BK Hospital Consideration Shares**”) at an issue price of S\$0.015 (the “**New BK Hospital Consideration Shares Issue Price**”)
- (b) The New BK Hospital Consideration Shares will be issued pursuant to the general mandate obtained by the Company at its AGM held on 28 April 2023.

For the avoidance of doubt, there is no profit guarantee provided by BK Hospital to the Company.

5.2 Completion

Pursuant to the New BK Hospital SPA, completion of the Proposed Acquisition has also taken place on the date of this announcement (“**Completion Date**”).

5.3 BK Hospital’s Post-Completion Obligations

Within ten (10) Business Days of the Completion Date, the BK Hospital shall deliver or make available to the Company the following:

- (a) The BK Target Assets in accordance with the New BK Hospital SPA;
- (b) Third party consents or novation agreements (as the case may be) in relation to contracts, offers, orders, undertakings, arrangements, agreements, expressions of interest and similar institutes (to which BK Hospital is a party) that are sold, transferred, assigned, or novated to the Acquiring Entity, as set out in the New BK Hospital SPA;
- (c) Such conveyances, assurances, transfers, assignments, releases, novations, consents and other documents duly executed by BK Hospital to vest the Acquiring Entity with the full benefit of the legal title to the BK Target Assets in accordance with the terms of the New BK Hospital SPA, including the assignment to the Acquiring Entity of the agreement between BK Hospital and Amara Hotel Properties Pte. Ltd. in relation to the lease of the units located at #04-11 and #04-12 in the complex known as “100AM”, located at 100 Tras Street, Singapore 079027; and
- (d) Board resolutions of BK Hospital approving, *inter alia*, the transfer of the BK Target Assets in accordance with the terms of the New BK Hospital SPA.

5.4 Moratorium Undertakings

- (a) The New BK Hospital Consideration Shares shall be subject to a moratorium.
- (b) Subject to and conditional upon Completion taking place, BK Hospital covenants and undertakes not to (directly or indirectly), *inter alia*, offer, pledge, sell, contract to sell, realise, assign, grant any option, right or warrant to purchase, lend, hypothecate, encumber, grant any security over, or otherwise transfer or dispose of (or enter into any transaction or arrangement (including any swap, hedge or derivative transaction) which is designed to, or might reasonably be expected to, result in the offer, pledge, sale, contract to sell, realisation, assignment, grant of option, right or warrant to purchase, lending, hypothecation or encumbrance of, grant of security over, or has a similar economic effect to the foregoing, whether such transaction is to be settled by delivery of the New BK Hospital Consideration Shares, in cash or otherwise), the following number of New BK Hospital Consideration Shares (or any part of the interests in such New BK Hospital Consideration Shares) in the following manner (the “**Moratorium**”), without the prior written consent of the Company:
- (i) During the period commencing from the date of issue of the New BK Hospital Consideration Shares to BK Hospital (the “**Issue Date**”), and ending on the date falling six (6) months from the Issue Date (the “**Initial Period**”), such number of New BK Hospital Consideration Shares which is equal to two-third (2/3) of the New BK Hospital Consideration Shares (rounded up to the nearest whole number); and
- (ii) During the first twelve (12) month period following the end of the Initial Period, such number of New BK Hospital Consideration Shares which is equal to one-third (1/3) of the New BK Hospital Consideration Shares (rounded up to the nearest whole number), (the “**Moratorium Period**”).
- (c) For the avoidance of doubt, BK Hospital shall be entitled to dispose (whether in a single or series of transactions) all the remaining New BK Hospital Consideration Shares held by BK Hospital, if not disposed previously, following the expiry of the Moratorium Period.

6. RELATIVE FIGURES OF THE PROPOSED ACQUISITION

- 6.1 The relative figures of the Proposed Acquisition computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:

Catalist Rule	Basis of Calculation	Relative Figure (%)
1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	N.A. ⁽¹⁾
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	N.A. ⁽²⁾
1006(c)	The aggregate value of the consideration given or received, compared with the Group's market capitalisation based on the total number of issued shares excluding treasury shares.	1.80 ⁽³⁾
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	1.18 ⁽⁴⁾
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.	N.A. ⁽⁵⁾

Catalist Rule	Basis of Calculation	Relative Figure (%)
	This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	

Notes:

- (1) Rule 1006(a) of the Catalist Rules is not applicable to an acquisition of assets.
- (2) Rule 1006(b) of the Catalist Rules is not applicable to an acquisition of fixed assets.
- (3) Based on the volume weighted average price of the Shares of S\$0.011 for trades done on the Catalist on 8 April 2024, being the last market day on which the Shares were traded preceding the date of the New BK Hospital SPA, the 7,801,733 New BK Hospital Consideration Shares have a combined market value of S\$85,819. Based on the latest announced unaudited financial statements of the Company for FY2023, the net asset value represented by the New BK Hospital Consideration Shares would amount to approximately S\$1,000. Pursuant to Rule 1003(3) of the Catalist Rules, the net assets represented by the New BK Hospital Consideration Shares was used to compute the relative figures for Rule 1006(c). As such, the value of the net assets represented by the New BK Hospital Consideration Shares is S\$117,026, compared to the Company's market capitalisation of approximately S\$6,484,860. The market capitalisation of the Company was computed based on its existing share capital of 589,532,745 Shares (excluding treasury shares) and the VWAP of S\$0.011 per Share on 8 April 2024 (being the last market day on which the Shares were traded preceding the date of the New BK Hospital SPA).
- (4) Based on the allotment and issue of the 7,801,733 New BK Hospital Consideration Shares, and the number of equity securities of the Company, being 589,532,745 Shares and convertible equity securities convertible to an aggregate of 661,495,628 Shares, as at the date of this announcement.
- (5) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company.

6.2 As all of the relative figures above amount to 5% or less, the Proposed Acquisition are therefore not disclosable transactions. However, as stated in paragraph 5 of this announcement, as the consideration for the Proposed Acquisition is to be satisfied in securities for which listing is being sought, Rule 1009 of the Catalist Rules requires the preparation of this announcement in accordance with the disclosure requirements of Chapter 10 of the Catalist Rules.

6.3 The financial effects of the Proposed Acquisition are therefore set out in the following section.

7. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

7.1 The financial effects of the Proposed Acquisition on the Group as set out below are for illustrative purposes only and do not reflect the actual financial performance or position of the Group after the Proposed Acquisition. The financial effects of the Proposed Acquisition set out below have been prepared based on the following bases and assumptions:

- (a) the Group's audited consolidated financial statements for FY2023;
- (b) for the purposes of computing the effect of the Proposed Acquisition on the net tangible assets ("NTA") per share, it is assumed that the Proposed Acquisition had been completed on 31 December 2023;
- (c) for the purposes of computing the effect of the Proposed Acquisition on the loss per Share ("LPS"), it is assumed that the Proposed Acquisition had been completed on 1 January 2023; and
- (d) the expenses in connection with the Proposed Acquisition are disregarded for the purpose of calculating the financial effects.

7.2 NTA per share of the Group

NTA	Before the Proposed Acquisition	After the Proposed Acquisition
Consolidated NTA (S\$'000)	(1,912)	(1,795)
Number of issued shares	589,532,745	597,334,478
Consolidated NTA per share (S\$ cents)	(0.324)	(0.300)

7.3 LPS of the Group

LPS	Before the Proposed Acquisition	After the Proposed Acquisition
Loss attributable to owners of the Company (S\$'000)	2,218	2,218
Weighted average number of issued shares	456,788,885	464,590,618
LPS - Basic (S\$ cents)	0.486	0.477

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the valuation report in relation to the BK Target Assets are available for inspection at the registered office of the Company at 160 Robinson Road, #05-08 SBF Centre, Singapore 068914.

9. GENERAL

Shareholders and potential investors are advised to exercise caution in trading their Shares. 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.

BY ORDER OF THE BOARD

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

9 April 2024

This announcement has been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited. (the "Sponsor").

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

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