

BEVERLY JCG LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200505118M)

MATERIAL VARIANCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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 announcement on 1 March 2022 (the “**Previous Announcement**”) in relation to the unaudited financial statements of the Group for the financial year ended 31 December 2021 (“**FY2021**”) (the “**Unaudited Financial Statements**”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to announce that subsequent to the release of the Unaudited Financial Statements, the external auditor has proposed certain adjustments and reclassifications following the finalisation of the audit which the management of the Company has adopted accordingly.

A summary of the adjustments and explanation between the Unaudited Financial Statements and the audited financial statements for FY2021 (“**Audited Financial Statements**”) is set out below.

EXTRACT FROM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Item	Group				Note
	Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)		
	S\$’000	S\$’000	S\$’000	%	
Cost of sales	(4,618)	(4,608)	(10)	(0%)	A
Other income	644	654	10	2%	B
Administrative expenses	(7,473)	(7,490)	17	0%	C
Finance expenses	(272)	(275)	3	1%	D
Income tax credit	176	158	(18)	(10%)	E
Total loss	(2,838)	(2,856)	18	1%	

- (A) In the Audited Financial Statements, there was a decrease of S\$10,000 in cost of sales due to adjustment to closing stock amounting to S\$6,000 and reversal of agent commission amounting to S\$4,000 to prepayments (in trade and other receivables) due to sales not completed.
- (B) In the Audited Financial Statements, there was an increase of S\$10,000 in other income due to S\$4,000 from gain from service concession arising from rental rebate and S\$6,000 from reversal of provision of doubtful debts which was recorded in administrative expenses in the Unaudited Financial Statements.

- (C) In the Audited Financial Statements, there was an increase of S\$17,000 in administrative expenses due to inventories written off amounting to S\$19,000 and reclassification of reversal of provision of doubtful debts amounting S\$6,000 to other income, offset by reversals of overaccruals of administrative expenses amounting to S\$5,000 and reversal of maintenance expenses for computer and software expenses to prepayments amounting to S\$3,000.
- (D) In the Audited Financial Statements, there was an increase of S\$3,000 in finance expenses due to recording of lease interest expenses not taken up in the Unaudited Financial Statements.
- (E) In the Audited Financial Statements, there was a decrease of S\$18,000 in income tax credit due to provision for tax for certain subsidiaries in Malaysia.

As a result of the above, total loss increased by S\$18,000 in the Audited Financial Statements compared to the Unaudited Financial Statements.

EXTRACT FROM BALANCE SHEETS

Item	Group				Note
	Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)		
	S\$'000	S\$'000	S\$'000	%	
Cash and cash equivalents	986	913	(73)	(8%)	F
Trade and other receivables	930	924	(6)	(1%)	G
Inventories	420	407	(13)	(3%)	H
Property, plant and equipment	4,983	5,018	35	(1%)	I
Trade and other payables	4,527	4,471	56	1%	J
Income tax payables	-	18	18	100%	K
Lease liabilities (current)	573	616	43	8%	L
Borrowings (current)	912	980	68	7%	M
Lease liabilities (non-current)	1,512	1,643	131	9%	N
Borrowings (non-current)	542	299	(243)	(45%)	O
Non-controlling interests	280	262	(18)	(6%)	P
Total equity	65	47	(18)	(28%)	

- (F) In the Audited Financial Statements, cash and cash equivalents decreased by S\$73,000 due to reclassification of S\$69,000 to advances from customers (in trade and other payables) and reclassification of S\$4,000 to trade and other receivables, which were inadvertently recorded in cash and cash equivalents in the Unaudited Financial Statements.

- (G) In the Audited Financial Statements, trade and other receivables decreased by S\$6,000 due to S\$17,000 adjusted from receivables to payables as during recognition of sales whereby advances were previously received, the amount was inadvertently recorded in receivables instead of offsetting from advances received (in trade and other payables), offset by S\$4,000 transferred from cash and cash equivalents to trade and other receivables as mentioned in Note F, reversal of S\$3,000 maintenance expenses for computer and software from administrative expenses to prepayments as mentioned in Note C and reversal of agent commission from cost of sales to prepayment amounting to S\$4,000 due to sales not completed as mentioned in Note A.
- (H) In the Audited Financial Statements, there was a decrease of S\$13,000 in inventories due to inventories written off amounting to S\$19,000 as mentioned in Note C, offset by adjustment to closing stock amounting to \$6,000 as mentioned in Note A.
- (I) In the Audited Financial Statements, property, plant and equipment increased by S\$35,000 due to recording of medical equipment and computer and software costs that was inadvertently recorded in other payables.
- (J) In the Audited Financial Statements, trade and other payables increased by S\$56,000 due to S\$69,000 transferred from cash and cash equivalents to advances from customers (in trade and other payables) as mentioned in Note F, S\$17,000 adjusted from receivables to payables as during recognition of sales whereby advances were previously received, the amount was inadvertently recorded in receivables instead of offsetting from advances received as mentioned in Note G, and additional accruals of administrative expenses amounting to S\$5,000 as mentioned in Note C, offset by adjustment of S\$35,000 of medical equipment and computer and software costs to property, plant and equipment as mentioned in Note I.
- (K) In the Audited Financial Statements, there was an increase of S\$18,000 in income tax payables due to provision for tax for certain subsidiaries in Malaysia as mentioned in Note E.
- (L) In the Audited Financial Statements, there was an increase of S\$43,000 in lease liabilities (current) due to reclassification of finance lease liabilities amounting to S\$39,000 from borrowings (current) to lease liabilities (current), S\$3,000 recording of lease interest expenses not taken up in the Unaudited Financial Statements as mentioned in Note D and S\$1,000 reclassification from lease liabilities (non-current) to lease liabilities (current).
- (M) In the Audited Financial Statements, there was an increase of S\$68,000 in borrowings (current) due to reclassification of S\$107,000 from borrowings (non-current) to borrowings (current), offset by reclassification of finance lease liabilities amounting to S\$39,000 from borrowings (current) to lease liabilities (current) as mentioned in Note L.
- (N) In the Audited Financial Statements, there was an increase of S\$131,000 in lease liabilities (non-current) due to reclassification of finance lease liabilities amounting to S\$137,000 from borrowings (non-current) to lease liabilities (non-current), offset by adjustment of S\$4,000 from gain from service concession arising from rental rebate as mentioned in Note B, S\$1,000 reclassification from in lease liabilities (non-current) to lease liabilities (current) as mentioned in Note L and S\$1,000 reclassification from in lease liabilities (non-current) to borrowings (non-current).

- (O) In the Audited Financial Statements, there was a decrease of S\$243,000 in borrowings (non-current) due to reclassification of finance lease liabilities amounting to S\$137,000 from borrowings (non-current) to lease liabilities (non-current) as mentioned in Note N and reclassification of S\$107,000 from borrowings (current) to borrowings (non-current) as mentioned in Note M, offset by S\$1,000 reclassification from lease liabilities (non-current) to borrowings (non-current) as mentioned in Note N.
- (P) In the Audited Financial Statements, there was a decrease of non-controlling interests of S\$18,000 due to change in total comprehensive loss attributable to non-controlling interests.

As a result of the above, total equity decreased by S\$18,000 in the Audited Financial Statements compared to the Unaudited Financial Statements.

EXTRACT FROM CONSOLIDATED STATEMENT OF CASH FLOWS

Item	Group				Note
	Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)		
	S\$'000	S\$'000	S\$'000	%	
Net cash used in operating activities	(788)	(683)	(105)	(13%)	Q
Net cash used in investing activities	(462)	(325)	(137)	(30%)	R
Net cash provided by financing activities	1,991	1,676	(315)	(16%)	S
Cash and cash equivalents at end of financial year	863	789	(73)	(8%)	

- (Q) In the Audited Financial Statements, net cash used in operating activities decreased by S\$105,000 due to:
- reclassification of S\$35,000 purchase of medical equipment and computer and software costs that was inadvertently recorded in other payables and recorded under operating activities to financing activities; and
 - reclassification of lease liabilities interest payments amounting to S\$203,000 from trade and other payables in operating activities to payment of lease liabilities in financing activities; offset by
 - reclassification of S\$40,000 of non-controlling interest contribution from operating activities to financing activities;
 - reclassification of S\$69,000 to advances from customers (in trade and other payables) and reclassification of S\$4,000 to trade and other receivables, which were inadvertently recorded in cash and cash equivalents in the Unaudited Financial Statements as mentioned in Note F;
 - reclassification of S\$23,000 of interest expense from bank overdrafts from financing activities to operating activities; and
 - recording of S\$3,000 of lease interest expenses not taken up in the Unaudited Financial Statements.

- (R) In the Audited Financial Statements, net cash used in investing activities decreased by S\$137,000 due to:
- reclassification of purchase of property, plant and equipment under finance lease amounting to S\$209,000 from purchase of property, plant and equipment in investing activities to proceeds from finance leases in financing activities; offset by
 - S\$35,000 purchase of medical equipment and computer and software costs that was inadvertently recorded in other payables and recorded under operating activities as mentioned in Note Q; and
 - reclassification of S\$37,000 effect of disposing part of interest in a subsidiary from investing activities to financing activities.
- (S) In the Audited Financial Statements, net cash provided by financing activities decreased by S\$315,000 due to:
- reclassification of lease liabilities interest payments amounting to S\$203,000 from trade and other payables in operating activities to payment of lease liabilities in financing activities as mentioned in Note Q;
 - reclassification of purchase of property, plant and equipment under finance lease amounting to S\$209,000 from purchase of property, plant and equipment in investing activities to proceeds from finance leases in financing activities as mentioned in Note R; and
 - recording of S\$3,000 of lease interest expenses not taken up in the Unaudited Financial Statements as mentioned in Note Q; offset by
 - reclassification of S\$37,000 effect of disposing part of interest in a subsidiary from investing activities to financing activities as mentioned in Note R;
 - reclassification of S\$40,000 of non-controlling interest contribution from operating activities to financing activities as mentioned in Note Q; and
 - reclassification of S\$23,000 of interest expense from bank overdrafts from financing activities to operating activities as mentioned in Note Q.

As a result of the above, cash and cash equivalents at end of financial year decreased by S\$73,000 in the Audited Financial Statements compared to the Unaudited Financial Statements.

LOSS PER SHARE

Item	Group				Note
	Unaudited Financial Statements	Audited Financial Statements	Increase/ (Decrease)		
	Singapore cents	Singapore cents	Singapore cents	%	
(a) Based on weighted average number of shares	(0.02)	(0.02)	-	-	T
(a) Based on fully diluted basis	(0.02)	(0.02)	-	-	T

- (T) The aforementioned adjustments did not result in any material discrepancies or adjustments between the Unaudited Financial Statements and Audited Financial Statements.

BY ORDER OF THE BOARD

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

13 April 2022

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 ("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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