Annual Report 2020

BEVERLY JCG LTD.

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

Natasha Beverly Aesthetics Sdn. Bhd.
No.96 G-1, Jalan Maarof, Bangsar,
Taman Bandaraya,
59100 WP Kuala Lumpur
Tel : 03 2201 0126

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

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

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 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

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Chairman's Statement

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

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 2020 ("**FY2020**").

2020 will long be remembered for the widespread disruptions and uncertainties brought upon by the Covid-19 pandemic with international travel severely curtailed due to border lockdowns. Despite this, the Group steadfastly executed our strategic plan to grow our business through mergers and acquisitions as well as organic growth, which we adopted after a thorough strategic review of the Group's businesses in the financial year ended 31 December 2019 ("**FY2019**"), by continuing to suitably strengthen and expand our position in our core healthcare business.

Expanding our Footprint, Strengthening our Brand

During the financial year under review, BJCG, through its Beverly Wilshire ("**BW**") group of companies in Malaysia (the "**BW Group**"), expanded its footprint in Malaysia beyond Kuala Lumpur, Klang Valley and Johor Bahru with the opening of an aesthetic clinic under Beverly Ipoh Sdn. Bhd. in September 2020. This marked our Group's foray towards the northern part of Peninsular Malaysia and we are constantly identifying suitable opportunities to expand to other states in Malaysia.

Natasha Beverly Sdn. Bhd. also officially opened its aesthetic medical centre in Bangsar, an upmarket suburb in Kuala Lumpur, on 10 October 2020. Natasha Beverly Sdn. Bhd. represents the strategic alliance between BJCG and Natasha Skincare (Malaysia) Sdn. Bhd. and is a positive business marriage between the two groups as it laid the business foundation for BJCG to enter into the Indonesia market for its healthcare and beauty business.

To further undergird our "Beverly" branding, our Company name has, with effect from 2 July 2020, been changed to "Beverly JCG Ltd." from "JCG Investment Holdings Ltd.". The new name "Beverly JCG Ltd." will be an excellent platform combining the Company's status as a company listed on the SGX-ST and capitalizing on Beverly Wilshire's established brand, to propel the "Beverly" brand and advance our Group's strategy to be a leading regional beauty and healthcare player and household name in the region. In addition, with a recognised and well-known brand, we are hopeful for more new developments, partnerships and joint ventures which will contribute to the maximisation of the Group's growth potential. During and post-Covid-19, it is expected that many opportunities will arise for the Group to look for smaller medical aesthetics companies which are badly affected for collaboration or acquisition. This is in line with the Group's strategy to grow through mergers and acquisitions.

Our BW medical centres have also been appointed as official Covid-19 vaccination centres in Malaysia.

Chairman's Statement

Streamlining Business Focus

On 1 June 2020, the Group had appointed me as Chief Executive Officer, in addition to my previous role as Non-Executive Chairman of the Board of Directors. I shall professionally and diligently execute my duties with the highest level of transparency and honesty, and I shall practice good corporate governance at all times. I shall continue to build on the BW brand and add value to BJCG stakeholders.

The Board has on 11 January 2020 set up a Risk Management Committee which has the principal objective of assisting the Board to provide oversight, direction and counsel to the risk management process and to advise the Board on risk-related issues, including to review and recommend new investment projects to the Board. This is timely as the Group intends to grow through more mergers and acquisitions ("**M&As**").

Another important development is that the Group had, on 16 February 2021, entered into an unwinding and settlement agreement in relation to the acquisition of Brand X Lab Pte. Ltd. ("**BXL**"), a wholly-owned subsidiary of the Group. The principal activities of BXL comprise event organisation and promotion as well as business and management consultancy services. The decision to undertake the unwinding and settlement arose from the strategic review of the long-term strategy and the direction of the Group to focus on its healthcare business, taking into account the general performance and the mid- to longer-term outlook in terms of the financial performance and business prospects of BXL. The Board has determined that it is in the best interests of the Company to unwind the acquisition of BXL by the Company. As disclosed in the Company's announcement on 17 February 2021, the proposed unwinding and settlement will see, inter alia, the return for cancellation or disposal of approximately 1.58 billion BJCG shares by the vendor of BXL.

Forging Ahead

Forging ahead, BJCG has an experienced and knowledgeable Board of Directors who are results-oriented. The Board aims to strategically position the Company to grow the BW brand and to be a regional player in the healthcare and beauty industry within the next five (5) years.

On 13 October 2020, BJCG was re-classified as being under the "Healthcare Services" sector on SGXNET. The Board will do its utmost best to ensure that BJCG steadily grows its new core business of healthcare and beauty going forward.

The Group's business, like many other businesses, has been affected by the current Covid-19 pandemic; in particular, the absence of overseas clients due to border lockdowns in Malaysia has affected our revenue for FY2020. However, I am happy to inform shareholders that our Malaysian businesses remain robust.

Together
we are
Stronger · Better · United

In connection with the recent rights cum warrants issue, I am happy to record that the Group was able to raise approximately S$1.954 million in net proceeds for general working capital needs and for the future expansion of the Group.

2020 has indeed been an eventful year but our Group remains committed to our corporate and business focus. We are confident that the healthcare business, including the medical aesthetics and wellness industries, is the sunrise business to be in.

On behalf of the Board of Directors and Management, I extend my appreciation to our stakeholders, clients and business partners for your continuing and unwavering support.

Thank you to all our doctors and employees for your commitment, hard work and loyalty during these unprecedented times.

Together we are Stronger
Together we are Better
Together we are United

Stay Healthy
Stay Safe
Stay At Home

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

Operations and Financial Review

Revenue

The medical aesthetic segment recorded revenue of S$5.315 million for FY2020, an increase of S$3.753 million compared to FY2019 of S$1.562 million. The increase is mainly due to full year of revenue contribution amounting to S$5.315 million from Beverly Wilshire Medical Centre Group in Malaysia in FY2020. The Beverly Wilshire Medical Centre Group, acquired by the Group in November 2019, contributed revenue of S$1.319 million to the Group for FY2019.

The Group's revenue from its trading and distribution business for FY2020 was S$0.131 million, a decrease of 69% or S$0.285 million as compared to the revenue of S$0.416 million for FY2019. The Group's trading and distribution business for the supply of steel related raw materials, products and equipment to steel mills in the Asia- Pacific region has remained weak.

Total revenue has increased to S$5.446 million in FY2020, an increase of 175% or S$3.468 million, compared to total revenue of S$1.978 million in FY2019.

Operating Result

The Group's gross profit from operations increased by 203% or S$1.253 million from S$0.806 million in FY2019 to S$2.445 million in FY2020. The increase was mainly due to profit generated from the medical aesthetic segment of the Beverly Wilshire Medical Centre Group in Malaysia. The decrease in revenue from the trading and distribution business did not have significant impact on the gross profit of the Group for FY2020.

Other income increased by S$0.388 million from S$0.039 million in FY2019 to S$0.427 million in FY2020 mainly due to more Covid-19 related government grants received. The Group had received S$0.093 million from Job Support Scheme in Singapore and its subsidiaries in Malaysia had received S$0.120 million wages subsidy from the Malaysian government under the Wages Subsidy Programme. The Group also received Covid-19 related rent concessions received from lessors of approximately S$0.096 million in FY2020.

Other (losses)/gains, net increased by S$0.110 million from other gains of S$0.019 million in FY2019 to other losses of S$0.091 million in FY2020 mainly due to property, plant and equipment written off amounting to S$0.071 million in FY2020 and loss allowances on trade receivables of our Malaysian subsidiaries amounting to S$0.042 million in FY2020.

Distribution expenses increased by S$0.123 million from S$0.097 million in FY2019 to S$0.220 million in FY2020. The increase was mainly due to a full year of selling and distribution expenses incurred by Beverly Wilshire Medical Centre Group in Malaysia and newly incorporated subsidiaries in FY2020, namely Natasha Beverly Sdn Bhd, Beverly Ipoh Sdn Bhd, DS Beverly Sdn Bhd and Natasha Beverly Aesthetics Sdn Bhd (the "**New Subsidiaries**"). The Beverly Wilshire Medical Centre Group was acquired in November 2019, hence only two months of selling and distribution expenses was recorded in FY2019.

Administrative expenses increased by S$3.772 million from S$3.745 million in FY2019 to S$7.517 million in FY2020. The administrative expenses incurred during the FY2020 are mainly operational costs, including staff costs, directors' remunerations and professional fees. The increase was mainly due to a full year of expenses incurred by Beverly Wilshire Medical Centre Group in Malaysia and the New Subsidiaries in FY2020. The Beverly Wilshire Medical Centre Group was acquired in November 2019, hence only two months of administrative expenses was recorded in FY2019.

Depreciation of property, plant and equipment increased by S$1.560 million or 523% from S$0.298 million in FY2019 to S$1.858 million in FY2020 mainly due to the full year of depreciation recognised by Beverly Wilshire Medical Centre Group in FY2020.

Operations and Financial Review

Amortisation of intangible assets increased by S$0.385 million from S$nil in FY2019 to S$0.385 million in FY2020 mainly due to full year amortisation of trademark recognised from acquisition of Beverly Wilshire Medical Centre Group in November 2019.

Finance expenses decreased by S$0.051 million or 23% from S$0.225 million in FY2019 to S$0.174 million in FY2020. The decrease was mainly due to absence of unwinding of imputed interest expenses of S$0.151 million as a result of the fair value adjustment on the deferred payment liability of S$3.5 million which had been converted into share capital in January 2019 and offset by the increase in interest expense on lease liabilities of S$0.089 million or 261% from S$0.034 million in FY2019 to S$0.123 million in FY2020 mainly due to full year of interest expense on lease liabilities recognised by Beverly Wilshire Medical Centre Group in FY2020.

Income tax credit/(expense) increased by S$0.263 million from income tax expense of S$0.014 million in FY2019 to income tax credit S$0.249 million in FY2020. The increase was mainly due to recognition of full year of income tax credit arising from deferred tax liabilities in FY2020 as a result fair value adjustments made to Beverly Wilshire Medical Centre Group's intangible assets and property, plant and equipment as part of the purchase price allocation exercise. The Beverly Wilshire Medical Centre Group was acquired in November 2019, hence only two months of income tax credit was recorded in FY2019.

The loss from discontinued operations has increased from S$0.030 million in FY2019 to S$0.373 million in FY2020 of which S$0.014 million is attributed to iMyth Taiwan Limited and S$0.359 million is attributed to Brand X Lab Pte Ltd. The Group has classified these two subsidiaries as disposal group classified as held-for-sale in FY2020 and presented their results as discontinued operations.

As a result of the above, net loss attributable to equity holders of the Company for the financial year increased by 37% from S$3.088 million in FY2019 to S$4.250 million in FY2020.

Assets and Liabilities

Total assets of the Group decreased by S$3.350 million from S$16.070 million as at 31 December 2019 to S$12.720 million as at 31 December 2020 mainly due to:

- decrease in cash and cash equivalents of S$1.061 million due to usage of cash for operating purposes;

- decrease in trade and other receivables of S$1.193 million mainly due to S$0.633 million and S$0.336 million of trade and other receivables of Brand X Lab Pte Ltd and iMyth Taiwan Limited respectively as at 31 December 2019, being reclassified to assets of disposal group classified as held-for-sale in FY2020;

- decrease in property, plant and equipment of S$0.826 million mainly due to depreciation of S$1.858 million in FY2020, offset by additions in property, plant and equipment amounting to S$0.544 million and increase in right-of-use of assets of S$0.698 million in FY2020; and

- decrease in intangible assets of S$4.013 million mainly due to goodwill and customer relationship amounting to S$3.457 million and S$0.171 million respectively as at 31 December 2019 arising from acquisition of Brand X Lab Pte Ltd being reclassified to assets of disposal group classified as held-for-sale in FY2020 and amortization of intangible assets of S$0.385 million in FY2020; and

- offset by increase in assets of disposal group classified as held-for-sale of S$3.869 million, which represents the assets of Brand X Lab Pte Ltd as at 31 December 2020.

Total liabilities increased by S$1.139 million from S$7.741 million as at 31 December 2019 to S$8.880 million as at 31 December 2020 mainly due to:

- increase in trade and other payables of S$1.228 million;
- increase in borrowings of S$0.281 million mainly arising from the Malaysian banking facilities entered into in FY2020 amounting to S$1.323 million as at 31 December 2020, offset by the bank borrowings of Brand X Lab Pte Ltd of S$0.185 million as at 31 December 2019 being reclassified to liabilities directly associated with disposal group classified as held-for-sale in FY2020 and the repayment of the bank overdraft of our Malaysian subsidiary amounting to S$0.901 million as at 31 December 2019 in FY2020; and
- increase in liabilities directly associated with disposal group classified as held-for-sale of S$0.258 million which represents the liabilities of Brand X Lab Pte Ltd as at 31 December 2020;
- offset by decrease in current income tax liabilities from S$0.128 million as at 31 December 2019 to S$Nil as at 31 December 2020 as there were no additional income tax liabilities recognised for all entities in the Group which are loss-making in FY2020; and
- decrease in deferred income tax liabilities from S$0.679 million as at 31 December 2019 to S$0.401 million as at 31 December 2020, mainly due to fair value adjustments made to the intangible assets and property, plant and equipment of Beverly Wilshire Medical Centre Group in Malaysia of S$0.249 million arising from recognition as deferred tax credit in the income statement in FY2020.

The Group's net asset value per ordinary share has maintained positive at S$0.02 cents.

Working Capital

As at 31 December 2020, the Group's total assets exceeded its total liabilities by S$3.840 million; however, the Group had negative working capital of S$0.520 million mainly due to the current portion of lease liabilities (office and medical centre) amounting to S$0.769 million as at 31 December 2020. The Group had adopted SFRS(I) 16 from 1 January 2019 whereby non-cancellable operating lease payments were recognized as liabilities on the balance sheet. Notwithstanding this, the Board and Management is of the view that the Group is able to continue as a going concern due to the following:

a) New subsidiary corporations/joint venture companies

(i) The Company's wholly-owned subsidiary JCG-Beverly Pte Ltd ("**JCGB**") had on 24 January 2020, formed a strategic joint venture with Natasha Skincare (Malaysia) Sdn Bhd under a special purpose vehicle, Natasha Beverly Sdn Bhd ("**NBSB**"). NBSB's principal activities are medical aesthetics clinic and other health maintenance procedures such as medi-spa, chiropractor and physiotherapy. Natasha Skincare is a leading beauty brand in Indonesia with more than 100 outlets. NBSB is expected to generate revenue and contribute positively to the Group in the subsequent years as it has been involved in the following corporate expansion exercises, including establishing aesthetics and dental clinics within the Natasha Beverly Medical Centre.

(ii) On 15 July 2020, NBSB incorporated a special purpose vehicle, DS Beverly Sdn Bhd , for the purposes of entering into a strategic joint venture with a non-related party, Dermatology & Surgery Clinic Pte Ltd ("**DS**"). The joint venture's principal activities include healthy aging, regenerative medicine and health screening services. On 28 December 2020, NBSB and DS had entered into an extension letter whereby both parties mutually agreed that the long-stop date for signing of the definitive agreement shall be extended to 31 July 2021 from a previously agreed date of 31 December 2020.

(iii) On 11 August 2020, NBSB incorporated a 56% owned subsidiary corporation, Natasha Beverly Aesthetics Sdn. Bhd. ("**NBASB**"). NBSB had on 1 January 2021 entered into a non-binding term sheet with Beverly Bangsar Sdn. Bhd. ("**BBSB**") and on 15 February 2021, signed the definitive agreement with BBSB to jointly provide aesthetic medicine and related services through NBASB.

(iv) NBSB and Beverly Wilshire Aesthetic Dental Centre Sdn Bhd , both subsidiary corporations of the Company, had on 15 April 2021 entered into a definitive agreement with Arlena Philip Lee ("**Dr. Arlena**") and Rajinderpal Singh A/L Nantam Singh to establish a joint venture company in Malaysia to be known as "Natasha Beverly Dental" for the purpose of providing aesthetic dental services.

(v) JCGB had on 7 April 2020, incorporated a special purpose vehicle, Beverly Ipoh Sdn Bhd ("**BISB**") for the purpose of entering into a strategic joint venture with Chong Yee Leng ("**Dr Elaine**"). The joint venture's principal activities are aesthetic medicine and related activities. JCGB had on 23 April 2020 entered into a non-binding term sheet (the "**BISB Term Sheet**") with Dr Elaine to establish a joint venture for the purposes of providing aesthetic medicine procedures. The BISB Term Sheet had lapsed on 14 May 2020. Subsequently, JCGB had on 8 June 2020 entered into a new non-binding term sheet (the "**New BISB Term Sheet**") with Dr Elaine for the proposed transaction. The New BISB Term Sheet had lapsed on 29 June 2020. Subsequent to the lapse of the New BISB Term Sheet and pursuant to further discussions between JCGB and Dr Elaine, JCGB had on 7 September 2020 entered into a joint venture agreement with Dr Elaine; and a shareholders' agreement with Dr Elaine, Howard Ng How Er and BISB, each in relation to the proposed transaction. BISB is part of the Group's expansion plans to open clinics in the other states of Malaysia, other than Kuala Lumpur and Johor.

(vi) JCGB had on 15 April 2021 entered into a definitive agreement with Dr. Arlena and Klinik Pergigian Dentistree to, inter alia, establish a joint venture company in Malaysia to be known as "Beverly Dentistree" for the purpose of providing aesthetic dental services.

Barring any unforeseen circumstances, the Group expects these new subsidiaries/joint venture companies to contribute positively to the Group's working capital position.

(b) Fund-raising exercises

(i) Beverly Wilshire Medical Centre Sdn Bhd ("**BWMC**"), a 51% owned subsidiary of the Company, had on 28 May 2020 entered into a letter of offer with a Malaysian bank in relation to the grant of banking facilities of up to RM7.0 million to BWMC.

(ii) On 2 June 2021, the Company has allotted and issued 2,112,779,425 rights shares ("**Right Shares**") with 2,112,779,425 warrants pursuant to a rights cum warrants issue (the "**2021 Rights cum Warrants Issue**") at an issue price of S$0.001 for each Rights Share for net proceeds of approximately S$1,954,000 which will be used for general working capital and future expansion of the Group.

Concurrently, the Company will continue to look for other fund-raising exercises to fund the working capital and growth of the Group going forward and the Company will also seek for growth opportunities and all other possibilities to complement the existing businesses of the Group.

Cash Flow

Net cash used in operating activities in FY2020 amounted to S$0.670 million. The operating cash outflows before movement in working capital was S$2.720 million. The net cash inflows from the changes in working capital of approximately S$2.142 million was mainly due to increase in trade and other payables of S$1.482 million. The decrease in net cash used in operating activities in FY2020 compared to FY2019 was mainly due to increase in total loss and offset by the higher changes in working capital of S$2.142 million in FY2020 compared to S$0.858 in FY2019.

Net cash used in investing activities for FY2020 amounted to S$0.544 million due to the purchase of property, plant and equipment.

Net cash generated from financing activities for FY2020 amounted to S$1.630 million due to bank deposits discharged, proceeds from issuance of new shares and proceeds from borrowings of S$1.422 million, S$0.800 million and S$1.329 million respectively and offset by fixed deposits pledged, repayment of borrowings, lease liabilities and interest paid of S$0.705 million, S$0.155 million, S$0.995 million and S$0.051 million respectively. The increase in net cash generated from financing activities in FY2020 compared to FY2019 is mainly due to proceeds from bank deposits discharged, issuance of new shares and proceeds from borrowings in FY2020 were mainly used for operating purposes whereas the proceeds from issuance of new shares in FY2019 amounting to S$4.500 million was mainly used to repay a loan of S$3.544 million.

As a result of the decrease in net cash used in operating activities and increase in net cash generated from financing activities in FY2020 compared to FY2019, cash and cash equivalents were S$0.121million as at 31 December 2020 as compared to negative position of S$0.297 million as at 31 December 2019.

Board of Directors

From L-R: Mr Ang Kok Huan, Mr Cheung Wai Man, Raymond, Dr Lam Lee G, Dato' Ng Tian Sang @ Ng Kek Chuan, Mr Yap Siean Sin, Mr Howard Ng How Er

Dato' Ng Tian Sang @ Ng Kek Chuan
Executive 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. Currently, he is also the Executive Chairman of the Beverly Wilshire Medical group of companies. Dato' Ng launched his career after acquiring his Bachelor of Commerce Degree from the University of Western Australia in 1971. Dato' Ng has served 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 Real Estate and Housing Developers' Association Malaysia (REHDA) (1997-1999). Dato' Ng also assumed the roles of Executive Deputy Chairman of Midwest Corporation Ltd (2006-2010) and Senior Independent Non-Executive Director of Tropicana Corporation Bhd. (2011-2015). Dato' Ng is a member of the Malaysian Institute of Accountants (MIA), a member of 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 Australia Chinese Chamber of Commerce (WACCC).

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 joining the 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 16 years of experience in various industries that include Property Development, Fast Moving Consumer Products ("FMCG") and Information Technology. He holds a Bachelor of Economics from the University of Western Australia.

Board of Directors

Mr Ang Kok Huan

Executive Director

Mr Ang Kok Huan was appointed as Executive Director and Chief Executive Officer of the Company on 31 December 2018. On 1 June 2020, he relinquished the role of Chief Executive Officer and remained as the Executive Director of the Company, focusing on regional market development. Mr Ang started his career as a military officer with the Singapore Armed Forces where he served for 17 years before moving into the private sector. His experience in the private sector includes working as an independent securities broker where he successfully developed and led a large brokerage team over a period of less than two years. His most recent appointment was the role of Deputy Head of Fund Management Department at Phillip Securities Pte. Ltd. Mr Ang holds a Master of Business Administration (Investment & Finance) degree from the University of Hull, and a Bachelor of Business Administration (Honours) degree from the National University of Singapore, where he was a Singapore Armed Forces scholarship holder.

Dr Lam Lee G.

Lead Independent Director

Dr. Lam Lee G. was appointed as an Independent Director of the Company on 14 May 2018. He was subsequently appointed as Lead Independent Director of the Company on 1 June 2020. Currently, he is also Chairman of Hong Kong Cyberport Management Company Limited and Senior Advisor to Macquarie Group Asia. He started his career in Canada at Bell-Northern Research (the research and development arm of Nortel) and Bell Canada, and later in Hong Kong at Hong Kong Telecom. He later joined Singapore Technologies Telemedia (then part of Temasek Holdings), and moved on to BOC International Holdings (the international investment banking arm of the Bank of China group) where he served as Managing Director, Vice-Chairman and Chief Operating Officer of its investment banking division. Until late 2006, Dr. Lam was President and Chief Executive Officer of Chia Tai Enterprises International (CP Group). He holds a BSc in Sciences and Mathematics, an MSc in Systems Science and an MBA all from the University of Ottawa in Canada, an MPA and a PhD from the University of Hong Kong, an LLB (Honours) from Manchester Metropolitan University in the UK, and an LLM from the University of Wolverhampton in the UK.

Mr Yap Siean Sin

Independent Director

Mr Yap Siean Sin was appointed as an Independent Director of the Company on 27 June 2017. 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 Aberdeen, UK and a Post Graduate Diploma in Town Planning from the University of Westminster London, UK.

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. Mr Cheung brings almost 20 years of insurance and finance experience, and currently works as a business and risk management consultant. He has extensive experience in the areas of technology business strategy, actuarial and capital modeling, product development, merger and acquisition, credit ratings as well as risk management and compliance advisory. Mr Cheung founded BRCA Consultancy in 2014 to provide risk and compliance solutions for financial institutions in Asia. He was also the Regional Head of Insurance for Grab where he pioneered the structuring of innovative and cost-effective insurance solutions for Grab's operations in 8 countries in Asia. Before that, Mr Cheung was the Chief Risk Officer for AIG Asia Pacific and Asia Capital Reinsurance Group. Mr Cheung was previously actively involved in the Singapore Actuarial Society, holding the appointments of Honorary Secretary for 9 years from 2011 to 2019. Whilst involved in the Singapore Actuarial Society, he pioneered its Enterprise Risk Management (ERM) Committee in 2014 and was appointed as the Chairman of the Risk-Based Capital 2 (RBC2) Task Force since 2012. He was also previously the trainer for the Advance Diploma Insurance Management Associate Programme (IMAP) and the ASEAN School for Young Insurance Managers (AYIM) programme at the Singapore College of Insurance. Mr Cheung holds a Bachelor of Business (Actuarial Science major) awarded by Nanyang Technological University. He is an Associate Member of the Institute & Faculties of Actuaries, UK and is an Associate of the Singapore Actuarial Society.

Executive Officer

Ms Violet Seah Sin Yuen
Chief Financial Officer

Ms Violet Seah Sin Yuen was appointed the Chief Financial Officer of the Company on 31 December 2018. She is responsible for managing the entire spectrum of the Group's financial management and reporting functions. Ms Seah has extensive experience in accounting, audit, finance and taxation as well as capital market transactions including initial public offerings, mergers and acquisitions and cross border offerings. Prior to joining the Group, she held the position of Chief Financial Officer/Financial Controller in various companies. Ms Seah started her career in assurance and advisory where she was previously a Senior Manager from the Assurance, Advisory and Business Services, IPO Division of Ernst & Young LLP. Ms Seah graduated from Nanyang Technological University with a Bachelor Degree in Accountancy. She is a member of the Institute of Singapore Chartered Accountants and a member of Certified Public Accountants, Australia.

Corporate Information

BOARD OF DIRECTORS

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

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

Mr Ang Kok Huan
Executive Director

Dr Lam Lee G
Lead Independent Director

Mr Yap Siean Sin
Independent Director

Mr Cheung Wai Man, Raymond
Independent Director

AUDIT COMMITTEE
Dr Lam Lee G (Chairman)
Mr Yap Siean Sin
Mr Cheung Wai Man, Raymond

REMUNERATION COMMITTEE
Mr Yap Siean Sin (Chairman)
Dr Lam Lee G
Mr Cheung Wai Man, Raymond

NOMINATING COMMITTEE
Mr Yap Siean Sin (Chairman)
Dr Lam Lee G
Mr Ang Kok Huan

RISK MANAGEMENT COMMITTEE
Mr Ang Kok Huan (Chairman)
Dato' Ng Tian Sang @ Ng Kek Chuan
Mr Howard Ng How Er
Dr Lam Lee G
Mr Yap Siean Sin
Mr Cheung Wai Man, Raymond

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INDEPENDENT AUDITOR
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Director-in-charge: Ms Meriana Ang Mei Ling
Year of appointment: Financial Year ended 31 December 2020

SPONSOR
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SUSTAINABILITY REPORT

Board's Statement

BOARD STATEMENT

We are pleased to present the annual Sustainability Report of Beverly JCG Ltd ("**BJCG**" or the "**Company**" and, together with its subsidiaries, the "**Group**") for our financial year ended 31 December 2020 ("**FY2020**"). The Sustainability Report covers information for the Group's operating segments, the medical aesthetics 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 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 accuracy of data and information. 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 and 711B of the SGX Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), and references the phased approach as described in Practice Note 7F: Sustainability Reporting Guide of the Catalist Rules and the Global Reporting Initiative ("**GRI**") Standards: Core option as issued by the Global Sustainability Standards Board. 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 environmental, social and governance performance. We have complied in all material respects with the applicable GRI Standards. This report highlights the EESG related initiatives carried throughout a 12-month period, from 1 January to 31 December 2020 ("**FY2020**").

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 in order to ensure the sustainability of the Group over the years.

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, in accordance with the business activities of the Group in the future.

FEEDBACK

We welcome feedback from our stakeholders with regards 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
Executive Chairman and Chief Executive Officer

14 June 2021

Approach to Sustainability

OUR SUSTAINABILITY METHODOLOGY

STAKEHOLDER ENGAGEMENT

An important starting point in our sustainability journey is to identify our stakeholders and material aspects relevant to our 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. We adopt both formal and informal channels of communication to understand the needs of key stakeholders, and incorporate these into our corporate strategies to achieve mutually beneficial relationships.

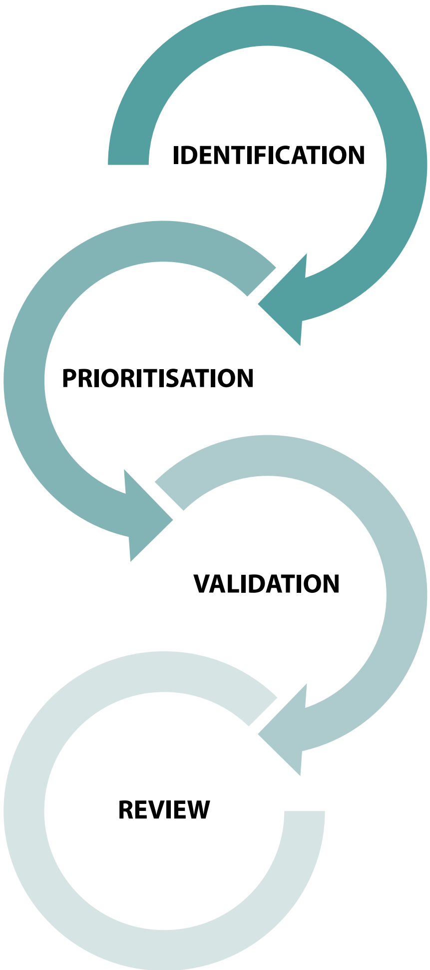
The following sets out our engagement platforms with our stakeholders and the material outcomes of these engagements:

Key Stakeholders	Engagement Platforms	Frequency of Engagement	Key Concerns Raised
Employees	Open dialogue	Ongoing	Fair remuneration, compensation and benefits Workplace safety
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
Government and regulators	Regular reports Medical licencing and compliance	As appropriate	Regulatory compliance Timeliness of reporting
Investors / Shareholders	Results announcements Annual report Annual general meeting Shareholder engagement	Quarterly Annually Annually As appropriate	Growth strategy and future plan
Customers	Social media E-mail queries Face to face business transactional engagements	Ongoing	Receipt of timely payments Quality of products and services Customer satisfaction

Approach to Sustainability

MATERIAL ASPECTS ASSESSMENT

Our sustainability process begins with the identification of relevant factors. Relevant factors are then prioritised to identify material factors which are validated internally. The end result of this process is a list of material factors disclosed in the Sustainability Report. The identified material factors contribute to the creation of value to the Group from a sustainability perspective as described in the respective sections. A brief description of our sustainability process is shown below:



Identification of the material factors that are of relevance to the Group's activities

Prioritization of the material factors and identifying key sustainability factors to be reported upon

Validation of the completeness of key sustainability factors identified to finalize the sustainability report

Review focuses on the material factors in previous reporting period and also considers stakeholder's feedback, changing business landscape and emerging trends

We engaged our employees from various departments to seek our internal stakeholders' feedback on the prioritisation of these topics. A materiality review on each of the four steps is conducted annually by the Board, incorporating inputs gathered from stakeholders' engagements.

In order to determine if a factor is material, we assess its potential impact on the economy, environment, society and its influence on the stakeholders. In identifying material ESG factors, we have also considered both risks and opportunities. Applying guidance from GRI, we have identified the following as our material factors:

ECONOMIC
Economic Performance
Anti-Corruption

ENVIRONMENTAL
Supplier Environmental Assessment

SOCIAL
Diversity and Fair Employment
Training and Education

GOVERNANCE
Corporate Governance
Risk Management

Economic

ECONOMIC PERFORMANCE

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 is ensured by taking into account the interests of stakeholders, such as shareholders, employees, suppliers and society as a whole.

The Group's year-on-year revenue increased 175% or S$3.468 million from S$1.978 million in FY2019 to S$5.446 million in FY2020. The increase is mainly due to full year of revenue contribution from Beverly Wilshire Medical Centre Group in Malaysia in FY2020. The medical aesthetic segment recorded revenue of S$5.315 million for FY2020, an increase of S$3.753 million compared to FY2019 of S$1.562 million. The Group's revenue from its trading and distribution business for FY2020 was S$0.131 million, a decrease of 69% or S$0.285 million as compared to the revenue of S$0.416 million for FY2019. The decrease is attributable to the Group's trading and distribution business for the supply of steel related raw materials, products and equipment to steel mills in the Asia-Pacific region which has remained weak.

The Group's gross profit from operations increased by 203% or S$1.639 million from S$0.806 million in FY2019 to S$2.445 million in FY2020. The increase was mainly due to medical aesthetic segment generated from Beverly Wilshire Medical Centre Group in Malaysia.

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

- Operations and Financial Review, pages 4 to 7;
- Financial Statements, pages 64 to 153.

2020 will long be remembered for the widespread disruptions and uncertainties brought upon by the Covid-19 pandemic with international travel severely curtailed due to border lockdowns. Despite this, the Group steadfastly executed our strategic plan to grow our business through mergers and acquisitions as well as organic growth, which we adopted after a thorough strategic review of the Group's businesses in the financial year ended 31 December 2019 ("**FY2019**"), by continuing to suitably strengthen and expand our position in our core healthcare business. We aim to improve our revenue and gross profit for the financial year ending 31 December 2021 ("**FY2021**") as compared to FY2020.

ANTI-CORRUPTION

BJCG is committed to taking responsibility and playing a part in fighting corruption by conducting our business in an ethical manner. We expect a lawful and ethical behaviour from all employees and business partners which prohibits any form of bribery and corruption. In FY2020, we strived to achieve of zero incidents of corruption during FY2020 and we have achieved our target of zero incidents of corruption during FY2020. We also target to maintain zero incidents of corruption in FY2021.

WHISTLE BLOWING POLICY

The Company has 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. Our whistle blowing policy provides a mechanism for employees and external parties to report concerns over alleged wrongful acts. There were no whistleblowing cases in FY2020 (FY2019: Nil) and we have attained our target. We aim to have no instances of whistleblowing cases throughout FY2021.

Environment

BJCG's direct environmental impact is limited as we do not have any manufacturing operations. Nevertheless, we will always strive to avoid unnecessary impact on the environment and to further reduce any environmental impact, whenever possible.

The Group sources and buys end products from companies which are environmentally friendly. If there are any new product launches, we will perform rigorous checks on the upstream suppliers to ensure that they meet our requirements and they are aligned to our Group's environmental objectives.

SUPPLIER ENVIRONMENTAL ASSESSMENT

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

For our medical aesthetics business and trading and distribution business, the Group performs an annual evaluation on the suppliers considering background review and assessment, online meetings and discussion of terms and conditions to meet the same expectations. Our evaluation in FY2020 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 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 three suppliers for medical products to the Group in FY2020 were:

No.	Supplier's name	Materials supplied	Supplier's Assessment
1	DKSH Holdings (Malaysia) Bhd. ("**DKSH**")	Drugs, Medication, Aesthetic products such as botox, filler, facial threads	DKSH has in place a comprehensive sustainability framework on initiatives covering economic, environmental and social perspectives. Sustainability Statement - DKSH Annual Report FY2020 - There are no incidents of non-compliance with environmental laws and regulations in FY2020 for DKSH.
2	Zuellig Pharma ("**ZP**")	Drugs, Medication, Hospital Consumables such as gauze, syringes, sutures	The Zuellig Pharma Sustainability Policy was established in 2020 to communicate their vision and key sustainability commitments. Zuellig Pharma Sustainability Report 2020 - In 2020, ZP did not incur any fines and nonmonetary sanctions for non-compliance with environmental laws and/or regulations in any of their markets.
3	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 2020 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.

Environment

Top supplier for metal products of the Group in FY2020 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.

Our business target for FY2020 was to work with the right partners who are environmentally conscious and will journey with us towards a sustainable long-term business. We have achieved our target in FY2020. This shall be our business practice and target for FY2021 as we want to work with the right partners who are environmentally conscious and will journey with us towards a sustainable long-term business.

Social

DIVERSITY AND FAIR EMPLOYMENT

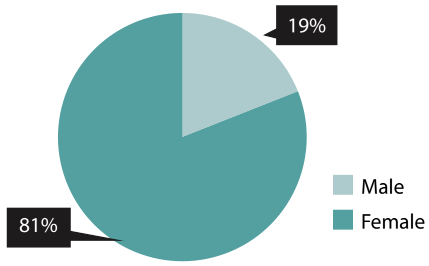
Please refer to our Corporate Governance Report on pages 30 to 31 for information on Board Diversity.

We embrace diversity, and at the same time expect all officers and employees to be aligned with the Group's vision and strategic initiatives. The age of our employees ranged from 30s to 60s in FY2020. The ratio of male to female employees in FY2020 was almost 1:5 (FY2019: 2:5).

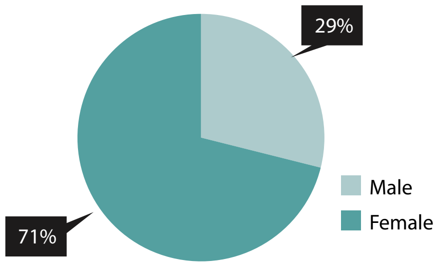
The total number of employees in the Group was 137 in FY2020 (FY2019: 128). The increase in the number of employees was mainly due to the newly incorporated medical centers/clinics, namely, Natasha Beverly Sdn Bhd and Beverly Ipoh Sdn Bhd in 2020.

Our hiring is based on manpower requests and all hiring requires our 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 qualification and we strive for fair treatment of all our employees.

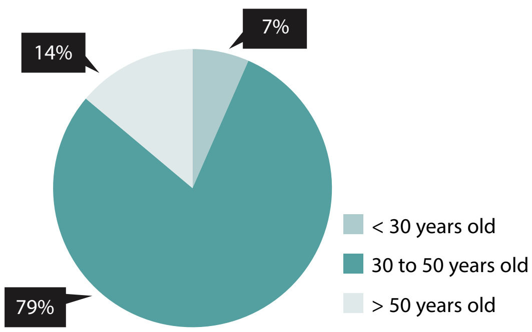
Gender Breakdown FY2020



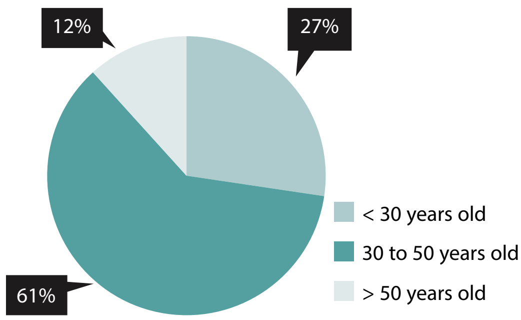
Gender Breakdown FY2019



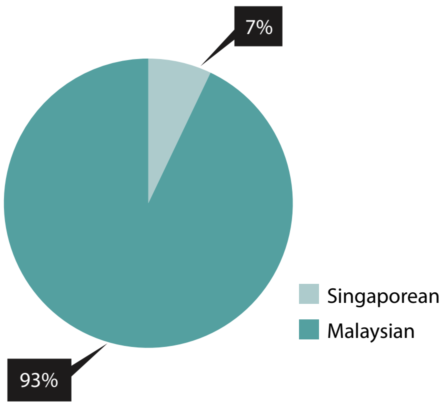
Employee Age Distribution FY2020



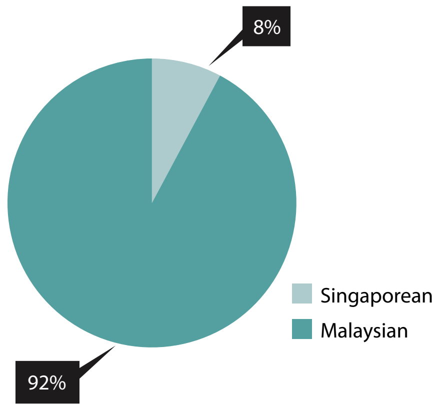
Employee Age Distribution FY2019



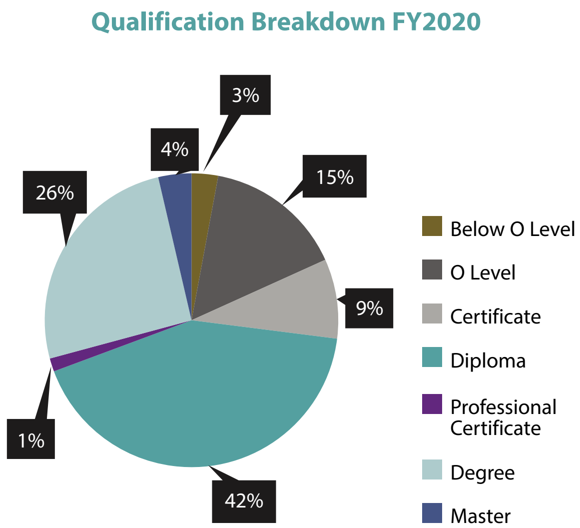
Nationality Breakdown FY2020

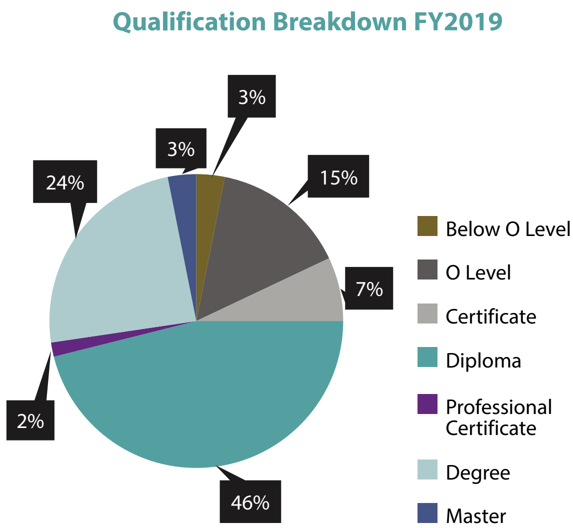


Nationality Breakdown FY2019



Social





The Group typically holds a range of activities to foster team building amongst our employees such as World Nurse Day, festival celebrations and birthday celebrations. However, these have been temporarily halted in FY2020 as no external events and large gathering were allowed due to the Covid-19 pandemic. Nevertheless, we maintain staff interaction via social media such as group chats such that all staff members are constantly engaged and kept abreast of happenings within the Group.

Our business target for FY2020 was to provide competitive remuneration and benefits to our employees. We also committed to safeguarding 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 strived for fair employment practices and zero workplace discrimination regardless of race, religion or gender. We also strived for no work place accidents. We have achieved our target in FY2020. In FY2021, we look forward and are committed to providing competitive remuneration and benefits to our employees. We are also committed to safeguarding 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 work place accidents in FY2021. We continue to strive for fair employment practices and zero workplace discrimination regardless of race, religion or gender.

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 and child care 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 Chairman/CEO who is responsible for the HR function of the Group or through our whistleblowing system.

TRAINING AND EDUCATION

Our target for FY2020 was to monitor the trainings provided to our staff and ensure that each employee will attend at least one training per year. In addition to mandatory continuous medical and technical training as required for the medical staff, we also committed to providing continuous support to upgrade the skills and knowledge of our staff in the area of customer service, sales and management. We committed to seek and identify relevant courses and seminars for our staff to attend and participate in.

The trainings attended by the staff include:
1) Sales training (in-house with safe-distancing measures in place and on-line);
2) Accounting training with accounting system (in-house with safe-distancing measures in place);
3) Accounting seminar (online);
4) Nursing training (in-house and external-online);
5) Aesthetician training (in-house with safe-distancing measures in place); and
6) Continuous medical education for doctors (online workshop).

We have achieved our target in FY2020.

For FY2021 we will monitor the trainings provided to our staff and will ensure that each employee will attend at least two trainings per year, in particular 20 Continuing Professional Development ("**CPD**") points are required each year for Doctors to renew their Annual Practicing Certificate ("**APC**") and 20 CPD points are required each year 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, softskills training in customer services and sales and management training. We will seek and identify relevant courses and seminars for our staff to attend and participate in.

CORPORATE SOCIAL RESPONSIBILITY

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.

The Beverly Wilshire Medical Centre Group's medical centres were recently appointed as official Covid-19 vaccination centres in Malaysia. The Group is proud to be part of the Malaysia's National Vaccination Program. We target to achieve approximately 6,000 vaccinations within 6 months in FY2021.

The Group had also undertaken pro bono works in cleft lip surgery in Beverly Wilshire Medical Centre in the past. Due to the movement control/lockdown restrictions imposed by the Malaysian government arising from the Covid-19 pandemic, there were no such works in FY2020. Subject to limitations from further movement control/lockdown restrictions, the Group targets to achieve at least 1 pro bono cleft lip surgery in FY2021.

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 25 to 50 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.

Similar to the past years, we will continue to institute as a business practise compliance with the Code to meet all the good governance requirements that are expected of us by all our stakeholders.

RISK MANAGEMENT

Enterprise 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 40 to 41 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 Standards Content Index

GRI Standard	Disclosure		Reference / Description
GRI 101: Foundation 2016			
GENERAL DISCLOSURE			
GRI 102: General Disclosures	102-1	Name of organisation	Beverly JCG Ltd.
	102-2	Activities, brands, products and services	Chairman's Statement
	102-3	Location of headquarters	Corporate Information
	102-4	Location of operations	Cover page
	102-5	Ownership and legal form	Page 70 and 155, Corporate Information
	102-6	Markets served	Chairman's Statement
	102-7	Scale of the organisation	Pages 19 to 20
	102-8	Information on employees and other workers	Pages 19 to 20
	102-9	Supply chain	Pages 17 to 18
	102-10	Significant changes to the organisation and its supply chain	Pages 17 to 18, Chairman's Statement
	102-11	Precautionary Principle or approach	None
	102-12	External initiatives	None
	102-13	Membership of associations	None
	102-14	Statement from senior decision maker	Page 13
	102-16	Values, principles, standards and norms of behaviour	Page 22
	102-18	Governance structure	Page 22
	102-40	List of stakeholder groups	Page 14
	102-41	Collective bargaining agreements	None
	102-42	Identifying and selecting stakeholders	Page 14
	102-43	Approach to stakeholder engagement	Page 14
	102-44	Key topics and concerns raised	Pages 14 to 15
	102-45	Entities included in the consolidated financial statements	Pages100 to 102
	102-46	Defining report content and topic boundaries	Page 13
	102-47	List of material topics	Page 15
	102-48	Restatement of information	None
	102-49	Changes in reporting	None
	102-50	Reporting period	Page 13
	102-51	Date of most recent previous report	21 May 2020
	102-52	Reporting cycle	Annually
	102-53	Contact point for questions about the report	Page 13
	102-54	Claims if reporting in accordance with the GRI Standards	Page 13
	102-55	GRI content index	Pages 23 to 24
	102-56	External Assurance	Page 13

GRI Standard	Disclosure		Reference / Description
MATERIAL TOPICS			
GRI 201: Economic performance	201-1	Direct economic value generated and distributed	Page 16
205: Anti-corruption	205-2	Communication about anti-corruption policies and procedures	Page 16
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Pages 17 to 18
GRI 404: Training and Education	404-1	Average hours of training per year per employee	Page 21
GRI 405: Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	Pages 19 to 20

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 2020 ("**FY2020**"), 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 six Directors - an Executive Chairman and CEO, an Executive Director and Deputy CEO, an Executive Director and three Independent Directors and collectively have the appropriate mix of core competencies and diversity of experience, as below:

Dato' Ng Tian Sang @ Ng Kek Chuan (Executive Chairman and CEO ("**CEO**"))
Mr Howard Ng How Er (Executive Director and Deputy Chief Executive Officer ("**Deputy CEO**"))
Mr Ang Kok Huan (Executive Director)
Dr Lam Lee G (Lead Independent Director)
Mr Yap Siean Sin (Independent Director)
Mr Cheung Wai Man, Raymond (Independent Director)

<u>Provision 1.1 of the Code</u>

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;
- 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 1.3 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 Audit Committee ("**AC**") currently approves disbursements of funds exceeding $50,000 and delegates authority for transactions below those limits to management so as to optimise operational efficiency. In additional, with effect from 25 February 2020, 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 four times and had convened several ad-hoc meetings in FY2020.

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. All Directors newly appointed in FY2018 and FY2019 had attended and completed the Listed Entity Director Modules 1 to 4 under the Singapore Institude of Directoes as at 31 December 2020. 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 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 FY2020.

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 Executive Chairman and CEO. 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.

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 FY2020, the AC was made up solely of Independent Directors. On 1 June 2020, the RC was reconstituted to comprise solely of Independent Directors. Save for the RMC which is made up of three of Independent Directors and three 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:

Dr Lam Lee G (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 FY2020, the AC had formally met a total of four times.

Further details about the AC may be found on page 42 of this report.

NOMINATING COMMITTEE

As at the date of this Annual Report, the NC comprises two Independent Directors and one Executive Director as follows:

Mr Yap Siean Sin (Chairman)
Dr Lam Lee G
Mr Ang Kok Huan

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 FY2020. 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 page 32 of this report.

REMUNERATION COMMITTEE

Following the appointment of Mr Cheung Wai Man, Raymond as a member of the RC on 1 June 2020 and the relinquishment of Dato' Ng Tian Sang @ Ng Kek Chuan as a member of the RC on 1 June 2020, the RC was reconstituted on 1 June 2020 as follows:

Mr Yap Siean Sin (Chairman)
Dr Lam Lee G
Mr Cheung Wai Man, Raymond

The Remuneration Committee comprises three (3) members, all of whom including the Chairman of the Remuneration Committee, are Independent Directors.

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 FY2020, the RC had formally met once.

Further details about the RC can be found on page 37 of this report.

RISK MANAGEMENT COMMITTEE

To assist the Board with the governance of risk and with ensuring that Management maintains a sound system of risk management and internal controls, the RMC was established on 10 January 2020 and its composition is as follows:

Mr Ang Kok Huan (Chairman)
Dato' Ng Tian Sang @ Ng Kek Chuan
Mr Howard Ng How Er
Mr Yap Siean Sin
Dr Lam Lee G
Mr Cheung Wai Man, Raymond

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.

Further details about the RMC can be found on page 41 of this report.

<u>Provision 1.5 of the Code</u>

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 FY2020 are as follows:

	Board		**AC**		**RC**		**NC**		**RMC**	
	No. of meetings		No. of meetings		No. of meetings		No. of meetings		No. of meetings	
DIRECTORS	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Ang Kok Huan[(1)]	8	8	4	4	1	1	1	1	0	0
Yap Siean Sin	8	8	4	4	1	1	1	1	0	0
Lam Lee G[(2)]	8	7	4	4	1	1	1	1	0	0
Cheung Wai Man, Raymond[(3)]	8	8	4	4	1	1	1	1	0	0
Dato' Ng Tian Sang @ Ng Kek Chuan[(4)]	8	8	4	3	1	1	1	1	0	0
Howard Ng How Er	8	8	4	4	1	1	1	1	0	0

<u>**Notes:**</u>

(1) Mr Ang Kok Huan was re-designated as an Executive Director of the Company on 1 June 2020. The announcement relating to Mr Ang Kok Huan's re-designation was released via SGXNET on 1 June 2020.

(2) Dr Lam Lee G was appointed as Lead Independent Director of the Board on 1 June 2020. The announcement relating to Dr Lam Lee G's appointment was released via SGXNET on 1 June 2020.

(3) Mr Cheung Wai Man, Raymond was appointed as a member of the RC on 1 June 2020. The announcement relating to Mr Cheung Wai Man, Raymond's appointment as a member of the RC was released via SGXNET on 1 June 2020.

(4) Dato' Ng Tian Sang @ Ng Kek Chuan was re-designated as an Executive Chairman and CEO of the Company on 1 June 2020. The announcement relating to Dato' Ng Tian Sang's re-designation was released via SGXNET on 1 June 2020. Following his appointment as CEO of the Company, Dato' Ng Tian Sang @ Ng Kek Chuan stepped down as a member of the RC.

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.

Deviation from 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 six 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, Dr Lam Lee G and Mr Cheung Wai Man, Raymond. The Board had on 1 June 2020 appointed Dr Lam Lee G as Lead Independent Director.

Mr Ang Kok Huan, who is retiring pursuant to Regulation 90 of the Company's Constitution, will not be seeking re-election. Subsequent to his resignation as a director, Mr Ang Kok Huan will remain as part of the Management of the Company to allow him to continue to contribute to the Group. Following Mr Ang's retirement, the Company will comply with Provisions 2.2 and 2.3 of the Code which requires Non-Executive directors to make up the majority of the Board and for Independent Directors to make up a majority of the Board where the Chairman is not independent respectively.

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 or (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.

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.

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.

Provision 2.5 of the Code

For FY2020, 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.

	Number of Directors	Proportion of Board
Core Competencies		
– Accounting or finance	6	100%
– Business management	6	100%
– Legal or corporate governance	4	67%
– Relevant industry knowledge or experience	4	67%
– Strategic planning experience	6	100%
– Customer based experience or knowledge	4	67%
– Information technology	3	50%

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 3.2 of the Code

Dato' Ng Tian Sang @ Ng Kek Chuan is the Executive Chairman and CEO of the Company. As Executive Chairman and CEO, Dato' Ng Tian Sang @ Ng Kek Chuan'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;
- 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 Group's 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.

Deviated from Provision 3.1 of the Code

As at the date of this Annual Report, as the Chairman and the CEO are the same person, the Company has deviated from Provision 3.1 of the Code which recommends that the Chairman and the CEO are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.

Provision 3.3 of the Code

Despite the positions of Chairman and CEO being held by one individual, the Board is of the view that as all major decisions are made in consultation with the Board, the appointment of Dr. Lam Lee G as the Lead Independent Director, and with the establishment of the four Board Committees, and there are adequate safeguards in place to ensure accountability and unfettered decision-making, as well as to prevent an uneven concentration of power and authority in a single individual. In addition, all decisions of the Board are decided collectively without any individual or small group of individuals influencing or dominating the decision-making process.

On 1 June 2020, Dr Lam Lee G was appointed as the Lead Independent Director of the Company to provide leadership in situations where the Chairman is conflicted and to ensure that a channel of communication is always available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate pursuant to Provision 3.3 of the Code. The Lead Independent Director is available to shareholders where they have concerns and for which contact through the normal channels of the Executive 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 Executive 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 half of the Board comprises Independent Directors. The Board is satisfied that there is currently a strong independent element to contribute to effective decision-making. Furthermore, Executive Director, Mr Ang Kok Huan, who is retiring pursuant to Regulation 90 of the Company's Constitution, will not be seeking re-election. As such, the Independent Directors would make up majority of the Board going forward.

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.

Provisions 4.1 and 4.2 of the Code

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

Provision 4.1 of the Code

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.

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

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, Dr Lam Lee G 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 25 February 2021 subsequent to FY2020 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 FY2020, 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. In particular, although Dr Lam Lee G has multiple board representations outside of the Group, the NC, having taken into consideration Dr Lam Lee G's attendance at all Board and AC meetings since his appointment on 14 May 2018, his prompt response to management decisions, updates and queries and his active contribution and participation to discussion at Board and committee meetings, is satisfied that in FY2020, Dr Lam Lee G has been able to devote adequate time and attention to the affairs of the Company to fulfil his duties as Director of the Company.

Provision 4.5 of the Code

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	29 June 2020	Nil	- China Real Estate Group Ltd	- 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)
Dr Lam Lee G	14 May 2018	29 June 2020	- Alset International Limited (fka: Singapore eDevelopment Ltd) - Asia-Pacific Strategic Investments Limited (fka: China Real Estate Group Ltd) - AustChina Holdings Limited - China LNG Group Limited - CSI Properties Limited - Elife Holdings Limited - Eternity Technology Holdings Ltd - Greenland Hong Kong Holdings Limited - Haitong Securities Company Limited	- Aurum Pacific (China) Group Limited - China Shandong Hi-Speed Financial Group Limited - Glorious Sun Enterprises Limited - Green Leader Holdings Group Limited - Hsin Chong Group Holdings Limited - Huarong Investment Stock Corporation Limited - Roma Group Ltd - Rowsley Ltd - Vietnam Equity Holding (VEH) - Xi-an Haitiantian Holdings Company Limited	- Hong Kong Cyberport Management Company* - Pacific Basin Economic Council* - United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) Sustainable Business Network (ESBN)* * voluntary/pro-bono/ community service roles

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
			- Hang Pin Living Technology Company Limited - Jade Road Investments Limited (fka: Adamas Finance Asia Limited) - Kidsland International Holdings Limited - Mei Ah Entertainment Group Limited - Mingfa Group (International) Company Limited - National Arts Entertainment and Culture Group Limited - Sunwah International Limited - Sunwah Kingsway Capital Holdings Limited - Thomson Medical Group Limited - Tianda Pharmaceuticas Limited - TMC Life Sciences Berhad - Top Global Limited - Vongroup Limited		
Mr Ang Kok Huan	31 December 2018	30 April 2019	Nil	Nil	Nil

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 Cheung Wai Man, Raymond	28 February 2019	30 April 2019	Nil	Nil	- Alpha Consultant Pte. Ltd. - Alpha Millennia Technology Pte. Ltd - Alpha Millennia - Consulting Pte. Ltd - Baystech Solution Pte. Ltd. - AP Capital Fund I Pte Ltd - Two Actuarial Solutions Pte. Ltd. - BRCA Pte Ltd - JPL Advisory LLP - WTSG Pte. Ltd.
Dato' Ng Tian Sang @ Ng Kek Chuan	29 November 2019	29 June 2020	Nil	Nil	- Beverly Bangsar Sdn Bhd
Mr Howard Ng How Er	29 November 2019	29 June 2020	Nil	Nil	- Beverly Bangsar Sdn Bhd

The profiles of the Directors can be found on page 8 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, the NC recommended to the Board that Mr Cheung Wai Man, Raymond be nominated for re-election at the Company's forthcoming Annual General Meeting ("**AGM**"). In making the recommendation, the NC had considered Mr Cheung Wai Man, Raymond's overall contribution and performance. Mr Cheung Wai Man, Raymond has abstained from making any deliberations on his own re-election.

Mr Cheung Wai Man, Raymond will, upon re-election as a Director of the Company, remain as a member of the AC, RC and RMC. Mr Cheung Wai Wan will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

Mr Ang Kok Huan who is retiring pursuant to Regulation 90 of the Company's Constitution, will not be seeking re-election. Mr Ang Kok Huan will step down from his position of Chairman of the Risk Management Committee and member of the Nominating Committee.

As at the date of this report, all of the Directors, except Mr Yap Siean Sin, 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 52 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.

<u>Provision 5.1 of the Code</u>

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 Executive 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.

<u>Provision 5.2 of the Code</u>

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 FY2020.

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.

<u>Provision 6.2 of the Code</u>

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.

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

Provision 6.3 and 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 FY2020.

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 comprise 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.

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.

Provision 7.1 of the Code

The annual review of the remuneration of the key executives are carried out by the RC to ensure that their remuneration are 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 7.3 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), Dr Lam Lee G 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. 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 granted an aggregate of 284,444,445 shares under the share awards ("**Share Awards**") pursuant to the JCG SPP, of which 138,888,889 shares under the Share Awards were granted to Mr Ang Kok Huan, a Director of the Company. Further details about the JCG SPP may be found on pages 55 and 56 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 FY2020 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[2]	77%	-	17%	6%	100%
Below S$250,000					
Mr Howard Ng How Er	85%	4%	-	11%	100%
Mr Ang Kok Huan[3]	83%	-	-	17%	100%
Dr Lam Lee G[4]	-	-	100%	-	100%
Mr Yap Siean Sin	-	-	100%	-	100%
Mr Cheung Wai Man, Raymond	-	-	100%	-	100%

Notes:

(1) Other benefits include employer's contribution to Central Provident Fund, Employee Provident Fund and bonus.
(2) Dato' Ng Tian Sang @ Ng Kek Chuan was re-designated as Executive Chairman and CEO of the Company on 1 June 2020.
(3) Mr Ang Kok Huan was re-designated to Executive Director of the Company on 1 June 2020.
(4) Dr Lam Lee G was appointed as Lead Independent Director of the Board on 1 June 2020.

The Directors' fees for FY2021, as a lump sum, will be subject to the approval by shareholders at the forthcoming AGM.

Deviated from Provision 8.1(b) of the Code

The aggregate remuneration paid to the key executive (who is not a Director or the CEO) for services rendered to the Group on an individual basis is below S$250,000 during FY2020 and is set out below:

Name of Key Executive	Base Salary	Allowance	Fees	Other Benefits[1]	Total
Below S$250,000					
Ms Violet Seah Sin Yuen	84%	-	-	16%	100%

Notes:

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

The Company only had one key executive personnel (excluding the Directors) in FY2020. 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 (excluding the Directors).

Provision 8.2 of the Code

Save for (a) the Executive 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 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 FY2020.

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 FY2020, 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 FY2020.

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 and also by the internal audit function. On 15 April 2021, the Company engaged BDO Governance Advisory Sdn Bhd ("**BDO GA**") (the "**Internal Auditors**") as its outsourced internal auditor for its subsidiaries in Malaysia, with the internal audit for FY2020 being focused on Beverly Wilshire Medical Centre Sdn. Bhd. ("**BWMC**") under an internal audit plan. Based on the internal audit performed for FY2020, the Internal Auditors had identified and provided recommendations in relation to the key business operations of BWMC. The Chief Financial Officer of the Company (the "**CFO**") has assured the Board that the Company is in the process of implementing the recommendations of the Internal Auditors as at the date of this Report and targets to complete the implementation of the recommendations no later than 31 August 2021. During FY2020, the CFO prepared the applicable risk pillars in view of the Group's operations and had in place an Enterprise Risk Management framework. The AC is satisfied that the internal audit function is independent, effective, adequately resourced and has appropriate standing in the Group.

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 and Internal Auditors and assurance from Management, and taking into consideration that the Company is in the process of implementing the recommendations of the Internal Auditors for FY2020, 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 FY2020.

Provision 9.2 of the Code

The Board has also received assurance from the Executive Chairman and CEO, Dato' Ng Tian Sang @ Ng Kek Chuan and CFO, Ms Violet Seah Sin Yuen, taking into consideration that the Company is in the process of implementing the recommendations of the Internal Auditors for FY2020:

(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.

Provisions 10.2 and 10.3 of the Code

The Board has established the AC, chaired by Dr Lam Lee G. 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 FY2020.

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 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.

Provision 10.5 of the Code

In FY2020, 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 Group's existing auditors, Nexia TS Public Accounting Corporation, have been the auditors of the Group since 6 November 2015. Ms Meriana Ang Mei Ling is the engagement director since financial year ended 31 December 2020.

Having regard to the adequacy of the resources and experience of the auditing firm and the engagement director assigned to the audit, the firm's other audit engagements, the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit, the Board and the AC are of the opinion that a suitable auditing firm has been appointed to meet the Company's auditing obligations.

The Company has appointed suitable audit firms for its subsidiaries in Singapore and Malaysia. In this regard, the Board, with the concurrence of the AC, is of the view that the Company complies with Rule 712 and Rule 715 of the Catalist Rules.

Nexia TS Public Accounting Corporation will not be seeking a re-appointment as external auditors of the Company at the forthcoming AGM. The amount of audit fees paid to Nexia TS Public Accounting Corporation in FY2020 was S$153,000. There was no non-audit fees paid to Nexia TS Public Accounting Corporation in FY2020. 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 was not affected during their engagement for the financial year ended 31 December 2020.

INTERNAL AUDIT

The Group has appointed BDO GA as its outsourced internal auditor on 15 April 2021 for its subsidiaries in Malaysia, with the internal audit for FY2020 being focused on BWMC. BDO GA 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 GA 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 GA is provided with unfettered access to all the Group's documents, properties, information, records and personnel, including the AC. BDO GA 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. The BDO GA engagement director has more than 18 years of experience in internal audit and risk management, and is a member of Malaysian Institute of Accountants, Certified Internal Auditor and Certified Information Systems Auditor. As the Group's outsourced internal auditors, BDO GA 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.

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

BDO GA reports to the AC on audit matters and reports administratively to the Chief Financial Officer ("**CFO**"). The AC also reviews and approves the annual internal audit plans and resources to ensure that BDO GA 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.

<u>Provision 11.1 of the Code</u>

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.

<u>Provision 11.2 of the Code</u>

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 on 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.

<u>Provision 11.3 of the Code</u>

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, Nexia TS Public Accounting Corporation, 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.

The attendance of the Directors of the Company at the Company's general meetings held during FY2020 are reflected in the table below:

Name of Director	General Meetings
Number of meetings held:	2
Number of meetings attended:	
Ang Kok Huan	2
Yap Siean Sin	2
Lam Lee G	2
Cheung Wai Man, Raymond	2
Dato' Ng Tian Sang @ Ng Kek Chuan	2
Howard Ng How Er	2

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.

Deviated from Provision 11.4 of the Code

As the forthcoming AGM will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order**"), shareholders of the Company will not be able to attend the AGM in person. Under the Order, shareholders who wish to exercise their voting rights must appoint the Chairman of the AGM as their proxy to attend, speak and vote on their behalf at the forthcoming AGM.

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 FY2020 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.

Provision 12.1 of the Code

The Company held an annual general meeting in June 2020 which is the principal forum of dialogue and interaction with its shareholders. An extraordinary general meeting was also held on the same day as the annual general meeting and on 29 June 2020 to seek shareholders' approval in relation to, *inter alia*, the proposed renounceable non-underwritten rights cum warrants issue of new ordinary shares in the capital of the Company. Before and after such general meetings, the Directors would also take the opportunity to interact with shareholders.

Deviation from Provision 12.1 of the Code

As the forthcoming AGM will be held by electronic means pursuant to the Order, Directors of the Company will not be able to interact with shareholders in person. Under the Order, shareholders had been invited to submit questions related to the resolutions to be tabled for approval at the AGM prior to the AGM and the Company will respond to the substantial and relevant questions relating to the agenda of the AGM prior to, or during, the AGM via publication on SGXNET and the Company's corporate website, or by the Chairman at the AGM.

Deviation from Provision 12.2 of the Code

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.

Provision 12.3 of the Code

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.

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 FY2020 will also be set out in the Company's Sustainability Report which can be found on pages 12 to 24 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 FY2020, 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. All interested person transactions 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 interested person transaction 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.

The Group does not have a general mandate for interested person transactions for the current financial year pursuant to Catalist Rule 920.

Name of interested person	Nature of relationships	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Beverly Bangsar Sdn. Bhd. ("**BBSB**")	BBSB is a company incorporated in Malaysia and its principal business is the operation of an aesthetic clinic. Dato' Ng Tian Sang @ Ng Kek Chuan and his two sons, Howard Ng How Er and Alexander Ng Zhonglie hold 63% shareholdings in BBSB. Howard Ng How Er and Alexander Ng Zhonglie are also directors of BBSB. Accordingly, BBSB is an associate of Dato' Ng Tian Sang @ Ng Kek and Howard Ng How Er, both of whom are directors of the Company.	-[1]	-

[1] The aggregate value of all transactions (including transactions that are less than S$100,000) entered into between the Group and BBSB for the financial year ended 31 December 2020 amounted to approximately S$111,000. Notwithstanding the interested party transactions, the aggregate amount if offset will be S$46,000.

Other than the above, there were no interested person transactions of S$100,000 or more in value per transaction entered into during FY2020.

MATERIAL CONTRACTS

Save as disclosed in the Report of the Directors and Financial Statements, as announced via SGXNET from time to time in compliance with the Catalist Rules and below, 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) JCG-Beverly Pte. Ltd ("**JCGB**") had entered into a trust deed dated 17 April 2020 with Howard Ng How Er ("**BISB Trustee**") in respect of 100 ordinary shares in the issued and paid-up share capital of Beverly Ipoh Sdn. Bhd. ("**BISB Trust Deed**"). Pursuant to the BISB Trust Deed, the BISB Trustee declared a trust over the 51 ordinary shares, in favour of JCGB. Pursuant to the transfer of 19 ordinary shares of BISB from Dr Elaine Chong Yee Leng, a shareholder of BISB to the BISB Trustee on 19 August 2020, the BISB Trustee declared a trust over from 51 ordinary shares to 70 ordinary shares, in favour of JCGB. On 7 May 2021, BISB had increased its issued and paid-up share capital from 100 ordinary shares to 400,000 ordinary shares, of which 280,000 ordinary shares are legally and beneficially held by the BISB Trustee. JCGB had entered into a supplemental trust deed dated 11 June 2021 with BISB Trustee to declare a trust over his additional 279,930 ordinary shares in favour of JCGB;

(ii) JCGB had entered into a trust deed dated 24 January 2020 (being date of incorporation of Natasha Beverly Sdn. Bhd.) with Howard Ng How Er ("**NBSB Trustee**") in respect of 100 ordinary shares in the issued and paid-up share capital of Natasha Beverly Sdn. Bhd. ("**NBSB Trust Deed**"). Pursuant to the NBSB Trust Deed, the NBSB Trustee declared a trust over the 56 ordinary shares, in favour of JCGB. On 21 December 2020, NBSB had increased its issued and paid-up share capital from 100 ordinary shares to 1,500,000 ordinary shares, of which 840,000 ordinary shares (from 24 January 2020 to 20 December 2020: 56 ordinary shares) are legally and beneficially held by the NBSB Trustee. JCGB had entered into a supplemental trust deed dated 21 December 2020 with NBSB Trustee to declare a trust over his additional 839,944 ordinary shares in favour of JCGB. As the increase in the share capital of NBSB is on a pro rata basis, the shareholding structure of NBSB and the 56% shareholding interest of JCGB in NBSB remain the same;

(iii) The trust deed dated 25 November 2020 entered into between the Company's 56% owned subsidiary, Natasha Beverly Sdn. Bhd. and Howard Ng How Er, a director of Natasha Beverly Sdn. Bhd. and the Company, and Alexander Ng Zhonglie, a director of Natasha Beverly Sdn. Bhd., (collectively, the "**Trustees**"), whereby the Trustees had declared a trust over the 30 shares and 26 shares of Natasha Beverly Aesthetics Sdn. Bhd. held by Howard Ng How Er and Alexander Ng Zhonglie respectively in favour of Natasha Beverly Sdn. Bhd. with effect from 11 August 2020. Accordingly, Natasha Beverly Aesthetics Sdn. Bhd. became a 56% owned subsidiary company of Natasha Beverly Sdn. Bhd.

(iv) NBSB had on 1 January 2021 entered into a non-binding term sheet with BBSB, JCGB and Natasha Beverly Aesthetics Sdn Bhd ("**NBASB**") and on 15 February 2021, signed the definitive agreement with BBSB to establish a joint venture using NBASB as the joint venture company for the purposes of providing aesthetic medicine and related services;

v) NBSB and Beverly Wilshire Aesthetic Dental Centre Sdn Bhd ("**BWAD**"), a 51% owned subsidiary of the Company, had on 15 April 2021 entered into a definitive agreement with Arlena Philip Lee ("**Dr Arlena**") and Rajinderpal Singh A/L Nantam Singh ("**Dr. Ryan**") to establish a joint venture company in Malaysia to be known as "Natasha Beverly Dental" for the purposes of providing aesthetic dental services; and

vi) BWMC, a 51% owned subsidiary of the Company, had on 18 August 2020, entered into a banking facilities agreement with United Overseas Bank (Malaysia) Bhd in relation to the grant of banking facilities of up to RM7 million to Beverly Wilshire Medical Centre Sdn Bhd (the "**Banking Facilities**") which is secured by a corporate guarantee from the Company and a personal guarantee by Dato' Ng Tian Sang and Mr Howard Ng How Er and a corporate guarantee from the Company. The Banking Facilities include bank loan, bank overdraft and invoice financing. The bank loan is payable over 36 months and bears an interest rate of 1.50% per annum over the bank's prevailing 1 month effective cost of funds on monthly rests. The bank overdraft is repayable on demand and bears an interest rate of 0.75% per annum over the bank's base lending rate on daily rests. The invoice financing is up to 120 days basis and bears an interest rate of 0.75% per annum over the bank's base lending rate.

USE OF PROCEEDS

On 16 January 2020, the Company had completed the allotment and issuance of an aggregate of 427,807,485 shares at an issue price of S$0.00187 per Share and an aggregate of 85,561,497 investment warrants (the "**Subscribers Investment Warrants**") to certain subscribers (the "**Subscribers**"), each convertible into one share at an exercise price of S$0.002 per Subscribers Investment Warrant for an aggregate amount of S$800,000 pursuant to the subscription agreements dated 28 November 2019, 4 December 2019, 10 December 2019 and 20 December 2019 between the Company and Subscribers. The Company announced on 29 November 2019, 9 December 2019, 10 December 2019 and 20 December 2019 that 70% of the proceeds shall be used for funding growth, development and expansion of existing medical aesthetics and healthcare business and exploration of new business opportunities as and when they arise and 30% will be used for the working capital of the Company. As at 28 February 2021, S$560,000 has been fully utilised for funding growth, development and expansion of existing medical aesthetics and healthcare business and exploration of new business opportunities and S$240,000 has been fully utilised for working capital, mainly in relation to administrative and operating expenses, in accordance with its stated use.

On 1 October 2020 the Company had issued and allotted 150,000 ordinary shares pursuant to the exercise of $0.002 warrants at the exercise price of S$0.002 for each new ordinary share under the W201029 Warrants issued by the Company pursuant to a deed poll executed by the Company on 25 September 2017 (the "**W201029 Warrants**"). On 12 October 2020 the Company had issued and allotted 4,500 ordinary shares pursuant to the exercise of the W201029 Warrants. On 22 October 2020 the Company had issued and allotted 1,010,000 ordinary shares pursuant to the exercise of the W201029 Warrants. On 28 October 2020 the Company had issued and allotted 432,000 ordinary shares pursuant to the exercise of the W201029 Warrants. On 30 October 2020 the Company had issued and allotted 1,650,000 ordinary shares pursuant to the exercise of the W201029 Warrants. As at 9 November 2020, the proceeds from conversion of warrants arising from 2017 Rights cum Warrants amounted to S$0.006 million which have been fully utilised for working capital purposes mainly in relation to administrative and operating expenses, in accordance with its stated use.

On 2 June 2021, the Company had completed the allotment and issuance of 2,112,779,425 shares at an issue price of S$0.001 per share and 2,112,779,425 warrants pursuant to a deed poll executed by the Company on 28 April 2021 (the "**W240531 Warrants**"), each convertible into one share at an exercise price of S$0.001 per W240531 Warrant, for an aggregate amount of S$2,112,779 (the "**2021 Rights Cum Warrants Issue**").

As at the Latest Practicable Date, the net proceeds raised from the 2021 Rights Cum Warrants Issue had been utilised as follows:

Use of proceeds		Amount allocated (S$'000)	Amount utilised (S$'000)	Amount Unutilised (S$'000)
Proceeds from 2021 Rights Cum Warrants Issue				
(i)	For general working capital needs	977	667	310
(ii)	For the future expansion of the Group, including but not limited to mergers with and acquisitions of similar businesses	977	-	977
Total		1,954	667	1,287

The amounts utilised for general working capital were used mainly in relation to administrative and operating expenses, in accordance with the intended use as stated in the announcements dated 2 June 2020, 5 June 2020, 29 June 2020 and 18 March 2021.

NON-SPONSOR FEES

No non-sponsor fees were paid to the Company's sponsor, Stamford Corporate Services Pte. Ltd. for the period 1 January 2020 to 31 December 2020.

SUSTAINABILITY REPORT

During FY2020, 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 12 to 24 of this Annual Report.

Directors' Statement

For the financial year ended 31 December 2020

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2020 and the balance sheet of the Company as at 31 December 2020.

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 64 to 153 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 2020 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; 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
Ang Kok Huan
Dr Lam Lee G
Yap Siean Sin
Cheung Wai Man, Raymond

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 "Warrants", "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 31.12.2020**	**At 1.1.2020**	**At 31.12.2020**	**At 1.1.2020**
(No. of ordinary shares)				
Dato' Ng Tian Sang @ Ng Kek Chuan	1,188,759,400	1,074,197,200	775,511,751	659,278,692
Howard Ng How Er	265,358,845	222,309,564	-	-
Ang Kok Huan[1]	143,888,889	138,888,889	-	-
Dr Lam Lee G	-	-	47,300,000	-
Yap Siean Sin	5,000,000	-	-	-
Cheung Wai Man, Raymond	5,000,000	-	-	-

[1] 138,888,889 ordinary shares were granted under JCG Share Performance Plan

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 31.12.2020	At 1.1.2020	At 31.12.2020	At 1.1.2020
Subsidiary corporations				
(No. of ordinary shares)				
Beverly Wilshire Medical Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	3,737,405	3,737,405	3,942,885	3,942,885
Howard Ng How Er	1,314,295	1,314,295	-	-
Beverly Wilshire Medical Centre (JB) Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	1,772,444	1,772,444	1,739,736	1,739,736
Howard Ng How Er	579,912	579,912	-	-
Beverly Wilshire Tropicana City Mall Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	220,509	220,509	213,174	213,174
Howard Ng How Er	71,058	71,058	-	-
Beverly Wilshire Aesthetic Dental Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	656,347	656,347	262,538	262,538
Howard Ng How Er	131,269	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	101,210
Howard Ng How Er	-	-	17,320	17,320
Beverly Wilshire Cosmetic Surgery Centre Sdn Bhd				
Dato' Ng Tian Sang @ Ng Kek Chuan	-	-	2,829	2,829
Howard Ng How Er	-	-	484	484
Natasha Beverly Aesthetic Sdn. Bhd.				
Howard Ng How Er	20	-	-	-
Company				
(No. of warrants)				
Dato' Ng Tian Sang @ Ng Kek Chuan	305,708,041	305,708,041	54,742,003	46,537,317
Howard Ng How Er	18,731,212	15,692,439	-	-

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

(b) According to the register of directors' shareholdings, certain directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company granted pursuant to the Albedo Limited Employee Share Option Scheme (the "ESOS") and interests in ordinary shares of the Company pursuant to the Albedo Share Performance Plan (the "Albedo SPP") and JCG Share Performance Plan (the "JCG SPP") as set out below and under "Share options" and "Share Performance plan" in this statement.

Ordinary shares granted pursuant to the JCG SPP are as follows:

	Number of ordinary shares of the Company awarded	
	At 31.12.2020	**At 01.01.2020**
Company		
(No. of ordinary shares)		
Ang Kok Huan	138,888,889	138,888,889

(c) The directors' interests in the ordinary shares and convertible securities of the Company as at 21 January 2021 were the same as those as at 31 December 2020.

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)
Dr Lam Lee G
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").

- 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.

Share options (cont'd)

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

- 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 2020.

Date of grant	Balance as at 1.1.2020	Options granted/ adjustment	Options cancelled or lapsed	Balance as at 31.12.2020	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 during the financial year ended 31 December 2019 were as follows:

Date of grant	Balance as at 1.1.2019	Options cancelled Or lapsed from 1.1.2019 to 10.1.2019	Options granted/ adjustment	Options cancelled or lapsed from 11.1.2019 to 31.12.2019	Balance as at 31.12.2019	Exercise price per share option	Exercisable period
2.10.2014	156,473,000	(2,523,000)	(76,975,000)	(38,487,500)	38,487,500	S$0.020	2.10.2014-1.10.2024
	156,473,000	(2,523,000)	(76,975,000)	(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);
- 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 subsidiary corporations.

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 subsidiary corporations.

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.

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.

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:

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 year ended 31 December 2020 pursuant to the JCG Share Performance Plan.

During the financial year 31 December 2019, the Company has granted an aggregate of 284,444,445 shares under the share awards ("Share Awards") pursuant to the JCG Share Performance Plan, of which 138,888,889 shares under the Share Awards were granted to Ang Kok Huan, a Director of the Company. Pursuant to the vesting of the Share Awards on 27 September 2019, the Company allotted and issued 284,444,445 new shares on 27 September 2019.

Audit committee

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

Dr Lam Lee G (Chairman)
Yap Siean Sin
Cheung Wai Man, Raymond

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, Chapter 50. 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 half yearly 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.

Independent auditor

The retiring auditor, Nexia TS Public Accounting Corporation, will not be seeking re-appointment at the forthcoming annual general meeting.

On behalf of the directors

Ang Kok Huan	Cheung Wai Man, Raymond
Director	Director

14 June 2021

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Beverly JCG Ltd. (formerly known as JCG Investment Holdings Ltd.) (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2020, 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 a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the Group and the balance sheet of the Company. Because of the significance of the matters described in the Bases 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.

Bases for Disclaimer of Opinion

1. <u>Going concern</u>

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 Company is appropriate for the current financial year:

As disclosed in Note 4 to the financial statements, the Group and the Company incurred a total loss of S$5,254,000 (2019: S$3,247,000) and S$2,331,000 (2019: S$5,742,000) respectively and the Group also incurred net operating cash outflows of S$670,000 (2019: S$1,247,000) for the financial year ended 31 December 2020. As at 31 December 2020, the Group's current liabilities exceeded its current assets by S$520,000 (2019: S$871,000). The Group's and the Company's cash and cash equivalents (excluding bank deposits pledged) as at 31 December 2020 of S$83,000 and S$43,000 (2019: bank overdraft of S$297,000 and cash and cash equivalents of S$114,000) respectively may not be sufficient to meet the Group's and the Company's current liabilities.

Nevertheless, the Board of Directors of the Company believes that the use of the going concern assumption in the preparation of the financial statements for the financial year ended 31 December 2020 is appropriate after taking into consideration the following assumptions and measures:

a) New subsidiary corporations/joint venture companies

(i) The Company's wholly-owned subsidiary JCG-Beverly Pte Ltd ("JCGB") had on 24 January 2020, formed a strategic joint venture with Natasha Skincare (Malaysia) Sdn Bhd ("NSC") under a special purpose vehicle, Natasha Beverly Sdn Bhd ("NBSB"). NBSB's principal activities are medical aesthetics clinic and other health maintenance procedures such as medi-spa, chiropractor and physiotherapy. Natasha Skincare is a leading beauty brand in Indonesia with more than 100 outlets. NBSB is expected to generate revenue and contribute positively to the Group in the subsequent years as it has been involved in the following corporate expansion exercises, including establishing aesthetics and dental clinics within the Natasha Beverly Medical Centre.

- On 15 July 2020, NBSB incorporated a special purpose vehicle, DS Beverly Sdn Bhd ("DS Beverly"), for the purposes of entering into a strategic joint venture with a non-related party, Dermatology & Surgery Clinic Pte Ltd ("DS"). The joint venture's principal activities include healthy aging, regenerative medicine and health screening services. On 28 December 2020, NBSB and DS had entered into an extension letter whereby both parties mutually agreed that the long-stop date for signing of the definitive agreement shall be extended to 31 July 2021 from a previously agreed date of 31 December 2020.

Bases for Disclaimer of Opinion (cont'd)

1. Going concern (cont'd)

The above conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's and the Company's abilities to continue as going concerns. Nevertheless, the Board of Directors of the Company believes that the use of the going concern assumption in the preparation of the financial statements of the Group for the financial year ended 31 December 2020 is appropriate after taking into consideration the following actions and measures: (cont'd)

(a) New subsidiary corporations/joint venture companies: (cont'd)

- On 11 August 2020, NBSB incorporated a 56% owned subsidiary corporation, Natasha Beverly Aesthetics Sdn. Bhd. ("NBASB"). NBSB had on 1 January 2021 entered into a non-binding term sheet (the "NBASB Term Sheet") with Beverly Bangsar Sdn. Bhd. ("BBSB") and on 15 February 2021, signed the definitive agreement with BBSB to jointly provide aesthetic medicine and related services through NBASB.

- NBSB and Beverly Wilshire Aesthetic Dental Centre Sdn Bhd ("BWAD"), both subsidiary corporations of the Company, had on 15 April 2021 entered into a definitive agreement with Dr Arlena and Rajinderpal Singh A/L Nantam Singh ("Dr. Ryan") to establish a joint venture company in Malaysia to be known as "Natasha Beverly Dental" for the purpose of providing aesthetic dental services.

(ii) JCGB had on 7 April 2020, incorporated a special purpose vehicle, Beverly Ipoh Sdn Bhd ("BISB") for the purpose of entering into a strategic joint venture with Chong Yee Leng ("Dr Elaine"). The joint venture's principal activities are aesthetic medicine and related activities. JCGB had on 23 April 2020 entered into a non-binding term sheet (the "BISB Term Sheet") with Dr Elaine to establish a joint venture for the purposes of providing aesthetic medicine procedures. The BISB Term Sheet had lapsed on 14 May 2020. Subsequently, JCGB had on 8 June 2020 entered into a new non-binding term sheet (the "New BISB Term Sheet") with Dr Elaine for the proposed transaction. The New BISB Term Sheet had lapsed on 29 June 2020. Subsequent to the lapse of the New BISB Term Sheet and pursuant to further discussions between JCGB and Dr Elaine, JCGB had on 7 September 2020 entered into a joint venture agreement with Dr Elaine; and a shareholders' agreement with Dr Elaine, Howard Ng How Er and BISB, each in relation to the proposed transaction. BISB is part of the Group's expansion plans to open clinics in the other states of Malaysia, other than Kuala Lumpur and Johor.

(iii) JCGB had on 15 April 2021 entered into a definitive agreement with Arlena Philip Lee ("Dr. Arlena") and Klinik Pergigian Dentistree ("Dentistree") to, inter alia, establish a joint venture company in Malaysia to be known as "Beverly Dentistree" for the purpose of providing aesthetic dental services.

Barring any unforeseen circumstances, the Group expects these new subsidiary corporations/joint venture companies to contribute positively to the Group's working capital position.

(b) Fund-raising exercises

(i) Beverly Wilshire Medical Centre Sdn Bhd ("BWMC"), a 51% owned subsidiary of the Company, had on 28 May 2020 entered into a letter of offer with a Malaysian bank in relation to the grant of banking facilities of up to RM7.0 million to BWMC.

(ii) On 2 June 2021, the Company has allotted and issued 2,112,779,425 Rights Shares with 2,112,779,425 Warrants pursuant to the Rights cum Warrants Issue at an issue price of S$0.001 for each Rights Share for net proceeds of approximately S$1,954,000 which will be used for general working capital and future expansion of the Group.

Concurrently, the Company will continue to look for other fund-raising exercises to fund the working capital and growth of the Group going forward and the Company will also seek for growth opportunities and all other possibilities to complement the existing businesses of the Group.

Bases for Disclaimer of Opinion (cont'd)

1. Going concern (cont'd)

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 under taken as disclosed above and it is uncertain whether the Group and the Company will raise further funds through any fund raising exercises. Therefore, we are 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 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 balance sheets. 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.

2. Assets, liabilities and results of the Group's aesthetic business in Taiwan

As at 31 December 2020, the Group has effective equity interest of 51% in iMyth Taiwan Limited ("iMyth Taiwan") held through its 51%-owned subsidiary corporation, China iMyth Company Pte. Ltd ("China iMyth") which are in the business of providing aesthetic business in Taiwan.

On 13 May 2020, the Company entered into a deed of settlement with Dr Chung Yih-Chen in relation to the termination of the joint venture in respect of iMyth Taiwan. Pursuant to the deed of settlement, China iMyth had on 26 March 2021, completed the disposal of its 100% shareholding interest in iMyth Taiwan to Lin Hongtu, a nominee of Dr Chung Yih-Chen. Accordingly, the Group reclassified assets and liabilities of iMyth Taiwan as disposal group classified as held-for-sale and presented its results as discontinued operations in accordance with SFRS(I) 5 *Non-current Asset Held for Sale and discontinued Operations* during the financial year ended 31 December 2020.

Since the financial year ended 31 December 2017 ("FY2017"), we were unable to obtain sufficient audit evidence on all information and explanations, which we considered necessary to provide us with reasonable assurance on whether the financial statements of iMyth Taiwan, included in the consolidated financial statements of the Group, had been presented fairly, nor were they consolidated appropriately. There were no other practicable audit procedures that we could perform to satisfy ourselves on the completeness, existence and accuracy of the financial information of iMyth Taiwan and whether they had been properly reflected in the consolidated financial statements of the Group.

In relation to the operations of iMyth Taiwan and China iMyth, the Group had in the prior financial years:

(a) provided advances totalled to S$6,078,000 to a few business partners for the setting up of clinics through joint venture arrangements and/or Wholly Foreign-Owned Enterprise ("WFOE"). Impairment losses on advances and/or loans amounted to S$1,589,000 and S$4,489,000 were recognised and charged to profit and loss during the financial years ended 31 December 2017 and 2016 respectively. The total cumulative loss allowances amounted to S$6,078,000 were written off during the financial year ended 31 December 2019.

(b) recognised goodwill amounted to S$17,997,000 from the acquisition of 51% equity interest in China iMyth which had been fully impaired during the financial year ended 31 December 2017.

(c) commissioned and appointed an independent reviewer on 30 November 2018 to undertake an independent review of the Group's financial matters pertaining to the impaired advances and/or loans as well as other key matters related to the acquisition and subsequent impairment of China iMyth. On 30 March 2020, the Company announced that the independent reviewer had completed and issued their independent review report to the Board of Directors.

Bases for Disclaimer of Opinion (cont'd)

2. <u>Assets, liabilities and results of the Group's aesthetic business in Taiwan</u> (cont'd)

At the date of this report we are unable to:

(i) Obtain sufficient appropriate audit evidence concerning the existence and accuracy of the total advances and/or loans provided to business partners totalled to S$6,078,000 and the corresponding resultant cumulative impairment loss amounted to S$6,078,000.

(ii) Determine whether the adjustment made on the assets and liabilities of the Group's aesthetic business in Taiwan classified as disposal group held-for-sale are fairly stated in view of the independent review and whether further adjustments are required on the results of its operations presented as discontinued operations.

(iii) Ascertain whether the completed independent review announced on 30 March 2020 would have an impact on the Group's ongoing business operations; and the significance of adjustments and other uncertainties of areas, if any, that may arise from the completed independent review to the accompanying financial statements.

The matters (a) to (c) mentioned above have been included in the Bases for Disclaimer of Opinion paragraph on the Independent Auditor's Report on the consolidated financial statements of the Group and the balance sheet of the Company for the financial years ended 31 December 2019, 2018 and 2017 dated 15 April 2020, 5 April 2019 and 3 April 2018 respectively.

Notwithstanding that assets and liabilities of iMyth Taiwan are classified as disposal group held-for-sale as at 31 December 2020 and that the goodwill from acquisition of iMyth China had been fully impaired during the financial year ended 31 December 2017, we were unable to obtain sufficient audit evidences to assess the impact of the independent review on the Group's ongoing business operations; and the significance of adjustments and other uncertainties of areas, if any, that may arise from the completed independent review to the accompanying financial statements. We were also unable to obtain sufficient audit evidence, on all information and explanations, which we considered necessary to provide us with reasonable assurance on the completeness, existence and accuracy of the financial statements of iMyth Taiwan, and to determine whether the accompanying financial statements have been appropriately reported and presented.

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, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s"), and for devising and maintaining a system of internal accounting controls sufficient to provide a 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Group's financial statements in accordance with Singapore Standards of Auditing and to issue an auditor's report. However, because of the matters described in the Bases 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 Group 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 *Bases 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 subsidiary corporations incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Meriana Ang Mei Ling.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore

14 June 2021

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2020

	Note	Group 2020 S$'000	Group 2019 S$'000
Continuing operations			
Revenue	5	5,446	1,978
Cost of sales		(3,001)	(1,172)
Gross profit		2,445	806
Other income	6	427	39
Other (losses)/gains, net	7	(91)	19
Expenses			
- Distribution		(220)	(97)
- Administrative		(7,517)	(3,745)
- Finance	10	(174)	(225)
Loss before income tax		(5,130)	(3,203)
Income tax credit/(expense)	11	249	(14)
Loss from continuing operations		(4,881)	(3,217)
Loss from discontinued operations	16(a)	(373)	(30)
Total loss		(5,254)	(3,247)
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Losses	27(b)(ii)	(22)	(6)
Other comprehensive losses, net of tax		(22)	(6)
Items that will not be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Losses	27(b)(ii)	(20)	(2)
Other comprehensive losses, net of tax		(20)	(2)
Total comprehensive loss		(5,296)	(3,255)
Total loss attributable to:			
Equity holders of the Company		(4,250)	(3,088)
Non-controlling interests		(1,004)	(159)
		(5,254)	(3,247)
Total loss attributable to equity holders of the Company relates to:			
- Continuing operations		(3,820)	(3,048)
- Discontinued operations		(430)	(40)
		(4,250)	(3,088)
Total comprehensive loss attributable to:			
Equity holders of the Company		(4,272)	(3,080)
Non-controlling interests		(1,024)	(175)
		(5,296)	(3,255)
Loss per share for loss attributable to equity holders of the Company (cents per share)			
Basic and diluted loss per share			
- From continuing operations	12	(0.02)	(0.02)
- From discontinued operations	12	-*	-*
		(0.03)	(0.02)

* Amount less than (0.01) Singapore cents.

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

Balance Sheets

For the financial year ended 31 December 2020

	Note	Group 2020 S$'000	Group 2019 S$'000 (Restated)	Company 2020 S$'000	Company 2019 S$'000 (Restated)
ASSETS					
Current assets					
Cash and cash equivalents	13	293	1,354	43	114
Trade and other receivables	14	752	1,945	510	289
Inventories	15	412	538	-	-
		1,457	3,837	553	403
Assets of disposal group classified as held-for-sale	16(c)	3,869	-	-	-
Non-current assets classified as held-for-sale	16(e)	-	-	3,611	-
		5,326	3,837	4,164	403
Non-current assets					
Investments in subsidiary corporations	17	-	-	2,417	7,023
Property, plant and equipment	18	5,955	6,781	156	316
Intangible assets	21	1,439	5,452	-	-
		7,394	12,233	2,573	7,339
Total assets		12,720	16,070	6,737	7,742
LIABILITIES					
Current liabilities					
Trade and other payables	22	3,995	2,767	1,394	900
Current income tax liabilities	11	-	128	-	-
Lease liabilities (office and medical centre)	23(a)	769	793	144	124
Borrowings	23(b)	824	1,020	965	450
		5,588	4,708	2,503	1,474
Liabilities directly associated with disposal group classified as held-for-sale	16(d)	258	-	-	-
		5,846	4,708	2,503	1,474
Non-current liabilities					
Lease liabilities (office and medical centre)	23(a)	2,053	2,251	-	188
Borrowings	23(b)	580	103	-	-
Deferred income tax liabilities	25	401	679	-	-
		3,034	3,033	-	188
Total liabilities		8,880	7,741	2,503	1,662
NET ASSETS		3,840	8,329	4,234	6,080
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	26	71,623	67,460	71,623	67,460
Other reserves	27	1,867	5,245	1,905	5,261
Accumulated losses		(70,191)	(65,941)	(69,294)	(66,641)
		3,299	6,764	4,234	6,080
Non-controlling interests	17	541	1,565	-	-
Total equity		3,840	8,329	4,234	6,080

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

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2020

	Note	Attributable to equity holders of the Company							
		Share capital 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
2020									
Beginning of financial year		67,460	25	(16)	5,236	(65,941)	6,764	1,581	8,345
Adjustment based on purchase price allocation	33(i),(ii)	-	-	-	-	-	-	(16)	(16)
		67,460	25	(16)	5,236	(65,941)	6,764	1,565	8,329
Net loss for the financial year		-	-	-	-	(4,250)	(4,250)	(1,004)	(5,254)
Other comprehensive loss for the financial year		-	-	(22)	-	-	(22)	(20)	(42)
Total comprehensive loss for the financial year		-	-	(22)	-	(4,250)	(4,272)	(1,024)	(5,296)
Issuance of share capital	26	800	-	-	-	-	800	-	800
Conversion of warrants	26, 27(b)(iii)	11	-	-	(4)	-	7	-	7
Expiry of warrants	26, 27(b)(iii)	3,498	-	-	(3,498)	-	-	-	-
Fair value adjustment of warrants	26, 27(b)(iii)	(146)	-	-	146	-	-	-	-
Total transactions with owners, recognised directly in equity		4,163	-	-	(3,356)	-	807	-	807
End of financial year		71,623	25	(38)	1,880	(70,191)	3,299	541	3,840

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

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2020

	Note	Attributable to equity holders of the Company							
		Share capital	Share options reserve	Currency translation reserve	Warrant reserve	Accumulated losses	Total	Non-controlling interests	Total
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
2019									
Beginning of financial year		53,871	278	(10)	3,507	(63,106)	(5,460)	137	(5,323)
Net loss for the financial year		-	-	-	-	(3,088)	(3,088)	(159)	(3,247)
Other comprehensive loss for the financial year		-	-	(6)	-	-	(6)	(2)	(8)
Total comprehensive loss for the financial year		-	-	(6)	-	(3,088)	(3,094)	(161)	(3,255)
Share option lapsed	27(b)(i)	-	(253)	-	-	253	-	-	-
Acquisition of subsidiary corporations	26, 33(i)(ii)								
- Recognised provisionally		6,671	-	-	-	-	6,671	1,605	8,276
- Adjustment based on purchase price allocation		-	-	-	-	-	-	(16)	(16)
Share award under JCG share performance plan	26	284	-	-	-	-	284	-	284
Issuance of share capital	26	8,355	-	-	-	-	8,355	-	8,355
Conversion of warrants	26, 27(b)(iii)	13	-	-	(5)	-	8	-	8
Fair value adjustment of warrants	26, 27(b)(iii)	(1,734)	-	-	1,734	-	-	-	-
Total transactions with owners recognised directly in equity, as restated		13,589	(253)	-	1,729	253	15,318	1,589	16,907
End of financial year, as restated		67,460	25	(16)	5,236	(65,941)	6,764	1,565	8,329

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

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2020

	Note	Group 2020 S$'000	Group 2019 S$'000
Cash flows from operating activities			
Total loss		(5,254)	(3,247)
Adjustments for:			
- Income tax credit	11	(280)	3
- Loss allowances on trade receivables	7	42	-
- Amortisation of intangible assets	8	459	53
- Depreciation of property, plant and equipment	8	1,916	343
- Property, plant and equipment written off	7	71	-
- Rent concessions	6	(96)	-
- Gain due to modification of lease	6	(37)	-
- Gain on deconsolidation of subsidiary corporations	7	-	(19)
- Trade payables written off	7	(22)	-
- Loss recognised on remeasurement of disposal group to fair value less cost to sell	16(a)	193	-
- Introducer fees by way of issuance of ordinary shares	8	-	355
- Share awards	9	-	284
- Interest income	6	(9)	(7)
- Finance expenses	10	174	241
- Unrealised currency translation gains		123	3
		(2,720)	(1,991)
Change in working capital, net of effects from acquisition and disposal of subsidiary corporations:			
- Trade and other receivables		536	1,634
- Inventories		124	109
- Trade and other payables		1,482	(885)
Cash used in operations		(578)	(1,133)
- Interest received		9	7
- Income tax paid		(101)	(121)
Net cash used in operating activities		(670)	(1,247)
Cash flows from investing activities			
- Acquisition of subsidiary corporations, net of cash acquired	33	-	(509)
- Additions to property, plant and equipment		(544)	(82)
Net cash used in investing activities		(544)	(591)
Cash flows from financing activities			
- Bank deposit discharged		1,422	-
- Bank deposit pledged		(705)	(750)
- Proceeds from issuance of ordinary shares		800	4,500
- Proceeds from conversion of warrants		7	8
- Proceeds from borrowings		1,329	-
- Repayment of borrowings		(155)	(3,544)
- Repayment of lease liabilities		(995)	(196)
- Repayment of finance lease liabilities		(22)	-
- Interest paid		(51)	(90)
Net cash provided by/(used in) financing activities		1,630	(72)

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

Consolidated Statement of Cash Flows
For the financial year ended 31 December 2020

	Note	Group 2020 S$'000	Group 2019 S$'000
Net increase/(decrease) in cash and cash equivalents		416	(1,910)
Cash and cash equivalents			
Beginning of financial year		(297)	1,613
Effects of currency translation on cash and cash equivalents		2	-*
End of financial year	13	121	(297)

Reconciliation of liabilities arising from financing activities

	1 January 2020 S$'000	Principal and interest payments S$'000	Interest expense S$'000	Additions S$'000	Non-cash changes: Modification of lease liabilities S$'000	Non-cash changes: Currency exchange loss S$'000	Non-cash changes: Reclassified as held-for-sale S$'000	31 December 2020 S$'000
Continuing operations								
Borrowings	-	(151)	38	1,329	-	(6)	-	1,211
Finance lease	37	(22)	1	-	-	-	-	16
Lease liabilities	2,997	(944)	119	975	(325)	-	-	2,822
Discontinued operations								
Borrowings	185	(54)	11	-	-	-	(142)	-
Finance lease	-	-	-	-	-	-	-	-
Lease liabilities	47	(51)	4	-	-	-	-	-

	1 January 2019 S$'000	Principal and interest payments S$'000	Interest expense S$'000	Non-cash changes: Adoption of SFRS(I) 16 Leases S$'000	Non-cash changes: Acquisition arising from business combination S$'000	Non-cash changes: Currency exchange loss S$'000	31 December 2019 S$'000
Borrowings	3,493	(3,585)	41	-	236	-*	185
Finance lease	-	(35)	-	-	72	-*	37
Lease liabilities	-	(200)	39	352	2,853	-*	3,044

* Less than S$1,000

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

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

1 General information

Beverly JCG Ltd. (f.k.a JCG Investment Holdings 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 600 North Bridge Road, #06-02 Parkview Square, Singapore 188778. With effect from 2 July 2020, the name of the Company was changed from JCG Investment Holdings Ltd. to Beverly JCG Ltd..

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

The principal activities of its subsidiary corporations are disclosed in Note 17 to the financial statements.

Impact of Coronavirus (COVID-19)

On 30 January 2020, the World Health Organisation declared the outbreak a Public Health Emergency of International Concern which was subsequently characterised as a pandemic on 11 March 2020. In response to the pandemic, governments from different countries around the world have implemented containment measures to varying degrees in a bid to curb the spread of the virus.

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closure, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Group's significant operations are in Singapore and Malaysia, all of which have been affected by the spread of COVID-19 and resulted in a negative impact on the Group's financial performance for the financial year ended 31 December 2020.

Nevertheless, the Group and the Company have assessed that the going concerns basis of preparation of the financial statement for the financial year ended 31 December 2020 remained appropriate after taking into consideration the actions and measures set out in Note 4.

The Group has also considered the market conditions including the impact of the COVID-19 as at the reporting date in making estimates and judgements on the recoverability of assets as at 31 December 2020. The significant estimates and judgements applied are disclosed in Note 3.

As the global COVID-19 situation remains very fluid as at the date of issuance of these financial statements, the Group cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2021.

2. Significant accounting policies

2.1 Basis of preparation

These 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 policies below.

These financial statements are presented in Singapore Dollar ("SGD or S$") and all values in the tables are rounded to the nearest thousand (S$'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 Notes 3 and 4 to the financial statements respectively.

2. Significant accounting policies (cont'd)

2.1 Basis of preparation (cont'd)

Interpretations and amendments to published standards effective in 2020

On 1 January 2020, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") 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 INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) 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.

Early adoption of amendment to SFRS(I) 16 Leases

The Group has elected to early adopt the amendments to SFRS(I) 16 which introduced a practical expedient for a lessee to elect not to assess whether a rent concession is a lease modification, if all the following conditions are met:

(a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(b) any reduction in lease payments affects only payments originally due on or before 30 June 2022; and

(c) there is no substantive change to other terms and conditions of the lease.

The Group has elected to apply this practical expedient to all property leases. As a result of applying the practical expedient, rent concessions of S$96,000 (Note 6) was recognised as other income in the profit or loss during the financial year.

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.

(a) Rendering of services

(i) 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. Revenue from rendering of packaged services is recognised overtime by reference to the usage of packaged sales of the transaction at the balance sheet date determined by services performed to date to the total packaged sales. Free services represent promised services under the main packaged services and a portion of the transaction price from the main service contracts are allocated to these free services. Revenue of free services is recognised at a point in time upon the completion of aesthetic procedures rendered to the customers. Advances received relate to the Group's obligation to provide goods and services to customers for which the Group has received advances from customers.

2. Significant accounting policies (cont'd)

2.2 Revenue recognition (cont'd)

(a) Rendering of services (cont'd)

(ii) Event organisations and management consultancy services

Revenue from rendering of services that are recognised at a point in time when the Group satisfies a performance obligation by transferring control of those services to the customers when the events have taken place and/or services are rendered.

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

2.4 Group accounting

(a) Subsidiary corporations

(i) Consolidation

Subsidiary corporations 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. Subsidiary corporations 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 subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

2. Significant accounting policies (cont'd)

2.4 Group accounting (cont'd)

(a) Subsidiary corporations (cont'd)

(i) Consolidation (cont'd)

Non-controlling interests comprise the portion of a subsidiary corporation'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 balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary corporation, 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 corporation 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 corporation 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.

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 corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation 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 subsidiary corporations" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

2. Significant accounting policies (cont'd)

2.4 Group accounting (cont'd)

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary corporation that do not result in a loss of control over the subsidiary corporation 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.

(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	5 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 balance sheet 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.

2. Significant accounting policies (cont'd)

2.5 Property, plant and equipment (cont'd)

(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".

2.6 Intangible assets

(a) Goodwill on acquisitions

Goodwill on acquisitions of subsidiary corporations 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 subsidiary corporations is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

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

(b) 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 balance sheet date. The effects of any revision are recognised to profit or loss when the changes arise.

(c) 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 balance sheet 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 are recognised in profit or loss using the effective interest method.

2.8 Investments in subsidiary corporations

Investments in subsidiary corporations are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2. Significant 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 subsidiary corporations

Intangible assets, property, plant and equipment (including right-of-use assets) and investments in subsidiary corporations 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.

2. Significant accounting policies (cont'd)

2.10 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs of disposal, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheets. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheets.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of comprehensive income.

2.11 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.

<u>At initial recognition</u>

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.

2. Significant accounting policies (cont'd)

2.11 Financial assets (cont'd)

(a) Classification and measurement (cont'd)

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 instruments

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.

(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.

2.12 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheets 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. Significant accounting policies (cont'd)

2.13 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiary corporations. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiary corporations 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.

2.14 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet 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.

2.15 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.

2.16 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".

2. Significant accounting policies (cont'd)

2.16 Leases (cont'd)

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

- 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;
- 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.

2. Significant accounting policies (cont'd)

2.16 Leases (cont'd)

(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.

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 balance sheet, 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.

2.17 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.

2.18 Financial liabilities at fair value through profit or loss

Put options held by non-controlling interests of the Group's subsidiary corporations which entitle the non-controlling interests to sell their interests in the subsidiary corporations to the Group on contracted dates in exchange of variable number of ordinary shares of the Company are recognised as derivative financial liabilities presented on a net basis measured at fair value at initial recognition. Such options are subsequently measured at fair value with the change in the carrying amounts recognised in profit or loss.

2. Significant accounting policies (cont'd)

2.19 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 balance sheet 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 subsidiary corporations, 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.

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 balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet 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.

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as "Finance expense".

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in the profit or loss when the changes arise.

2. Significant accounting policies (cont'd)

2.21 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.

At each balance sheet 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 balance sheet date.

2. Significant accounting policies (cont'd)

2.22 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.

(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 balance sheet 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 gains".

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 balance sheet date.

2.23 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. Significant accounting policies (cont'd)

2.24 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 balance sheet. 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.

2.25 Share capital

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

2.26 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.

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

The Group uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances. The forecast economic conditions 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 30(b) to the financial statements.

The carrying amount of trade receivables as at 31 December 2020 is S$126,000 (2019: S$744,000) (Note 14).

(b) Expected Credit Loss ("ECL") of other receivables

The Group measures ECL for other receivables using general approach. Under the general approach, the loss allowance is measure 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.

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

(b) Expected Credit Loss ("ECL") of other receivables (cont'd)

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, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances. The forecast economic conditions 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 30(b) to the financial statements.

The carrying amount of other receivables as at 31 December 2020 is S$129,000 (2019: S$506,000) (Note 14).

(c) Valuation of intangible assets and tangible assets/liabilities through business combination

Business combination is accounted for by applying the acquisition method. Purchase price allocation exercise requires a significant amount of management estimation, particularly in relation to the identification and valuation of intangible assets and assignment of their useful lives. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The fair value of such assets and liabilities are estimated by management and independent professional valuer where significant, or using the discounted cash flow method, which requires the Group to make an estimate of the expected future cash flows of the acquired business and choosing a suitable discount rate.

The carrying amount of goodwill as at 31 December 2020 is S$664,000 (2019: S$4,289,000) (Note 21(a)).

(d) Estimated impairment of non-financial assets

<u>Goodwill</u>

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).

<u>Other non-financial assets</u>

Property, plant and equipment, intangible assets and investments in subsidiary corporations 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.

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

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

(d) Estimated impairment of non-financial assets (cont'd)

Other non-financial assets (cont'd)

During the financial year ended 31 December 2020, the management has assessed that there is objective evidence or indication that the carrying amount of the Company's investment in subsidiary corporations may not be recoverable as at the reporting date and accordingly an impairment assessment has been carried out. An impairment charge on investment in subsidiary corporations amounted to approximately S$995,000 (2019: Nil) was recognised. Specific estimates used in the impairment assessment are disclosed in Note 21(a). The carrying amounts of other non-financial assets at the reporting date are disclosed in Notes 18, 21(b), 21(c) and 27 respectively

4. 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 Company is appropriate for the current financial year:

The Group and the Company incurred a total loss of S$5,254,000 (2019: S$3,247,000) and S$2,331,000 (2019: S$5,742,000) respectively and the Group also incurred net operating cash outflows of S$670,000 (2019: S$1,247,000) for the financial year ended 31 December 2020. As at 31 December 2020, the Group's current liabilities exceeded its current assets by S$520,000 (2019: S$871,000). The Group's and the Company's cash and cash equivalents (excluding bank deposits pledged) as at 31 December 2020 of S$83,000 and S$43,000 (2019: bank overdraft of S$297,000 and cash and cash equivalents of S$114,000) respectively may not be sufficient to meet the Group's and the Company's current liabilities.

Nevertheless, the Board of Directors of the Company believes that the use of the going concern assumption in the preparation of the financial statements for the financial year ended 31 December 2020 is appropriate after taking into consideration the following assumptions and measures:

(a) New subsidiary corporations/joint venture companies

(i) The Company's wholly-owned subsidiary JCG-Beverly Pte Ltd ("JCGB") had on 24 January 2020, formed a strategic joint venture with Natasha Skincare (Malaysia) Sdn Bhd ("NSC") under a special purpose vehicle, Natasha Beverly Sdn Bhd ("NBSB"). NBSB's principal activities are medical aesthetics clinic and other health maintenance procedures such as medi-spa, chiropractor and physiotherapy. Natasha Skincare is a leading beauty brand in Indonesia with more than 100 outlets. NBSB is expected to generate revenue and contribute positively to the Group in the subsequent years as it has been involved in the following corporate expansion exercises, including establishing aesthetics and dental clinics within the Natasha Beverly Medical Centre.

- On 15 July 2020, NBSB incorporated a special purpose vehicle, DS Beverly Sdn Bhd ("DS Beverly"), for the purposes of entering into a strategic joint venture with a non-related party, Dermatology & Surgery Clinic Pte Ltd ("DS"). The joint venture's principal activities include healthy aging, regenerative medicine and health screening services. On 28 December 2020, NBSB and DS had entered into an extension letter whereby both parties mutually agreed that the long-stop date for signing of the definitive agreement shall be extended to 31 July 2021 from a previously agreed date of 31 December 2020.

4. Going concern (cont'd)

Nevertheless, the Board of Directors of the Company believes that the use of the going concern assumption in the preparation of the financial statements for the financial year ended 31 December 2020 is appropriate after taking into consideration the following assumptions and measures: (cont'd)

(a) New subsidiary corporations/joint venture companies (cont'd)

- On 11 August 2020, NBSB incorporated a 56% owned subsidiary, Natasha Beverly Aesthetics Sdn. Bhd. ("NBASB"). NBSB had on 1 January 2021 entered into a non-binding term sheet (the "NBASB Term Sheet") with Beverly Bangsar Sdn. Bhd. ("BBSB") and on 15 February 2021, signed the definitive agreement with BBSB to to jointly provide aesthetic medicine and related services through NBASB.

- NBSB and Beverly Wilshire Aesthetic Dental Centre Sdn Bhd ("BWAD"), both subsidiary corporations of the Company, had on 15 April 2021 entered into a definitive agreement with Dr Arlena and Rajinderpal Singh A/L Nantam Singh ("Dr. Ryan") to establish a joint venture company in Malaysia to be known as "Natasha Beverly Dental" for the purposes of providing aesthetic dental services.

(ii) JCGB had on 7 April 2020, incorporated a special purpose vehicle, Beverly Ipoh Sdn Bhd ("BISB") for the purposes of entering into a strategic joint venture with Chong Yee Leng ("Dr Elaine"). The joint venture's principal activities are aesthetic medicine and related activities. JCGB had on 23 April 2020 entered into a non-binding term sheet (the "BISB Term Sheet") with Dr Elaine to establish a joint venture for the purposes of providing aesthetic medicine procedures. The BISB Term Sheet had lapsed on 14 May 2020. Subsequently, JCGB had on 8 June 2020 entered into a new non-binding term sheet (the "New BISB Term Sheet") with Dr Elaine for the proposed transaction. The New BISB Term Sheet had lapsed on 29 June 2020. Subsequent to the lapse of the New BISB Term Sheet and pursuant to further discussions between JCGB and Dr Elaine, JCGB had on 7 September 2020 entered into a joint venture agreement with Dr Elaine; and a shareholders' agreement with Dr Elaine, Howard Ng How Er and BISB, each in relation to the proposed transaction. BISB is part of the Group's expansion plans to open clinics in the other states of Malaysia, other than Kuala Lumpur and Johor.

(iii) JCGB had on 15 April 2021 entered into a definitive agreement with Arlena Philip Lee ("Dr. Arlena") and Klinik Pergigian Dentistree ("Dentistree") to, inter alia, establish a joint venture company in Malaysia to be known as "Beverly Dentistree" for the purpose of providing aesthetic dental services.

Barring any unforeseen circumstances, the Group expects these new subsidiary corporations/joint venture companies to contribute positively to the Group's working capital position.

(b) Fund-raising exercises

(i) Beverly Wilshire Medical Centre Sdn Bhd ("BWMC"), a 51% owned subsidiary of the Company, had on 28 May 2020 entered into a letter of offer with a Malaysian bank in relation to the grant of banking facilities of up to RM7.0 million to BWMC.

(ii) On 2 June 2021, the Company has allotted and issued 2,112,779,425 Rights Shares with 2,112,779,425 Warrants pursuant to the Rights cum Warrants Issue at an issue price of S$0.001 for each Rights Share for net proceeds of approximately S$1,954,000 which will be used for general working capital and future expansion of the Group.

Concurrently, the Company will continue to look for other fund-raising exercises to fund the working capital and growth of the Group going forward and the Company will also seek for growth opportunities and all other possibilities to complement the existing businesses of the Group.

4. Going concern (cont'd)

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 under taken as disclosed above and it is uncertain whether the Group and the Company will raise further funds through any fund raising exercises. Therefore, we are 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 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 balance sheets. 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.

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	
	2020	**2019**
	S$'000	**S$'000**
At a point in time		
Aesthetic services		
- Malaysia	5,315	1,319
- Republic of China, Taiwan	-	243
Sales of goods - Steel raw materials		
- Singapore	131	416
	5,446	1,978

6. Other income

	Group	
	2020	2019
	S$'000	S$'000
Interest income from bank deposits	9	7
Rental income on operating lease	21	19
Rent concessions[1]	96	-
Gain due to modification of lease	37	-
Government grants – Government-Paid Child Care Leave[2]	2	2
Government grants – Jobs Support Scheme[3]	93	-
Government grants – Wages Subsidy Programme[4]	120	-
Others	49	11
	427	39

(1) Included within are COVID-19 related rent concessions received from lessors of approximately S$96,000 to which the Group applied the practical expedient as disclosed in Note 2.1.

(2) 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.

(3) The Jobs Support Scheme ("JSS") was introduced to provide wage support to employers in Singapore to retain local employees during the period of economic uncertainty.

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

7. Other (losses)/gains, net

	Group	
	2020	2019
	S$'000	S$'000
Gain on deconsolidation of subsidiary corporations	-	19
Loss allowances on trade receivables (Note 30(b)(ii))	(42)	-
Property, plant and equipment written-off	(71)	-
Trade payables written-off	22	-
	(91)	19

8. Expenses by nature

	Group	
	2020	2019
	S$'000	S$'000
Agent commission	151	51
Amortisation of intangible assets (Note (21(b)(c))	385	-
Consultant fees	450	136
Depreciation of property, plant and equipment (Note 18)	1,858	298
Directors' fees	213	157
Doctors' commissions	806	129
Employee compensation (Note 9)	3,173	1,408
Entertainment expenses	5	30
Electricity expenses	106	29
Fees on audit services paid/payable to:		
- Auditor of the Company	139	180
- Other auditors	18	-*
Introducer fees (Note 26)	-	355
IT expenses	11	31
Insurance	93	20
Marketing expenses	146	33
Purchase of inventories	1,116	620
Printing and stationery	31	90
Professional fees	673	800
Rental expense – short-term leases	-	137
Stamp duty	-*	21
Transportation expenses	24	15
Travelling and accommodation	74	47
Treatment fees	-	62
Changes in inventories	126	107
Other	1,140	258
Total cost of sales, distribution and administrative expenses	10,738	5,014

* Less than S$1,000

9. Employee compensation

	Group	
	2020	2019
	S$'000	S$'000
Wages and salaries	2,801	1,000
Employer's contribution to defined contribution plans	339	113
Share award (Note 26[10])	-	284
Other short-term benefits	33	11
	3,173	1,408

10. Finance expenses

	Group 2020 S$'000	Group 2019 S$'000
Interest expense		
- Borrowings (non-related party)	-	40
- Borrowings (related party)	11	-
- Finance lease liabilities	1	-
- Invoice financing	39	-
- Lease liabilities (Note 19(c))	123	34
	174	74
Unwinding of imputed interest on other payables	-	151
	174	225

11. Income tax (credit)/expense

	Group 2020 S$'000	Group 2019 S$'000
Tax (credit)/expense attributable to loss is made up of:		
Loss for the financial year:		
From continuing operations		
Deferred income tax (Note 25)	(249)	(39)
From discontinued operations		
Deferred income tax (Note 25)	(13)	19
(Over)/under provision in prior financial years:		
From continuing operations		
Current income tax	-	53
From discontinued operations		
- Current income tax	(18)	(30)
Tax (credit)/expense is attributable to:		
- continuing operations	(249)	14
- discontinued operations (Note 16(a))	(31)	(11)
	(280)	3

11. Income tax (credit)/expense (cont'd)

	Group	
	2020	**2019**
	S$'000	**S$'000**
Loss before income tax		
- continuing operations	(5,130)	(3,203)
- discontinued operations (Note 16(a))	(211)	(41)
	(5,152)	(3,244)
Tax calculated at tax rate of 17% (2019: 17%)	(876)	(551)
Effects of:		
Different tax rates in other countries	(224)	(23)
Expenses not deductible for tax purposes	303	59
Unrecognised tax losses	535	503
(Over)/under provision of income tax in prior financial years	(18)	23
Other	-	(8)
Tax (credit)/expense	(280)	3

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.

	2020	**2019**
Continuing operations		
Net loss attributable to equity holders of the Company (S$'000)	(3,820)	(3,048)
Weighted average number of ordinary shares outstanding for basic loss per share ('000)	15,794,756	12,455,805
Basic loss per share (cents per share)	(0.02)	(0.02)
Discontinued operations		
Net loss attributable to equity holders of the Company (S$'000)	(430)	(40)
Weighted average number of ordinary shares outstanding for basic loss per share ('000)	15,794,756	12,455,805
Basic loss per share (cents per share)	-*	-*
Total	(0.03)	(0.02)

* Amount less than (0.01) Singapore cents.

12. Loss per share (cont'd)

(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:

	2020	2019
Continuing operations		
Net loss attributable to equity holders of the Company (S$'000)	(3,820)	(3,048)
Weighted average number of ordinary shares outstanding for diluted loss per share ('000)	15,794,756	12,455,805
Adjustments for ('000)		
- Call and put options shares (Note 26(c))	-	250,000
- Call and put options warrants (Note 26(c))	-	250,000
- Employee share options (Note 26(a))	38,488	38,488
- Warrants (Note 26(12)(13))	1,760,128	4,471,484
	1,798,616	5,009,972
Diluted loss per share (cents per share)	(0.02)#	(0.02)#
Discontinued operations		
Net loss attributable to equity holders of the Company (S$'000)	(430)	(40)
Weighted average number of ordinary shares outstanding for diluted loss per share ('000)	15,794,756	12,455,805
Adjustments for ('000)		
- Call and put options shares (Note 26(c))	-	250,000
- Call and put options warrants (Note 26(c))	-	250,000
- Employee share options (Note 26(a))	38,488	38,488
- Warrants (Note 26(12)(13))	1,760,128	4,471,484
	1,798,616	5,009,972
Diluted loss per share (cents per share)	-#*	-#*
Total	(0.03)	(0.02)

\# 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.

* Amount less than (0.01) Singapore cents.

13. Cash and cash equivalents

	Group 2020 S$'000	Group 2019 S$'000	Company 2020 S$'000	Company 2019 S$'000
Cash at bank and on hand	260	604	43	114
Short-term bank deposit[1]	33	750	-	-
	293	1,354	43	114

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

	Group 2020 S$'000	Group 2019 S$'000
Continuing operations		
Cash and bank balances (as above)	293	1,354
Less: Short-term bank deposit[1]	(33)	(750)
Less: Bank overdrafts (Note 23)	(177)	(901)
	83	(297)
Discontinued operations		
Cash and bank balances (Note 16(c))	38	-
Cash and cash equivalents per consolidated statement of cash flows	121	(297)

[1] Short-term bank deposit placed is between one to twelve months period for the purpose of generating interest income at the respective short-term deposit rates.

Acquisition and deconsolidation of subsidiaries corporations

Please refer to Note 33 to the financial statements for the effects of acquisition of subsidiary corporations on the cash flows of the Group.

The Company had strike-off certain subsidiary corporations during the financial years ended 31 December 2020 and 2019. There was no impact on the cash flows of the Group as a result of the struck-off of those subsidiary corporations as they did not have any cash and bank balances as at the date of deconsolidation.

14. Trade and other receivables

	Group		Company	
	2020	2019	2020	2019
	S$'000	S$'000	S$'000	S$'000
Trade receivables				
- Non-related parties	126	750	-	-
- Related parties	6	10	-	-
	132	760		
Less: Loss allowance (Note30(b)(i))	(48)	(16)	-	-
	84	744	-	-
Other receivables				
- Subsidiary corporations	-	-	1,045	1,978
- Related parties	16	340	-	-
- Non-related parties	113	166	9	8
	129	506	1,054	1,986
Less: Loss allowance (Note 30(b)(i))	-	-	(612)	(1,762)
	129	506	442	224
Deposits	383	607	41	37
Prepayments	156	88	27	28
	752	1,945	510	289

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

15. Inventories

	Group	
	2020	2019
	S$'000	S$'000
Drugs, medicine and medical consumables	412	538
Recognised as an expense and included in "Cost of sales"		
- Finished/trading goods	116	369
- Drugs, medicine and medical consumables	1,126	358

16. Discontinued operations and disposal group classified as held for sale

(i) 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.

(ii) On 13 May 2020, the Company entered into a deed of settlement with Dr Chung Yih-Chen in relation to the termination of the joint venture in respect of iMyth Taiwan Limited ("iMyth Taiwan"), a wholly-owned subsidiary corporation of China iMyth Company Pte. Ltd ("China iMyth"), a 51 % subsidiary of the Company. Pursuant to the deed of settlement, China iMyth has on 26 March 2021, completed the disposal of its 100% shareholding interest in iMyth Taiwan to Lin Hongtu, a nominee of Dr Chung Yih-Chen.

In accordance with SFRS(I) 5 Non-current Asset Held for Sale and discontinued Operations, the entire assets and liabilities of Brand X and iMyth Taiwan are classified and presented as "Assets of disposal group classified as held-for-sale" and "Liabilities directly associated with disposal group classified as held-for-sale" respectively on the Balance Sheets as at 31 December 2020. Their financial results have been classified and presented separately as "Discontinued operations" for the financial year ended 31 December 2020 and the prior financial year's results presented as comparatives have also been restated in the Consolidated Statement of Comprehensive Income.

In connection with the reclassification, the assets of disposal group classified as held-for-sale and liabilities directly associated with disposal group classified as held-for-sale were written down to their fair value less costs to sell of S$3,611,000. This is a non-recurring fair value measurement, which was classified within level 1 (observable input) and level 3 (unobservable input) of the fair value hierarchy for Brand X and iMyth Taiwan respectively.

(a) The results of the discontinued operations and the re-measurement of the disposal group are as follows:

	Group	
	2020	**2019**
	S$'000	**S$'000**
Revenue	130	1,201
Cost of sales	(82)	(815)
Gross profit	48	386
Other income	131	-
Expenses		
- Distribution	(10)	(13)
- Administrative	(365)	(398)
- Finance	(15)	(16)
Loss before income tax	(211)	(41)
Income tax credit	31	11
Loss after tax from discontinued operations	(180)	(30)
Pre-tax loss recognised on the remeasurement of disposal group to fair value less costs to sell		
- Brand X (Note 21(a))	(179)	-
- iMyth Taiwan	(14)	-
Tax	-	-
Post-tax loss recognised on the remeasurement of disposal group to fair value less costs to sell	(193)	(30)
Loss for the financial year from discontinued operations	(373)	(30)

16. Discontinued operations and disposal group classified as held for sale (cont'd)

(b) The impact of the discontinued operations on the cash flows of the Group was as follows:

	Group 2020 S$'000
Operating cash outflows	(60)
Financing cash outflows	(44)
Total cash outflows	(104)

(c) Details of the assets of disposal group classified as held-for-sale were as follows:

	Group 2020 S$'000
Cash and cash equivalents (Note 13)	38
Trade and other receivables	439
Property, plant and equipment (Note 18)	15
Goodwill (Note 21(a))	3,278
Intangible assets (Note 21(b))	97
Inventories	2
	3,869

(d) Details of the liabilities directly associated with disposal group classified as held-for-sale were as follows:

	Group 2020 S$'000
Trade and other payables	98
Borrowing	142
Income tax	2
Deferred tax liabilities (Note 25)	16
	258

(e) Details of assets in non-current asset classified as held-for-sale were as follows:

	Company 2020 S$'000
Investments in subsidiary corporations (Note 17)	3,611

17. Investments in subsidiary corporations

	Company	
	2020	2019
	S$'000	S$'000
		(Restated)
Equity investments at cost		
Beginning of financial year	28,785	22,136
Additions[(1)(2)](Note 33)		
- Recognised provisionally	-	6,851
- Adjustment based on purchase price allocation	-	(180)
	-	6,671
Disposal	-	(22)
Reclassified to non-current asset classified as held-for-sale (Note 16(e))	(3,611)	-
End of financial year	25,174	28,785
Allowance for impairment loss		
Beginning of financial year	21,762	21,784
Impairment loss[(3)]	995	-
Disposal	-	(22)
End of financial year	22,757	21,762
Carrying amount	2,417	7,023

(1) On 15 April 2019, the Company completed the acquisition of 100% of the issued and fully paid up ordinary shares in the capital of Brand X Lab Pte. Ltd. ("Brand X Lab"). Consequently, Brand X Lab became wholly-owned subsidiary corporation of the Company (Note 33(i)).

(2) On 7 November 2019, the Company completed the acquisition of 51% of the total issued share capital in Beverly Wilshire Group, incorporated in Malaysia. Consequently, the entities under Beverly Wilshire Group became subsidiary corporations of the Company (Note 33(ii)).

(3) Management assessed for impairment whenever there is any objective evidence or indication that investments in subsidiary corporations may be impaired. Loss allowance amounting to S$995,000 (2019: S$Nil) was made in respect of the Company's investments in certain subsidiary corporations to reduce the carrying amount of the investments to their recoverable amounts during the financial year ended 31 December 2020. The recoverable amount was determined using the net tangible asset value in financial year ended 31 December 2020, the recoverable amount was determined using the value-in-use method based on cash flows projections discounted at rates based on the market interest rates adjusted for specific risk to the industry. The calculation requires the use of estimates and key assumptions that are disclosed in Note 21(a) to the financial statements.

17. Investments in subsidiary corporations (cont'd)

The Group has the following subsidiary corporations as at 31 December 2020 and 2019:

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	
			2020	2019	2020	2019	2020	2019
			%	%	%	%	%	%
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	-	-
Brand X Lab Pte. Ltd.(1)(6)	Event organisation and management consultancy	Singapore	100	100	100	100	-	-
China iMyth Company Pte. Ltd.(2)(17)	Investment holding and provision of management services	Singapore	51	51	51	51	49	49
CMIC Hemodialysis Pte. Ltd.(2)	Investment holding	Singapore	100	100	100	100	-	-
JCG-Beverly Pte. Ltd.(1)(7)	Investment holding and provision of management services	Singapore	100	100	100	100	-	-
JCG Health Pte. Ltd.(2)(7)	Investment holding and provision of management services	Singapore	100	100	100	100	-	-
Held by JCG-Beverly Pte. Ltd.								
Beverly Wilshire Medical Centre Sdn. Bhd.(3)(8)(9)	Provision of cosmetic and plastic surgery, health screening and as medical specialist centre with out-patient and day care services and activities	Malaysia	-	-	51	51	49	49
Beverly Wilshire Medical Centre (JB) Sdn. Bhd. (3)(8)(9)	Provision of aesthetic and cosmetic surgery and reconstructive surgery	Malaysia	-	-	51	51	49	49
Beverly Wilshire Tropicana City Mall Sdn. Bhd.(3)(8)(9)	Provision of cosmetologial and aesthetical related treatments	Malaysia	-	-	51	51	49	49
Beverly Wilshire Aesthetic Dental Centre Sdn. Bhd.(3)(8)(9)	Provision of aesthetic dental care	Malaysia	-	-	51	51	49	49

17. Investments in subsidiary corporations (cont'd)

The Group has the following subsidiary corporations as at 31 December 2020 and 2019: (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	
			2020	2019	2020	2019	2020	2019
			%	%	%	%	%	%
Held by JCG-Beverly Pte. Ltd. (cont'd)								
Beverly Wilshire Hair Transplant Sdn. Bhd.[3][8][9][10]	Provision of hair transplant care	Malaysia	-	-	51	51	49	49
Beverly Medical Centre Sdn. Bhd.[3][9][10][11]	Provision of cosmetic and plastic surgery, health screening and as a medical specialist centre, with out-patient, in-patient and day care services and activities	Malaysia	-	-	100	100	-	-
Beverly Wilshire Medical Academy and Research Centre Sdn. Bhd.[3][8][9]	Provision of aesthetic, cosmetic and plastic surgery, healthy aging therapy, health screening and wellness and medical research	Malaysia	-	-	69*	69*	31	31
Natasha Beverly Sdn. Bhd.[3][9][12]	Provision of physiotherapy, spa, reflexology services and activities	Malaysia	-	-	56	-	44	-
Beverly Ipoh Sdn. Bhd. [3][9][13]	Provision of aesthetic medicine and related activities	Malaysia	-	-	70	-	30	-
Held by Beverly Wilshire Medical Centre Sdn Bhd								
Beverly Wilshire Cosmetic Surgery Centre Sdn. Bhd.[3][8][9][10]	Provision of cosmetic and plastic surgery treatment and services	Malaysia	-	-	51	51	49	49
Held by Natasha Beverly Sdn. Bhd								
Spinalive Beverly Sdn. Bhd. [3][9][14]	Provision of chiropractic and traditional treatment	Malaysia	-	-	29	-	71	-
DS Beverly Sdn. Bhd.[3][9][15]	Provision of healthy aging, regenerative medicine and health screening services	Malaysia	-	-	39	-	61	-
Natasha Beverly Aesthetics Sdn. Bhd. [3][9][16]	Provision of aesthetic medicine and related activities	Malaysia	-	-	31	-	69	-

* 18% is held through Beverly Wilshire Medical Centre Sdn. Bhd.

17. Investments in subsidiary corporations (cont'd)

The Group has the following subsidiary corporations as at 31 December 2020 and 2019: (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	
			2020	2019	2020	2019	2020	2019
			%	%	%	%	%	%
Held by CMIC Hemodialysis Pte. Ltd.								
CMIC Hemodialysis (Hong Kong) Limited[5]	Investment holding and provision of management services	Hong Kong	-	100	-	100	-	-
Held by China iMyth Company Pte. Ltd.								
iMyth Taiwan Limited[4]	Provision of management services required for operation of clinics, including office, facilities, equipment, medical materials and pharmaceuticals	Republic of China, Taiwan	-	-	51	51	49	49

(1) Audited by Nexia TS Public Accounting Corporation, Singapore.

(2) Audited by Nexia TS Public Accounting Corporation, Singapore for financial year ended 31 December 2019. The Company is dormant during the financial year ended 31 December 2020 and exempted from audit.

(3) For the purpose of the consolidated financial statements, these financial statements are reviewed and/or audited by Nexia TS Public Accounting Corporation, Singapore.

(4) Not required to be audited under the laws of the country of incorporation. On 26 March 2021, China iMyth Company Pte. Ltd. completed the disposal of its 100% shareholding interest in iMyth Taiwan Limited, a wholly owned subsidiary, to Lin Hongtu, a nominee of Dr Chung Yih-Chen.

(5) De-registration has been completed on 25 September 2020.

(6) Newly acquired on 15 April 2019 (Note 33(i)). The Company has on 16 February 2021 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.

(7) Newly incorporated on 29 August 2019.

(8) Newly acquired on 7 November 2019 (Note 33(ii)).

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

(10) The Company remains dormant during the financial years ended 31 December 2020 and 2019, however it has not opted for audit exemption.

17. Investments in subsidiary corporations (cont'd)

The Group has the following subsidiary corporations as at 31 December 2020 and 2019: (cont'd)

(11) JCG-Beverly Pte. Ltd ("JCGB") had entered into a trust deed dated 20 September 2019 (being date of incorporation of Beverly Medical Centre Sdn. Bhd.) with Dato' Ng Tian Sang @ Ng Kek Chuan, Alexander Ng Zhonglie and Howard Ng How Er (collectively, the "BMC Trustees") in respect of 100 ordinary shares in the issued and paid-up share capital of Beverly Medical Centre Sdn. Bhd. ("BMC Trust Deed"). Pursuant to the BMC Trust Deed, the BMC Trustees declared a trust over the 100 ordinary shares, being the entire issued and paid-up share capital of Beverly Medical Centre, in favour of JCGB.

BMC Trustees had, on 30 July 2020, transferred all the BMC ordinary shares to JCGB for an aggregate nominal consideration of RM100.

(12) Newly incorporated on 24 January 2020. JCG-Beverly Pte. Ltd ("JCGB") had entered into a trust deed dated 24 January 2020 (being date of incorporation of Natasha Beverly Sdn. Bhd.) with Howard Ng How Er ("NBSB Trustee") in respect of 100 ordinary shares in the issued and paid-up share capital of Natasha Beverly Sdn. Bhd. ("NBSB Trust Deed"). Pursuant to the NBSB Trust Deed, the NBSB Trustee declared a trust over the 56 ordinary shares, in favour of JCGB.

On 21 December 2020, NBSB had increased its issued and paid-up share capital from 100 ordinary shares to 1,500,000 ordinary shares, of which 840,000 ordinary shares (from 24 January 2020 to 20 December 2020: 56 ordinary shares) are legally and beneficially held by the NBSB Trustee. JCGB had entered into a supplemental trust deed dated 21 December 2020 with NBSB Trustee to declare a trust over his additional 839,944 ordinary shares in favour of JCGB.

As the increase in the share capital of NBSB is on a pro rata basis, the shareholding structure of NBSB and the 56% shareholding interest of JCGB in NBSB remain the same.

(13) Newly incorporated on 7 April 2020. JCG-Beverly Pte. Ltd ("JCGB") had entered into a trust deed dated 17 April 2020 with Howard Ng How Er ("BISB Trustee") in respect of 100 ordinary shares in the issued and paid-up share capital of Beverly Ipoh Sdn. Bhd. ("BISB Trust Deed"). Pursuant to the BISB Trust Deed, the BISB Trustee declared a trust over the 51 ordinary shares, in favour of JCGB. Pursuant to the transfer of 19 ordinary shares of BISB from Dr Elaine Chong Yee Leng, a shareholder of BISB to the BISB Trustee on 19 August 2020, the BISB Trustee declared a trust over from 51 ordinary shares to 70 ordinary shares, in favour of JCGB.

On 7 May 2021, BISB had increased its issued and paid-up share capital from 100 ordinary shares to 400,000 ordinary shares, of which 280,000 ordinary shares are legally and beneficially held by the BISB Trustee. JCGB had entered into a supplemental trust deed dated 11 June 2021 with BISB Trustee to declare a trust over his additional 279,930 ordinary shares in favour of JCGB.

(14) Newly incorporated on 10 March 2020. On 4 March 2021, the 49% shareholder of Spinalive Beverly Sdn Bhd ("SBSB"), Spinalive Sdn Bhd transferred its entire shareholdings in SBSB to NBSB. Accordingly, SBSB became a 100% subsidiary of NBSB. On 7 April 2021, SBSB changed its name to Natasha Beverly Dental Sdn Bhd and on 11 May 2021, changed its business activities to the provision of aesthetic dental care services.

(15) Newly incorporated on 15 July 2020.

(16) Newly incorporated on 11 August 2020. Natasha Beverly Sdn. Bhd. ("NBSB") had entered into a trust deed dated 25 November 2020 with Howard Ng How Er and Alexander Ng Zhonglie (collectively, the "NBASB Trustees") in respect of 100 ordinary shares in the issued and paid-up share capital of Natasha Beverly Aesthetics Sdn. Bhd. ("NBASB Trust Deed"). Pursuant to the NBASB Trust Deed, the NBASB Trustees declared a trust over the 56 ordinary shares, in favour of NBSB.

(17) On 12 April 2021, the Company's ultimate holding company, Beverly JCG Ltd completed the acquisition of the remaining 49% shareholding interest in China iMyth Company Pte Ltd from Dr Chung Yih-Chen.

17. Investments in subsidiary corporations (cont'd)

Carrying value of non-controlling interests

	Group	
	2020	**2019**
	S$'000	**S$'000**
		(Restated)
China iMyth Company Pte. Ltd.	-	(70)
iMyth Taiwan Limited	115	(316)
Beverly Wilshire Medical Centre Sdn Bhd	(100)	645
Beverly Wilshire Medical Centre (JB) Sdn Bhd	488	803
Beverly Wilshire Tropicana City Mall Sdn Bhd	92	146
Beverly Wilshire Aesthetic Dental Centre Sdn Bhd	(100)	(19)
Beverly Wilshire Medical Academy and Research Centre Sdn Bhd	35	81
Natasha Beverly Sdn Bhd	141	-
Other subsidiary corporations with immaterial non-controlling interests	(130)	295
Total	541	1,565

Summarised financial information of subsidiary corporations with material non-controlling interests

Set out below are the summarised financial information of subsidiary corporations that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations and after being modified for fair value adjustments arising from business combination.

There were no transactions with non-controlling interests for the financial years ended 31 December 2020 and 2019.

17. Investments in subsidiary corporations (cont'd)

Summarised balance sheets

	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**	
	2020	2019	2020	2019	2020	2019	2020	2019
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Current								
Assets	1,525	1,461	387	422	219	236	146	103
Liabilities	(2,693)	(2,458)	(1,103)	(856)	(190)	(160)	(502)	(347)
Total current net (liabilities)/assets	(1,168)	(997)	(716)	(434)	29	76	(356)	(244)
Non-current								
Assets	1,970	3,479	2,892	3,455	191	269	207	319
Liabilities	(1,007)	(1,166)	(1,181)	(1,383)	(32)	(48)	(56)	(114)
Total non-current assets	963	2,313	1,711	2,072	159	221	151	205
Net (liabilities)/assets	(205)	1,316	995	1,638	188	297	(205)	(39)

17. Investments in subsidiary corporations (cont'd)

Summarised balance sheets (cont'd)

	Beverly Wilshire Medical Academy and Research Centre Sdn Bhd**		Natasha Beverly Sdn Bhd***		China iMyth Company Pte. Ltd.		iMyth Taiwan Limited	
	2020	2019	2020	2019	2020	2019	2020	2019
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Current								
Assets	59	72	179	-	-	6	376	337
Liabilities	(182)	(143)	(231)	-	-	(150)	(161)	(993)
Total current net (liabilities)/assets	(123)	(71)	(52)	-	-	(144)	235	(656)
Non-current								
Assets	244	450	1,072	-	-	-	-	11
Liabilities	(8)	(117)	(699)	-	-	-	-	-
Total non-current assets	236	333	373	-	-	-	-	11
Net assets/(liabilities)	113	262	321	-	-	(144)	235	(645)

17. Investments in subsidiary corporations (cont'd)

Summarised statement of comprehensive income

	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**	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Revenue	3,194	623	1,455	560	433	88	187	53
(Loss)/profit before income tax	(1,688)	(223)	(686)	118	(124)	(14)	(186)	(26)
Income tax credit	167	7	43	2	15	-*	20	2
Net (loss)/profit	(1,521)	(216)	(643)	120	(109)	(14)	(166)	(24)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive (loss)/income	(1,521)	(216)	(643)	120	(109)	(14)	(166)	(24)
Total comprehensive (loss)/income allocated to non-controlling interests	(745)	(106)	(315)	59	(53)	(7)	(81)	(12)

17. Investments in subsidiary corporations (cont'd)

Summarised statement of comprehensive income (cont'd)

	Beverly Wilshire Medical Academy and Research Centre Sdn Bhd**		Natasha Beverly Sdn Bhd***		China iMyth Company Pte. Ltd.		iMyth Taiwan Limited	
	2020	2019	2020	2019	2020	2019	2020	2019
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue	95	11	18	-	-	-	-	243
(Loss)/profit before income tax	(153)	(25)	(166)	-	144	(17)	-	(154)
Income tax credit	4	-	-	-	-	-	-	-
Net (loss)/profit	(149)	(25)	(166)	-	144	(17)	-	(154)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive (loss)/income	(149)	(25)	(166)	-	144	(17)	-	(154)
Total comprehensive (loss)/income allocated to non-controlling interests	(46)	(8)	(73)	-	71	(8)	-	(75)

17. Investments in subsidiary corporations (cont'd)

Summarised cash flows

	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**	
	2020	2019	2020	2019	2020	2019	2020	2019
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Net cash provided by/(used in) operating activities	44	39	155	7	110	(18)	54	(30)
Net cash used in investing activities	(9)	-	-	(28)	(2)	-	-	-
Net cash provided by/(used in) financing activities	709	(62)	(175)	(54)	(42)	(9)	(35)	(5)
Net increase/(decrease) in cash and cash equivalents	744	(23)	(20)	(75)	66	(27)	19	(35)
Beginning of financial year/acquisition date	(890)	(867)#	39	115	22	49	7	42
Effect of currency translation on cash and cash equivalent	1	-*	-	-*	-	-*	-	-
End of financial year	(146)	(867)#	19	40	80	22	26	7

17. Investments in subsidiary corporations (cont'd)

Summarised cash flows (cont'd)

	Beverly Wilshire Medical Academy and Research Centre Sdn Bhd**		Natasha Beverly Sdn Bhd***		China iMyth Company Pte. Ltd.		iMyth Taiwan Limited	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Net cash provided by/(used in) operating activities	46	(14)	(122)	-	(3)	(1)	-	(41)
Net cash used in investing activities	-	-	(284)	-	-	-	-	-
Net cash (used in)/provided by financing activities	(44)	(8)	441	-	(4)	-	-	-
Net increase/(decrease) in cash and cash equivalents	2	(22)	35	-	(7)	(1)	-	(41)
Beginning of financial year/acquisition date	2	24	-	-	7	8	1	42
Effect of currency translation on cash and cash equivalent	-	-*	-	-	-	-	(1)	-*
End of financial year	4	2	35	-	-	7	-	1

Included bank overdraft (Note 23)
* Less than S$1,000
** Acquired subsidiary corporation in financial year 2019
*** Newly incorporated in current financial year

18. Property, plant and equipment

	Office equipment and fixtures S$'000	Renovation S$'000	Medical and laboratory equipment S$'000	Clinic equipment S$'000	Motor vehicle S$'000	Signboard and signage S$'000	Office and medical centre S$'000	Total S$'000
Group								
2020								
Cost								
Beginning of financial year	2,353	4,136	5,820	7	104	47	4,446	16,913
Currency translation differences	(20)	(38)	(48)	-*	-*	-*	(41)	(147)
Additions	137	291	81	-	-	35	975	1,519
Write-off	(15)	(37)	(26)	-	-	-	-	(78)
Effect of lease modification	-	-	-	-	-	-	(277)	(277)
Remeasurement of disposal group classified as held-for-sale	(13)	-	(89)	(7)	-	-	-	(109)
Reclassified to disposal group	(201)	(36)	-	-	-	-	(86)	(323)
End of financial year	2,241	4,316	5,738	-	104	82	5,017	17,498
Accumulated depreciation								
Beginning of financial year	1,428	2,808	4,141	7	96	30	1,622	10,132
Currency translation differences	(12)	(26)	(48)	-*	-*	-*	(19)	(105)
Depreciation charge:								
– continuing - operations (Note 8)	170	147	725	-	4	9	803	1,858
– discontinued operations	3	12	-	-	-	-	43	58
Write-off	-*	-	(7)	-	-	-	-	(7)
Effect of lease modification	-	-	-	-	-	-	11	11
Remeasurement of disposal group classified as held-for-sale	(12)	-	(77)	(7)	-	-	-	(96)
Reclassified to disposal group	(199)	(23)	-	-	-	-	(86)	(308)
End of financial year	1,378	2,918	4,734	-	100	39	2,374	11,543
Net book value								
End of financial year	863	1,398	1,004	-	4	43	2,643	5,955

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

	Office equipment and fixtures S$'000	Renovation S$'000	Medical and laboratory equipment S$'000	Clinic equipment S$'000	Motor vehicle S$'000	Signboard and signage S$'000	Office and medical centre S$'000	Total S$'000
Group								
2019								
Cost								
Beginning of financial year	24	-	85	7	-	-	-	116
Currency translation differences	(3)	(5)	(5)	-*	-*	-*	(4)	(17)
Acquisition of subsidiary corporations (Note 33)	2,323	4,097	5,718	-	104	42	4,098	16,382
Adoption of SFRS(I) 16	-	-	-	-	-	-	352	352
Additions	11	44	22	-	-	5	-	82
Write-off	(2)	-	-	-	-	-	-	(2)
End of financial year	2,353	4,136	5,820	7	104	47	4,446	16,913
Accumulated depreciation								
Beginning of financial year	20	-	59	6	-	-	-	85
Currency translation differences	(1)	(3)	(4)	-*	-*	-*	(2)	(10)
Acquisition of subsidiary corporations (Note 33)	1,376	2,777	4,008	-	94	27	1,434	9,716
Depreciation charge – continuing operations (Note 8)	29	25	78	1	2	3	160	298
Depreciation charge – discontinued operations	6	8	-	-	-	-	30	44
Write-off	(2)	-	-	-	-	-	-	(2)
End of financial year	1,428	2,808	4,141	7	96	30	1,622	10,132
Net book value								
End of financial year	925	1,328	1,679	-	8	17	2,824	6,781

* Less than S$1,000

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					
2020					
Cost					
Beginning of financial year	14	28	5	352	399
Additions	-	-	-	-	-
End of financial year	14	28	5	352	399
Accumulated depreciation					
Beginning of financial year	11	6	3	63	83
Depreciation charge	1	6	2	151	160
End of financial year	12	12	5	214	243
Net book value					
End of financial year	2	16	-	138	156
2019					
Cost					
Beginning of financial year	9	-	-	-	9
Additions	5	28	5	-	38
Adoption of SFRS(I) 16	-	-	-	352	352
End of financial year	14	28	5	352	399
Accumulated depreciation					
Beginning of financial year	5	-	-	-	5
Depreciation charge	6	6	3	63	78
End of financial year	11	6	3	63	83
Net book value					
End of financial year	3	22	2	289	316

Finance lease liabilities of the group are effectively secured over the leased plant and equipment, as the legal title is retained by the lessor and will be transferred to the Group upon full settlement of the finance lease liabilities. The motor vehicle acquired under finance lease had been fully depreciated as at 31 December 2020 and 2019.

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.

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

	2020 S$'000	2019 S$'000
Office and medical centre (Note 18)	2,643	2,824

(b) Depreciation charge during the financial year

	2020 S$'000	2019 S$'000
Office and medical centre (Note 18)	803	160

(c) Interest expense

	2020 S$'000	2019 S$'000
Interest expense on lease liabilities (Note 10)	123	34

(d) Total lease cash outflows for all the leases in 2020 was S$995,000 (2019: S$161,000)

(e) Addition of ROU assets during the financial year 2020 was S$975,000 (2019: S$Nil).

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 2020 was S$21,000 (2019: S$19,000).

20. Leases - The Group as a lessor (cont'd)

Nature of the Group's leasing activities – Group as an intermediate lessor (cont'd)

Subleases – classified as operating leases (cont'd)

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

	Group	
	2020	**2019**
	S$'000	**S$'000**
Not later than one year	-	12

21. Intangible assets

	Group	
	2020	**2019**
	S$'000	**S$'000**
		(Restated)
Composition:		
Goodwill arising on consolidation (Note 21(a))	664	4,121
Customer relationship (Note 21(b))	-	171
Trademark/brand (Note 21(c))	775	1,160
	1,439	5,452

(a) Goodwill arising on consolidation

	Group	
	2020	**2019**
	S$'000	**S$'000**
		(Restated)
Cost		
Beginning financial year	22,118	17,997
Acquisition of subsidiary corporations (Note 33)		
- Recognised provisionally	-	4,289
- Adjustment based on purchase price allocation	-	(168)
Remeasurement of disposal group classified as held-for-sale (Note 16(a))	(179)	-
Disposal group classified as held-for-sale (Note 16(c))	(21,275)	-
End of financial year	664	22,118
Accumulated impairment		
Beginning of financial year	17,997	17,997
Disposal group classified as held-for-sale (Note 16(c))	(17,997)	-
End of financial year	-	17,997
Net book value	664	4,121

21. Intangible assets (cont'd)

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

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 ("CGU")

	Aesthetic		Event organisation and management consultancy services	
	Taiwan	**Malaysia**	**Singapore**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
2020				
Cost	17,997	664	3,457	22,118
Remeasurement of disposal group classified as held-for-sale	-	-	(179)	(179)
Disposal group classified as held-for-sale	(17,997)	-	(3,278)	(21,275)
Carrying value	-	664	-	664
2019 (Restated)				
Cost	17,997	664	3,457	22,118
Impairment	(17,997)	-	-	(17,997)
Carrying value	-	664	3,457	4,121

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 rates stated below. The growth rate did not exceed the long-term average growth rate for the business in which the CGU operates.

Key assumptions used for value-in-use calculations:

	Aesthetic medical and healthcare		Event organisation and management consultancy	
	Malaysia		**Singapore**	
	2020	**2019**	**2020**	**2019**
	%	**%**	**%**	**%**
Gross margin	46.0	46.9	-	36.0
Growth rate	9.0	10.0	-	9.0
Discount rate	12.0	14.0	-	13.0

21. **Intangible assets** (cont'd)

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

Impairment test for goodwill (cont'd)

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.

Aesthetic medical and healthcare in Republic of China, Taiwan and People's Republic of China

This CGU has been reclassified under disposal group classified as held-for-sale as at 31 December 2020. Goodwill relating to this CGU had been fully impaired in prior financial years.

Aesthetic medical and healthcare in Malaysia

This CGU was newly 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$2,065,000 (2019: S$2,975,000) as at 31 December 2020.

Event organisation and management consultancy in Singapore

This CGU was newly acquired in the financial year ended 31 December 2019. Based on the impairment assessment of the CGU, the estimated recoverable amount of the CGU was S$4,712,000 as at 31 December 2019. This CGU has been reclassified under disposal group classified as held-for-sale as at 31 December 2020 and loss on re-measurement to fair value of S$179,000 is recognised and included in loss from discontinued operations (Note 16(a)) as a result of the reclassification.

(b) *Customer relationships*

	Group	
	2020	**2019**
	S$'000	**S$'000**
Cost		
Beginning of financial year	379	155
Acquisition of subsidiary corporation (Note 33(i)(c))	-	224
Disposal group classified as held-for-sale	(379)	-
End of financial year	-	379
Accumulated amortisation		
Beginning of financial year	208	155
Amortisation charge – discontinued operations	74	53
Disposal group classified as held-for-sale	(282)	-
End of financial year	-	208
Net book value	-	171

21. Intangible assets (cont'd)

(c) Trademark/brand

	Group 2020 S$'000	Group 2019 S$'000 (Restated)
Cost		
Beginning of financial year	1,160	-
Acquisition of subsidiary corporations (Note 33(ii)(c))		
- Recognised provisionally	-	1,197
- Adjustment based on purchase price allocation	-	(37)
End of financial year	1,160	1,160
Accumulated amortisation and impairment		
Beginning of financial year	-*	-
Amortisation charge (Note 8)	385	-*
End of financial year	385	-*
Net book value	775	1,160

* Less than S$1,000

22. Trade and other payables

	Group 2020 S$'000	Group 2019 S$'000	Company 2020 S$'000	Company 2019 S$'000
Current				
Trade payables				
- Non-related parties	262	487	-	-
Other payables				
- Non-related parties	1,751	998	676	447
- Related parties	49	6	-	-
Advances received	826	365	-	-
Accruals for operating expenses	1,107	911	718	453
	3,995	2,767	1,394	900

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

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

Following the finalisation of the purchase price allocation for the acquisition of Beverly Wilshire Medical Centre Group (Note 33(ii)) during the financial year ended 31 December 2020, the contingent consideration recognised provisionally as at 31 December 2019 of S$180,000 was been restated to S$Nil as at 31 December 2020.

23. Borrowings

	Group		Company	
	2020	2019	2020	2019
	S$'000	S$'000	S$'000	S$'000
(a) Lease liabilities (office and medical centre)				
Current	769	793	144	124
Non-current	2,053	2,251	-	188
	2,822	3,044	144	312
(b) Borrowings				
Current				
Borrowings				
- Loan 1	-	82	-	-
- Loan 2	-	-	965	450
- Loan 3	317	-	-	-
- Loan 4	65	-	-	-
Bank overdraft I (Note 13)	-	901	-	-
Bank overdraft II (Note 13)	177	-	-	-
Finance lease liabilities (Note 24)	16	37	-	-
Invoice financing	249	-	-	-
	824	1,020	965	450
Non-current				
Borrowings				
- Loan 1	-	103	-	-
- Loan 3	580	-	-	-
	580	103	-	-
Total borrowings	4,226	4,167	1,109	762

The Group and the Company are not exposed to significant changes in interest rates as the borrowings are at fixed interest rates.

(i) Loan 1 is a SME working capital loan which bears a floating interest rate of 1.75% per annum below bank prevailing business instalment loan board rate per annum.

(ii) Loan 2 from subsidiary corporations is unsecured, interest-free and is due for repayable on demand.

(iii) Loan 3 is secured by a corporate guarantee from the Company and a personal guarantee 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.

(iv) Loan 4 from a related company relates to loan from Beverly Bangsar Sdn Bhd ("BBSB"), a director-related company which bears an interest rate of 5.00% per annum.

23. Borrowings (cont'd)

The Group and the Company are not exposed to significant changes in interest rates as the borrowings are at fixed interest rates. (cont'd)

(v) Bank overdraft I is secured by a debenture of fixed and floated charge over the assets of a subsidiary corporation and jointly and severally guarantee by certain directors of the Company. The bank overdraft is repayable on demand. The weighted-average effective interest rate of the bank overdraft is 6.57% per annum. The bank overdraft has been fully repaid in August 2020.

(vi) Bank overdraft II is secured by corporate guarantee from the Company and its subsidiary corporation as well as guarantee by certain directors of the Company. The bank overdraft II bears an interest rate of 0.75% per annum over the bank's base lending rate on daily rests.

(vii) Invoice financing is secured by corporate guarantee from the Company and its subsidiary corporation as well as guarantee 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.

The exposure of the borrowings of the Group and of the Company to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	Group		Company	
	2020	**2019**	**2020**	**2019**
	S$'000	**S$'000**	**S$'000**	**S$'000**
12 months or less	1,593	1,813	1,109	574
1- 5 years	2,633	2,354	-	188
	4,226	4,167	1,109	762

Fair value of non-current borrowings

	Group		Company	
	2020	**2019**	**2020**	**2019**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Borrowings	580	103	-	-

The fair values above are determined from the cash flow analyses, discounted at market borrowing rates of an equivalent instrument at the balance sheet date which the directors expect to be available to the Group as follows:

	Group		Company	
	2020	**2019**	**2020**	**2019**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Borrowings	3.43%-7.25%	6.91%-7.25%	7.25%	7.25%

The carrying amount of the non-current borrowings carried at amortised cost approximate their fair values. The fair values are within Level 2 of the fair value hierarchy.

24. Finance lease liabilities

	Group	
	2020	2019
	S$'000	S$'000
Minimum lease payments due		
- Not later than one year	16	38
Less: future finance charges	-	(1)
Present value of finance lease liabilities	16	37

The present values of finance lease liabilities are analysed as follows:

	Group	
	2020	2019
	S$'000	S$'000
Not later than one year	16	37

The Group lease a motor vehicle from non-related party under finance leases. Implicit interest rates of the finance lease of 7.21% (2019: S$7.21%) per annum are fixed at the date of the agreements, and the amount of lease payments are fixed throughout the lease period. The Group has the options to purchase the assets at the end of the arrangements with minimum purchase considerations. There are no significant restriction clauses imposed on the finance lease arrangements.

25. 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 balance sheet as follows:

	Group	
	2020	2019
	S$'000	S$'000
		(Restated)
Deferred income tax liabilities		
To be settled after one year	401	679
Deferred income tax liabilities, representing fair value gain on customer relationships and property, plant and equipment		
Beginning of financial year	679	-
Acquisition of subsidiary corporations (Note 33(i)(c) and 33(ii)(c))		
- Recognised provisionally	-	708
- Adjustment based on purchase price allocation	-	(9)
Disposal group classified as held-for-sale (Note 16(d))	(16)	-
(Credited)/Charged to profit or loss		
– continuing operations (Note 11(a))	(249)	(39)
– discontinued operations	(13)	19
End of financial year	401	679

The Group has unrecognised tax losses of S$3,159,000 (2019: S$2,959,000) at the balance sheet 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.

26. Share capital

	2020		2019	
	No. of ordinary shares	Amount	No. of ordinary shares	Amount
	'000	S$'000	'000	S$'000
Group and Company				
Beginning of financial year	15,383,882	67,460	8,812,779	53,871
Share consolidation [1]	-	-	(4,406,390)	-
Shares issued pursuant to: -				
i. Share placement	427,807	800	6,533,136	8,355
- deferred liability conversion [2]	-	-	3,214,286	3,500
- share subscription [3]	-	-	2,857,143	4,000
- introducer shares [4]	-	-	142,857	286
- introducer shares [7]	-	-	68,850	69
- share subscription [8]	-	-	250,000	500
- share subscription [9]	427,807	800	-	-
ii. JCG share performance plan [10]	-	-	284,444	284
iii. Acquisition of subsidiary corporations [5][6]	-	-	4,156,111	6,671
Conversion of warrants [11]	3,247	11	3,802	13
Expiry of warrants [12]	-	3,498	-	-
Warrants adjustments [13]	-	(146)	-	(1,734)
End of financial year	15,814,936	71,623	15,383,882	67,460

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] During the financial year ended 31 December 2019, the Company had completed consolidation of every 2 existing ordinary shares in the capital of the Company into 1 consolidated share ("Share Consolidation") on 10 January 2019.

[2] During the financial year ended 31 December 2019, the Company had completed allotment and issuance of up to 3,214,285,714 consolidated shares pursuant to the conversion of the deferred payment liability of S$3.5 million ("Deferred Liability Conversion") on 10 January 2019.

[3] During the financial year ended 31 December 2019, the Company had completed placement of 2,857,142,857 consolidated shares in the capital of the company at an issue price of S$0.0014 for each share ("Share Subscription"), with up to 952,380,952 investment warrants after share consolidation, each carrying the right to subscribe for 1 consolidated share in the capital of the company at an exercise price of S$0.0014 for each new consolidated share ("Share Subscription") on 10 January 2019.

[4] During the financial year ended 31 December 2019, the Company had completed allotment and issuance of 142,857,143 introducer shares at an issue price of S$0.002 to the introducer on 10 January 2019.

[6] During the financial year ended 31 December 2019, the Company had completed allotment and issuance 2,295,000,000 ordinary shares of the Company were issued to the vendors at the issue price of S$0.002 per share and 162,000,000 warrants, each convertible into one ordinary share at an exercise price of S$0.002 with fair value of S$2,427,000 based on the Purchase Price Allocation ("PPA") report for the 51% acquisition of Beverly Wilshire Medical Centre Group on 7 November 2019 (Note 33(ii)(a)).

26. Share capital (cont'd)

(7) During the financial year ended 31 December 2019, the Company had completed allotment and issuance 68,850,000 introducer shares were issued at the issue price of S$0.002 per share.

(8) During the financial year ended 31 December 2019, the Company had completed allotment and issuance of 250,000,000 ordinary shares at an issue price of S$0.002 and 250,000,000 investment warrants, each convertible into one ordinary share at an exercise price of S$0.0018 on 18 July 2019.

(9) During the financial year ended 31 December 2020, the Company had completed allotment and issuance of 427,807,000 ordinary shares at an issue price of S$0.00187 and 85,561,497 investment warrants, each convertible into one ordinary share at an exercise price of S$0.002 on 16 January 2020.

(10) During the financial year ended 31 December 2019, the Company had completed allotment and issuance of 284,444,445 new ordinary shares under the JCG Share Performance Plan on 27 September 2019.

(11) Pursuant to the share consolidation per the announcement made on 10 January 2019, the number of 2017 warrants were adjusted from 5,601,440,000 to 2,800,720,000 and the exercise price was adjusted from S$0.001 per warrant to S$0.002 per warrant.

During the financial year ended 31 December 2020, 3,246,500 warrants (2019: 3,801,500 warrants) with an exercise price of S$0.002 per warrant (2019: S$0.002 per warrant) were issued for a total consideration of S$7,000 (2019: S$8,000). Accordingly, an amount of S$4,000 (2019: S$5,000) attributable to the fair value of the warrants exercised was transferred from warrants reserve to share capital (Note 27(b)(iii)).

(12) The number of 2017 warrants outstanding as at 31 December 2019 amounted to 2,796,918,500 which can be converted into ordinary shares of the Company at the conversion rate of S$0.002 for each warrant.

During the financial year ended 31 December 2020, 2,793,671,993 unexercised non-transferrable warrants with an exercise price of S$0.002 per warrant had expired on 29 October 2020. Accordingly, the warrant reserves were transferred to share capital upon the expiry and termination of the warrants (Note 27(b)(iii)).

(13) During the financial year ended 31 December 2020, 85,561,497 unexercised non-transferrable warrants with an exercise price of S$0.002 per warrant were issued, an amount of S$146,000 attributable to the fair value of the warrants was transferred from shares capital to warrants reserve.

During the financial year ended 31 December 2019,

- 952,380,952 unexercised non-transferrable warrants with an exercise price of S$0.0014 per warrant were issued, an amount of S$667,000 attributable to the fair value of the warrants was transferred from shares capital to warrants reserve;

- 250,000,000 unexercised non-transferrable warrants with an exercise price of S$0.0018 per warrant were issued, an amount of S$413,000 attributable to the fair value of the warrants was transferred from shares capital to warrants reserve;

- 310,185,185 unexercised non-transferrable warrants with an exercise price of S$0.0018 per warrants for the 100% acquisition of Brand X Lab Pte Ltd on 15 April 2019 were issued, an amount of S$522,000 attributable to the fair value of the warrants was transferred from shares capital to warrants reserve (Note 33(i)(a)); and

- 162,000,000 unexercised non-transferrable warrants with an exercise price of S$0.002 per warrants for the acquisition of Beverly Wilshire Medical Centre Group on 7 November 2019 were issued, an amount of S$132,000 attributable to the fair value of the warrants was transferred from shares capital to warrants reserve (Note 33(ii)(a)).

26. Share capital (cont'd)

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 Lin (Chairman)
Dr Lam Lee G
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.

- 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.

26. 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 pursuant to the ESOS as at 31 December 2020 are as follows:

Date of grant	Balance as at 1.1.2020	Options granted/ adjustment	Options cancelled or lapsed	Balance as at 31.12.2020	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 2019 are as follows:

Date of grant	Balance as at 1.1.2019	Options cancelled or lapsed from 1.1.2019 to 10.1.2019	Options granted/ adjustment	Options cancelled or lapsed from 11.1.2019 to 31.12.2019	Balance as at 31.12.2019	Exercise price per share option	Exercisable period
2.10.2014	156,473,000	(2,523,000)	(76,975,000)	(38,487,500)	38,487,500	S$0.020	2.10.2014-1.10.2024
	156,473,000	(2,523,000)	(76,975,000)	(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.

26. 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:

2020	Aggregate options granted since com-mencement of ESOS to 31.12.2020	Aggregate options exercised since com-mencement of ESOS to 31.12.2020	Aggregate share consolidation adjustment since com-mencement of ESOS to 31.12.2020	Aggregate options adjustment since com-mencement of ESOS to 31.12.2020	Aggregate options cancelled, lapsed or transferred since com-mencement of ESOS to 31.12.2020	Aggregate options outstanding as at 31.12.2020
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

2019	Aggregate options granted since com-mencement of ESOS to 31.12.2019	Aggregate options exercised since com-mencement of ESOS to 31.12.2019	Aggregate share consolidation adjustment since com-mencement of ESOS to 31.12.2019	Aggregate options adjustment since com-mencement of ESOS to 31.12.2019	Aggregate options cancelled, lapsed or transferred since com-mencement of ESOS to 31.12.2019	Aggregate options outstanding as at 31.12.2019
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 27(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 subsidiary corporations. She subsequently resigned as a director on 16 July 2018.

26. 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 subsidiary corporations.

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 subsidiary corporations.

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

26. 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.

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.

26. Share capital (cont'd)

(b) Share performance plan (cont'd)

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

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.

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 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.

During the financial year 31 December 2019, the Company has granted an aggregate of 284,444,445 shares under the share awards ("Share Awards") pursuant to the JCG Share Performance Plan, of which 138,888,889 shares under the Share Awards were granted to Ang Kok Huan, a Director of the Company. Pursuant to the vesting of the Share Awards on 27 September 2019, the Company allotted and issued 284,444,445 new shares on 27 September 2019.

26. Share capital (cont'd)

(c) Call and Put option

(i) On 16 May 2019, the Company entered into a Subscription Agreement (the "Agreement") with Dato' Ng Tian Sang @ Ng Kek Chuan (the "Subscriber") where the Company proposed to grant the Subscriber the right for the Company to issue to the Subscriber, all (and not only some) of the 250,000,000 Put and Call Option Shares with 250,000,000 Put and Call Option Warrants for an aggregate consideration of S$500,000 at an issue price of S$0.002, on the same terms and subject to the same conditions set out in the Agreement (the "Call Option").

The Subscriber also proposed to the Company the right to grant the Subscriber to subscribe from the Company, all (and not only some) of 250,000,000 Put and Call Option Shares with 250,000,000 Put and Call Option Warrants for an aggregate consideration of S$500,000 at an issue price of S$0.002, on the same terms and subject to the same conditions set out in the Agreement (the "Put Option"). Based on management's assessment, there are no material financial impact arising from the call and put option during the financial year ended 31 December 2019. The Call Option and the Put Option have expired on 6 February 2020.

(ii) On 19 February 2020, JCG-Beverly Pte Ltd ("JCGB"), the Company's wholly-owned subsidiary corporation, and Natasha Skincare (Malaysia) Sdn Bhd ("NSC") (collectively the "Parties") entered into a Shareholders Agreement to incorporate a subsidiary corporation, Natasha Beverly Sdn Bhd ("NBSB"), to operate an aesthetic clinic and provide aesthetic medicine, medical spa service, chiropractor and physiotheraphy services and sale of skin care products.

The Parties have agreed that NSC shall be granted the option to require the Company to purchase all (and not only some) of NBSB's share for an aggregate consideration based on the latest twelve-month audited accounts of NBSB at a Price/Earnings ("PE") multiple of five times earnings or such other multiple as may be agreed between the Parties (the "Option Consideration").

The Option Consideration shall be fully satisfied by new ordinary shares to be allotted and issued out of the share capital of the Company. The option may be exercised during the period commencing on the date falling 15 months from 1 July 2020 or any other date to be mutually agreed and ending on the date falling 60 months from 1 July 2020.

Based on management's assessment, there are no material financial impact arising from the option during the financial year ended 31 December 2020.

(iii) On 7 September 2020, JCGB and Chong Yee Leng ("CYL") entered into a Shareholders Agreement to incorporate a subsidiary corporation, Beverly Ipoh Sdn Bhd ("BISB"), to provide aesthetic medicine procedures.

The Parties have agreed that CYL shall be granted the option to require the Company to purchase all (subject to a minimum of 5%) of BISB's share for an aggregate consideration based on the latest twelve-month audited accounts of BISB at a Price/Earnings ("PE") multiple of not less than five times audited net profit for the last financial year or such other multiple as may be agreed between the Parties (the "Option Consideration").

The Option Consideration shall be fully satisfied by new ordinary shares to be allotted and issued out of the share capital of the Company. The option may be exercised during the period commencing on the date falling 5 years from the commencement date of any other date mutually agreed by the Parties. The option shall automatically lapse and cease if not exercise on or before the expiry.

As at the financial year ended 31 December 2020, the options have not been granted.

27. Other reserves

	Group 2020 S$'000	Group 2019 S$'000	Company 2020 S$'000	Company 2019 S$'000
(a) Composition:				
Share option reserve	25	25	25	25
Currency translation reserve	(38)	(16)	-	-
Warrant reserve	1,880	5,236	1,880	5,236
	1,867	5,245	1,905	5,261
(b) Movements:				
(i) Share option reserve				
Beginning of financial year	25	278	25	278
Share option lapsed	-	(253)	-	(253)
End of financial year	25	25	25	25
(ii) Currency translation reserve				
Beginning of financial year	(16)	(10)	-	-
Net currency translation of financial statements of foreign subsidiary corporations	(42)	(8)	-	-
Less: Non-controlling interests	20	2	-	-
	(22)	(6)	-	-
End of financial year	(38)	(16)	-	-
(iii) Warrants reserve				
Beginning of financial year	5,236	3,507	5,236	3,507
Conversion of warrants (Note 26(11))	(4)	(5)	(4)	(5)
Expiry of warrants (Note 26(12))	(3,498)	-	(3,498)	-
Warrants adjustment (Note 26(13))	146	1,734	146	1,734
End of financial year	1,880	5,236	1,880	5,236

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.

The warrants reserve represents the fair value of the remaining unexercised warrants.

Other reserves are non-distributable.

28. Accumulated losses

Movement in accumulated losses for the Company is as follows:

	Company	
	2020	2019
	S$'000	S$'000
Beginning of financial year	(66,641)	(61,152)
Net loss for the financial year	(2,653)	(5,742)
Share option lapsed (Note 27(b)(i))	-	253
End of financial year	(69,294)	(66,641)

29. Commitments and contingent liabilities

(a) Operating lease commitments – where the Group is a lessor

The Group and the Company leases office space under operating lease to a non-related party under non-cancellable short-term operating lease agreement.

The future minimum lease receivables under the non-cancellable short-term operating leases contracted for at the balance sheet date but not recognised as receivables, are as follow:

	Group and Company	
	2020	2019
	S$'000	S$'000
Not later than one year	-	12

(b) Contingent liabilities

During the financial year ended 31 December 2020, the Company had issued corporate guarantee of S$1,323,000 (2019: S$Nil) to United Overseas Bank (Malaysia) Bhd who provided borrowings to its subsidiary corporation (Note 30(b)).

The Company had evaluated the fair value of the corporate guarantee and the consequential liabilities derived from its guarantee to the United Overseas Bank (Malaysia) Bhd with regards to the subsidiary corporation to be minimal.

30. 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.

30. Financial risk management (cont'd)

Financial risk factors (cont'd)

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, Malaysia and the Republic of China, Taiwan. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as the United States Dollar ("USD"), Malaysian Ringgit ("MYR"), Euro ("EUR") and New Taiwanese Dollar ("NTD").

In addition, 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.

The Group's currency exposure based on the information provided to key management is as follows:

	SGD S$'000	MYR S$'000	NTD S$'000	USD S$'000	Total S$'000
2020					
Financial assets					
Cash and cash equivalents	51	242	-	-	293
Trade and other receivables	142	454	-	-	596
Intra-group receivables	965	422	-	-	1,387
	1,158	1,118	-	-	2,276
Financial liabilities					
Trade and other payables	(1,563)	(2,432)	-	-	(3,995)
Borrowings	(144)	(4,082)	-	-	(4,226)
Intra-group payables	(965)	(422)	-	-	(1,387)
	(2,672)	(6,936)	-	-	(9,608)
Net financial liabilities	(1,514)	(5,818)	-	-	(7,332)
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currencies	-	-	-	-	-

30. 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: (cont'd)

	SGD S$'000	MYR S$'000	NTD S$'000	USD S$'000	Total S$'000
2019 (Restated)					
Financial assets					
Cash and cash equivalents	1,241	112	1	-	1,354
Trade and other receivables	266	835	336	420	1,857
Intra-group receivables	514	1,002	821	-	2,337
	2,021	1,949	1,158	420	5,548
Financial liabilities					
Trade and other payables	(1,055)	(1,265)	(82)	-	(2,402)
Borrowings	(545)	(3,622)	-	-	(4,167)
Intra-group payables	(514)	(1,002)	(821)	-	(2,337)
	(2,114)	(5,889)	(903)	-	(8,906)
Net financial (liabilities)/assets	(93)	(3,940)	255	420	(3,358)
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currencies	-	-	-	420	420

If the foreign currencies change against the SGD by 5% (2019: 5%) with all other variables including tax rate being held constant, the effect arising from the net financial assets/ liabilities position on the Group's loss after tax are not significant, except for USD which a strengthening/weakening that will result in a decrease/increase of S$Nil (2019: S$17,000).

The Company is not exposed to significant currency risk since majority of its financial assets and liabilities as at the financial years ended 31 December 2020 and 2019 are denominated in Singapore Dollar.

(ii) Price risk

The Group and the Company do not have exposure to equity price risk as it does not hold equity financial assets.

30. Financial risk management (cont'd)

Financial risk factors (cont'd)

(a) Market risk (cont'd)

(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 floating interest rates.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its 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 receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit standing and history to mitigate credit risk. For advances and/or loans, the Group adopts the policy of dealing only with business partners who are creditworthy and have presented appropriate business proposals.

The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management.

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 balance sheet, except as follows:

	Company	
	2020	**2019**
	S$'000	**S$'000**
Corporate guarantee provided to United Overseas Bank (Malaysia) Bhd on subsidiary corporation's borrowings (Note 29(b))	1,323	-

30. Financial risk management (cont'd)

Financial risk factors (cont'd)

(b) *Credit risk* (cont'd)

(i) Trade and other receivables

The Group does not have concentration credit risk on its trade receivables as at 31 December 2020 (2019: one debtor that individually represented 69% of trade receivables).

The credit risk for trade receivables based on the information provided to key management is as follows:

	Group	
	2020	**2019**
	S$'000	**S$'000**
By geographical areas		
Singapore	-	608
Malaysia	126	136
	126	744
By type of customers		
Non-related parties		
- Other companies	122	734
- Related parties	4	10
	126	744

The Group and the Company uses a provision matrix to measure the lifetime expected credit loss allowance ("ECL") for trade receivables from customers.

The ECL computed is purely derived from historical data which management is of the view that the historical conditions are representative of the conditions prevailing at the reporting date. In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

30. Financial risk management (cont'd)

Financial risk factors (cont'd)

(b) Credit risk (cont'd)

(i) Trade and other receivables (cont'd)

The Group uses the following categories of internal credit risk rating for financial assets which are subject to expected credit losses under the 3-stage general approach. These four categories reflect the respective credit risk and how the loss provision is determined for each of those categories.

Category of internal credit rating	Definition of category	Basis of recognition of expected credit losses
Performing	Borrower or issuer have a low risk of default and a strong capability to meet contractual cash flows	12-month expected credit losses
Under-performing	Borrower or issuer for which there is a significant increase in credit risk; as significant in credit risk is presumed if interest and/or principal repayment are 90 days past due	Lifetime expected credit losses
Non-performing	Interest and/or principal payment are 180 days past due	Lifetime expected credit losses
Write-off	Interest and/or principal repayments are 365 days past due and have no reasonable expectation of recovery.	Asset is written off

The Group and the Company has applied the general approach for other receivables.

Other 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 a receivable for write off when a debtor fails to make contractual payment greater than 90 days past due based on historical loss rates for each category of customers and adjust to reflect current and forward-looking information. Where receivables have been 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.

30. Financial risk management (cont'd)

(b) Credit risk (cont'd)

(i) Trade and other receivables (cont'd)

The movements in credit loss allowance are as follows:

	Group					Company			
	Trade receivables – non-related parties	Trade receivables – related parties	Other receivables – related parties	Other receivables – non-related parties	Total	Other receivables – subsidiary corporations	Other receivables – related parties	Other receivables – non-related parties	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
2020									
Beginning of financial year (Note 14)	16	-*	-	-	16	1,762	-	-	1,762
Allowance made (Note 7)	42	-	-	-	42	-	-	-	-
Disposal group classified as held-for-sale	(10)	-	-	-	(10)	-	-	-	-
Written off	-	-	-	-	-	(1,150)	-	-	(1,150)
End of financial year (Note 14)	48	-	-	-	48	612	-	-	612
2019									
Beginning of financial year (Note 14)	-	-	2,323	3,755	6,078	3,616	1,109	499	5,224
Acquisition of subsidiary corporations	16	-*	-	-	16	-	-	-	-
Written off	-	-*	(2,323)	(3,755)	(6,078)	(1,854)	(1,109)	(499)	(3,462)
End of financial year (Note 14)	16	-*	-	-	16	1,762	-	-	1,762

* Less than S$1,000

30. Financial risk management (cont'd)

(b) Credit risk (cont'd)

(ii) Cash and cash equivalents

The Group and the Company held cash and cash equivalents of S$293,000 and S$43,000 (2019: S$1,354,000 and S$114,000) respectively with banks with high credit-ratings assigned by international credit-rating agencies and consider to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

(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 balance sheet 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 cash equivalents (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 balance sheet 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
Group		
2020		
Trade and other payables	3,995	-
Lease liabilities	769	2,053
Borrowings (excluding lease liabilities)	824	580
2019 (Restated)		
Trade and other payables	2,402	-
Lease liabilities	793	2,251
Borrowings (excluding lease liabilities)	1,020	103

30. Financial risk management (cont'd)

(c) Liquidity risk (cont'd)

	Less than 1 year S$'000	Between 2 and 5 years S$'000
Company		
2020		
Trade and other payables	1,394	-
Lease liabilities	144	-
Borrowings (excluding lease liabilities)	965	-
2019 (Restated)		
Trade and other payables	900	-
Lease liabilities	124	188
Borrowings (excluding lease liabilities)	450	-

(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	
	2020 S$'000	2019 S$'000 (Restated)	2020 S$'000	2019 S$'000 (Restated)
Net debt	8,186	5,580	2,460	1,548
Total equity	3,840	8,329	4,596	6,080
Total capital	12,026	13,909	7,056	7,628
Gearing ratio	68.0%	40.1%	34.9%	20.3%

* N.M. Not meaningful

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2020 and 2019 respectively.

30. Financial risk management (cont'd)

(e) Fair value measurements

The carrying amounts less impairment provision of trade and other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated based on quoted market prices or dealer quotes for similar instruments by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The carrying amounts of current borrowings approximates their fair values.

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the balance sheet, except as follows:

	2020 S$'000	2019 S$'000 (Restated)
Group		
Financial assets, at amortised cost	889	3,211
Financial liabilities, at amortised cost	8,221	6,569
Company		
Financial assets, at amortised cost	526	375
Financial liabilities, at amortised cost	2,503	1,662

31. 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	
	2020 S$'000	2019 S$'000
Sales to related parties	51	-*
Other income	27	-
Cost of sales	31	-
Finance expenses	2	-

Outstanding balances as at 31 December 2020 and 2019 are unsecured and receivable/payable within 12 months from the balance sheet date and disclosed in Notes 14 and 22 to the financial statements respectively.

* Less than S$1,000

31. Related party transactions (cont'd)

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2020	2019
	S$'000	S$'000
Key management personnel		
Wages, salaries and short-term benefits	1,421	519
Employer's contribution to defined contribution plans, including Central Provident Fund/Employees' Provident Fund	72	47
JCG share performance plan	-	278
Others	-	-*
	1,493	844
Comprised amounts paid to:		
- Directors of the Company	687	322
- Directors of subsidiary corporations	630	199
- Other key management personnel	176	323
	1,493	844

* Less than S$1,000

32. 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 three primary geographic areas namely, Singapore, Malaysia, and Republic of China, Taiwan.

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 four 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:

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.
Aesthetic medical and healthcare:	Provision of aesthetic medical services includes the provision of aesthetic medical, beauty and wellness services.
Event organisation and management consultancy:	Provision of event organisation and management consultancy business. This segment has been classified as discontinued operations.
Investment and others:	Business of investment holding, provision of management services and provision of marketing, distribution and related services.

32. Segment information (cont'd)

The segment information provided to the Board of Directors for the reportable segments is as follows:

	Continuing Operations								Discontinued Operations	
	Trading and distribution		Aesthetic medical and healthcare		Investment and others		Total			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Segment revenue										
- External parties	131	416	5,315	1,562	-	-	5,446	1,978	130	1,201
- Related parties	-	-	-	-*	-	-	-	-*	-	-
Gross profit	15	47	2,430	759	-	-	2,445	806	48	386
Other income	24	8	300	6	103	25	427	39	131	-
Other (losses)/gains, net	-	-	(113)	-	22	19	(91)	19	-	-
Expenses										
- Distribution	(73)	(68)	(147)	(14)	-	(15)	(220)	(97)	(10)	(13)
- Administrative	(62)	(60)	(5,450)	(1,047)	(2,005)	(2,638)	(7,517)	(3,745)	(365)	(398)
- Finance	-	-	(158)	(27)	(16)	(198)	(174)	(225)	(15)	(16)
Loss before income tax	(96)	(73)	(3,138)	(323)	(1,896)	(2,807)	(5,130)	(3,203)	(211)	(41)
Income tax (expense)/credit	-	(23)	249	11	-	(2)	249	(14)	31	11
Loss after income tax	(96)	(96)	(2,889)	(312)	(1,896)	(2,809)	(4,881)	(3,217)	(180)	(30)
Post-tax loss recognised on the remeasurement of disposal group to fair value less costs to sell	-	-	-	-	-	-	-	-	(193)	-
Net loss for the financial year	(96)	(96)	(2,889)	(312)	(1,896)	(2,809)	(4,881)	(3,217)	(373)	(30)

* Less than S$1,000

32. Segment information (cont'd)

The segment information provided to the Board of Directors for the reportable segments is as follows: (cont'd)

	Continuing Operations								Discontinued Operations	
	Trading and distribution		Aesthetic medical and healthcare		Investment and others		Total			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
				(Restated)				(Restated)		(Restated)
Other information										
Unwinding of imputed interest (Note 10)	-	-	-	-	-	151	-	151	-	-
Depreciation of property, plant and equipment (Note 18)	1	-*	1,707	221	150	77	1,858	298	58	44
Amortisation of intangible assets (Note 21(b)(c))	-	-	385	-*	-	-	385	-	74	53
Interest expense of borrowings (Note 10)	-	-	51	10	-	30	51	40	12	11
Interest expense of lease (Note 10)	-	-	107	17	16	18	123	34	3	5
Additions to:										
Property, plant and equipment (Note 18)	-	2	1,519	29	-	38	1,519	69	-	13
Goodwill (Note 21(a))	-	-	-	664	-	-	-	664	-	3,457
Customer relationships (Note 21(b)	-	-	-	-	-	-	-	-	-	224
Trademark/brand (Note 21(c))	-	-	-	1,160	-	-	-	1,160	-	-

32. Segment information (cont'd)

The segment information provided to the Board of Directors for the reportable segments is as follows: (cont'd)

	Trading and distribution		Aesthetic medical and healthcare		Event organisation and management consultancy		Investment and others		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
				(Restated)						(Restated)
Assets and liabilities										
Segment and consolidated total assets	69	851	8,505	10,100	-	4,577	277	542	8,851	16,070
Assets associated with disposal group	-	-	-	-	-	-	-	-	3,869	-
Consolidated total assets									12,720	16,070
Segment and consolidated total liabilities	39	35	6,914	5,779	-	508	1,669	1,419	8,622	7,741
Liabilities associated with disposal group	-	-	-	-	-	-	-	-	258	-
Consolidated total liabilities									8,880	7,741

The segment profit/(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.

32. 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 and event organisation and management consultancy. Investment holding and provision of management services are included in "Others".

(b) Revenue from external customers

Revenue of S$131,000 (2019: S$416,000) is derived from 1 (2019: 1) external customers. These revenues are attributable to the trading and distribution and event organisation and management consultancy segments.

(c) Geographical information

The Group's four major business segments operate in three main geographical areas:

- Singapore – the Company is headquartered and has operations in Singapore. The operation in these areas are principally investment holding, event organisation and management consultancy and trading and distribution of steel mill consumable products;
- Malaysia – the operation in these areas are principally provision of aesthetic medical and healthcare services;
- Republic of China, Taiwan – the operations in these areas are principally the provision of aesthetic medical services.

	Group	
	2020	**2019**
	S$'000	**S$'000**
Revenue		
Continued operations		
- Singapore	131	416
- Malaysia	5,315	1,319
- Republic of China, Taiwan	-	243
	5,446	1,978
Discontinued operations		
- Singapore	130	1,201

	Group	
	2020	**2019**
	S$'000	**S$'000**
		(Restated)
Non-current assets		
Singapore	158	4,020
Malaysia	7,236	8,202
Republic of China, Taiwan	-	11
	7,394	12,233

33. Business combinations

(i) Acquisition of Brand X Lab Pte. Ltd. ("Brand X Lab")

On 15 April 2019, the Company acquired a 100% equity interest in Brand X Lab. The principal activity of Brand X Lab is that of event organisation and management consultancy.

Details of the consideration paid, the effects on the cash flows of the Group, and the fair value of assets acquired and liabilities assumed based on the purchase price allocation finalised during the financial year ended 31 December 2020, at the acquisition date, are as follows:

		S$'000
(a)	**Purchase consideration**	
	Fair value of consideration shares	3,722
	Fair value of consideration warrants	522
	Total purchase consideration (Note 26(5))	4,244
(b)	**Effects on the cash flow of the Group**	
	Cash and cash equivalents in subsidiary acquired	95
	Cash inflow on acquisition	95

		At fair value S$'000
(c)	**Identifiable assets acquired and liabilities assumed**	
	Cash and cash equivalents	95
	Intangible assets (Note 21(b))	224
	Property, plant and equipment (Note 18)	105
	Trade and other receivables	1,183
	Total assets	1,607
	Trade and other payables	287
	Current income tax payable (Note 11(b))	183
	Deferred income tax liabilities (Note 25)	38
	Borrowings	312
	Total liabilities	820
	Total identifiable net assets	**787**

(d) Acquisition-related costs

Acquisition-related costs of S$17,000 are included in "Administrative expenses" in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

33. Business combinations (cont'd)

(i) Acquisition of Brand X Lab Pte. Ltd. ("Brand X Lab") (cont'd)

(e) Accounting of the acquisition of Brand X Lab

The acquisition of Brand X Lab was completed during the financial year ended 31 December 2019. The purchase price allocation of the acquisition of Brand X Lab in the financial year ended 31 December 2019 is provisional. The Group has engaged an independent valuer to determine the fair value of the assets acquired and the independent valuation report has subsequently been finalised in financial year ended 31 December 2020. At the reporting date, the fair value of the purchase consideration of Brand X Lab and the fair value of total identifiable net assets, which have been determined as the final result of the independent valuation were S$4,244,000 and S$787,000 respectively. Goodwill arising from this acquisition, the carrying amount of the customer relationships, property, plant and equipment, deferred income tax liabilities remain unchanged as disclosed previously.

(f) Acquired receivables

The fair value of trade and other receivables is S$1,183,000 and includes trade receivables with a fair value of S$1,101,000. The gross contractual amount for trade receivables due is S$1,111,000, of which S$10,000 is expected to be uncollectible.

(g) Fair values

The fair value of the acquired identifiable intangible assets of S$224,000 (customer relationship) was finalised during the financial year. No adjustments were required to be recognised.

(h) Goodwill

The goodwill of S$3,457,000 arising from the acquisition is synergistic with and complementary to the Group's existing medical aesthetics and healthcare business and will similarly augment other businesses that the Group would be expanding into in future. This maiden acquisition is in line with the Group commitment to rebuild and nurse the Group back to sustained profitability as the additional commercial activities brought in through the acquisition would increase the revenue income of the Group as a whole.

(i) Revenue and profit contribution

The acquired business contributed revenue of S$Nil and net loss from discontinued operations of S$30,000 to the Group from the period from 16 April 2019 to 31 December 2019.

Had Brand X Lab been acquired from 1 January 2019, consolidated revenue for the year ended 31 December 2019 would remain at S$1,978,000, the profit from discontinued operations for the financial year ended 31 December 2019 would have been S$54,000 and consolidated loss for the financial year ended 31 December 2019 would have been S$3,163,000.

33. Business combinations (cont'd)

(ii) Acquisition of Beverly Wilshire Medical Centre Group

On 7 November 2019, the Company entered into a Sales and Purchase Agreement with the various shareholders of 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 Aesthetic and Research Centre Sdn Bhd, and Beverly Wilshire Hair Transplant Sdn Bhd (collectively known as "Beverly Wilshire Medical Centre Group" or "Targeted Entities" to acquire 51% equity interests in Beverly Wilshire Medical Centre Group). The principal activities of Beverly Wilshire Medical Centre Group are that of aesthetic medical and healthcare services.

Details of the consideration paid, the effects on the cash flows of the Group, and the fair value of assets acquired and liabilities assumed based on the purchase price allocation finalised during the financial year ended 31 December 2020, at the acquisition date, are as follows:

		Provisional	Adjusted
(a)	**Purchase consideration**	**S$'000**	**S$'000**
	Fair value of consideration shares	2,295	2,295
	Fair value of consideration warrants	132	132
	Contingent consideration (Note 22)	180	-
	Total purchase consideration (Note 26[6])	2,607	2,427
(b)	**Effects on the cash flow of the Group**		
	Cash and cash equivalents in subsidiary acquired	246	246
	Bank overdraft (under borrowings)	(850)	(850)
	Cash outflow on acquisition	(604)	(604)

		Provisional value	Adjusted at fair value
(c)	**Identifiable assets acquired and liabilities assumed**	**S$'000**	**S$'000**
	Cash and cash equivalents	246	246
	Intangible assets (Note 21(c))	1,197	1,160
	Property, plant and equipment (Note 18)	6,561	6,561
	Trade and other receivables	805	805
	Inventories	645	645
	Total assets	9,454	9,417
	Trade and other payables	1,705	1,705
	Deferred income tax liabilities (Note 25)	670	661
	Borrowings	3,699	3,699
	Total liabilities	6,074	6,065
	Total identifiable net assets	**3,380**	**3,352**
	Less: Non-controlling interests, measured at the non-controlling interests' proportionate share of Beverly Wilshire Medical Centre Group's net identifiable assets		
	Less: Non-controlling interest at fair value	(1,605)	(1,589)
	Add: Goodwill (Note 21(a))	832	664
	Consideration transferred for the business	**2,607**	**2,427**

33. Business combinations (cont'd)

(ii) Acquisition of Beverly Wilshire Medical Centre Group (cont'd)

(d) Acquisition-related costs

Acquisition-related costs of $256,000 are included in "Administrative expenses" in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

(e) Accounting of the acquisition of Beverly Wilshire Medical Centre Group

The acquisition of Beverly Wilshire Medical Centre Group was completed during the financial year ended 31 December 2019. The purchase price allocation of the acquisition of Beverly Wilshire Medical Centre Group in the financial year ended 31 December 2019 is provisional. The Group has engaged an independent valuer to determine the fair value of the assets acquired and the independent valuation report has subsequently been finalised in financial year ended 31 December 2020. At the reporting date, the fair value of the purchase consideration of Beverly Wilshire Medical Centre Group and the fair value of total identifiable net assets, which have been determined as the final result of the independent valuation were S$2,427,000 and S$1,763,000 respectively. Goodwill arising from this acquisition, the carrying amount of the trademark/brand, property, plant and equipment, deferred income tax liabilities, has been adjusted retrospectively.

(f) Contingent consideration

The contingent consideration arises from certain conditions stated in the sale and purchase agreements, whereby consideration shares and warrants shall be issued and allotted to the vendors:

(i) Conditional upon and subject to the receipt by the Company (by no later than the date falling 5 months immediately after the end of the financial year ended 31 December 2019) of satisfactory evidence of the Target Entities (on a proforma consolidated group basis) achieving an audited net profit after tax for the financial year ended 31 December 2019 ("2019 NPAT");

(ii) Conditional upon and subject to the receipt by the Company of satisfactory evidence of the Target Entities (on a proforma consolidated group basis) achieving an audited net profit after tax for the financial year ended 31 December 2020 ("2020 NPAT") that is greater than the 2019 NPAT; and

(iii) Conditional upon and subject to the receipt by the Company of satisfactory evidence of the Target Entities (on a proforma consolidated group basis) achieving an audited net profit after tax for the financial year ended 31 December 2021 that is greater than the 2020 NPAT.

The fair value of the contingent consideration as at the acquisition date was estimated to amount to S$180,000 based on number of shares and warrants stated in the sale and purchases agreement and the latest available close price/fair value as at valuation date. This is a Level 3 fair value measurement. The contingent consideration of S$180,000 has been adjusted to S$Nil at final valuation report as certain conditions stated in the sale and purchase agreements were assessed to be unachievable.

(g) Acquired receivables

The fair value of trade and other receivables is S$817,000 and includes trade receivables with a fair value of S$184,000.

(h) Fair values

The Group had recognised provisional intangible assets of S$1,197,000 (trademark/brand) from the acquisition of Beverly Wilshire Medical Centre Group in financial year ended 31 December 2019. The intangible assets have subsequently been adjusted to S$1,160,000 in the final independent valuation report.

33. Business combinations (cont'd)

(ii) Acquisition of Beverly Wilshire Medical Centre Group (cont'd)

(i) Goodwill

The Group had recognised a provisional goodwill of S$832,000 from the acquisition of Beverly Wilshire Medical Centre Group in financial year ended 31 December 2019. The goodwill has subsequently been adjusted to S$664,000 in the final independent valuation report.

The goodwill is part of the Group's overall strategic plan to rebuild the Group Health Business. The Group has the potential to expand its medical aesthetics and healthcare business as the medical aesthetics and healthcare businesses remains an industry segment in Greater China and South East Asia with strong growth potential. With Beverly Wilshire Medical Centre Group, the Group will cement our efforts to expand and build our businesses in Singapore, Malaysia and China. It is not deductible for tax purpose.

(j) Revenue and profit contribution

The acquired business contributed revenue of S$1,319,000 and net loss of S$163,000 to the Group from the period from 8 November 2019 to 31 December 2019.

Had Beverly Wilshire Medical Centre Group been acquired from 1 January 2019, consolidated revenue and consolidated loss for the financial year ended 31 December 2019 would have been S$11,271,000 and S$3,830,000 respectively.

34. Events occurring after balance sheet date

a) The Company's 56% indirectly-owned subsidiary, Natasha Beverly Sdn. Bhd. ("Natasha Beverly") had on 1 January 2021 entered into a non-binding term sheet (the "Term Sheet") with Beverly Bangsar Sdn. Bhd. ("BBSB"), JCG-Beverly Pte. Ltd. and Natasha Beverly Aesthetics Sdn Bhd ("NBASB") and on 15 February 2021, signed the definitive agreement with BBSB to establish a joint venture using NBASB (the "JVCo") as the joint venture company for the purposes of providing aesthetic medicine and related services.

b) The Company has on 16 February 2021 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 Lab Pte Ltd.

c) On 4 March 2021, Spinalive Sdn. Bhd. transferred its 49% shareholding in Spinalive Beverly Sdn. Bhd. ("Spinalive Beverly") to Natasha Beverly Sdn. Bhd. ("Natasha Beverly") for an aggregate nominal consideration of RM49. Accordingly, Spinalive Beverly became a 100% subsidiary of Natasha Beverly. In addition, Spinalive Beverly had on 7 April 2021 changed its name to Natasha Beverly Dental Sdn. Bhd., and on 11 May 2021, changed its business activities to the provision of aesthetic dental care services.

d) On 26 March 2021, China iMyth Company Pte. Ltd ("China iMyth"), a 51% subsidiary of the Company, completed the disposal of its 100% shareholding interest in iMyth Taiwan Limited, a wholly-owned subsidiary of China iMyth and an indirect subsidiary of the Company, to Lin Hongtu, a nominee of Dr Chung Yih-Chen.

On 12 April 2021, the Company completed the acquisition of the remaining 49% shareholding interest in China iMyth, a 51% owned subsidiary of the Company, from Dr Chung Yih-Chen.

e) On 15 April 2021, JCG-Beverly Pte Ltd ("JCGB"), a subsidiary of the Company entered into a definitive agreement (the "Agreement") with Arlena Philip Lee ("Dr. Arlena") and Klinik Pergigian Dentistree ("Dentistree") (JCGB, Dr. Arlena and Dentistree collectively, the "Parties") to establish a joint venture company in Malaysia to be known as "Beverly Dentistree" (the "JVCo") for the purposes of providing aesthetic dental services.

34. Events occurring after balance sheet date (cont'd)

f) NBSB and Beverly Wilshire Aesthetic Dental Centre Sdn Bhd ("BWAD"), subsidiaries of the Company, had on 15 April 2021 entered into a definitive agreement with Dr Arlena and Rajinderpal Singh A/L Nantam Singh ("Dr. Ryan") to establish a joint venture company in Malaysia to be known as "Natasha Beverly Dental" for the purposes of providing aesthetic dental services.

g) On 2 June 2021, the Company has allotted and issued 2,112,779,425 Rights Shares with 2,112,779,425 Warrants pursuant to the Rights cum Warrants Issue at an issue price of S$0.001 for each Rights Share for net proceeds of approximately S$1,954,000.

h) On 7 May 2021, Beverly Ipoh Sdn. Bhd. had increased its issued and paid-up share capital from 100 ordinary shares to 400,000 ordinary shares, of which 280,000 ordinary shares are legally and beneficially held by Howard Ng How Er ("BISB Trustee"). JCGB had entered into a supplemental trust deed dated 11 June 2021 with BISB Trustee to declare a trust over his additional 279,930 ordinary shares in favour of JCGB.

35. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2021 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements:

Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use (effective for annual periods beginning on or after 1 January 2022)

The amendment to SFRS(I) 1-16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

35. New or revised accounting standards and interpretations (cont'd)

Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract (effective for annual periods beginning on or after 1 January 2022)

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the costs of fulfilling it and any compensation or penalties arising from failure to fulfil it. The amendment to SFRS(I) 1-37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

The Group does not expect any significant impact arising from applying these amendments.

36. 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. (f.k.a JCG Investment Holdings Ltd.) on 14 June 2021.

Statistics of Shareholdings

As at 4 June 2021

Issued share capital	:	S$78,595,492
No. of issued and full paid-up shares	:	17,927,715,589
Class of shares	:	Ordinary Shares

Voting rights attached to shares

On poll	:	One vote per share
Treasury shares	:	Nil
Subsidiary holdings	:	Nil

SUBSTANTIAL SHAREHOLDERS

(as recorded in the Register of Substantial Shareholders as at 4 June 2021)

	Direct Interest		Deemed Interest	
Name of Substantial Shareholders	No. of shares	%	No. of shares	%
Rest Investments Ltd[(1)]	2,857,142,857	15.94	–	–
Chua Chuan Seng[(2)]	5,000	0.00	2,857,142,857	15.94
Tan Suying	1,861,111,111	10.38	–	–
Dato' Ng Tian Sang @ Ng Kek Chuan[(3)]	1,585,012,533	8.84	920,435,423	5.13
Yuen Pui Leng, Eunice	928,571,428	5.18	–	–

Notes:

(1) The 2,857,142,857 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 2,857,142,857 voting shares held by Rest Investments Ltd's intermediary, UOB Kay Hian Private Limited.

(3) Out of the 1,585,012,533 voting shares described as direct interests of Dato' Ng Tian Sang @ Ng Kek Chuan, 1,363,952,187 and 221,060,346 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 316,623,630, 353,811,793 and 250,000,000 voting shares held by Datin' Wong Ling Chu, Howard Ng How Er and Alexander Ng Zhonglie, who are his spouse and sons respectively.

SHAREHOLDINGS HELD IN THE HAND OF PUBLIC SHAREHOLDERS

Based on information available to the Company as at 4 June 2021, approximately 53.32% of the shareholdings are held in the hands of public. At least 10% of the Company's issued ordinary shares are held in the hands of public at all times and the Company is in compliance with Rule 723 of the Listing Manual Section B: Rules of Catalist issued by SGX-ST.

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	98	3.34	3,733	0.00
100 - 1,000	163	5.56	103,203	0.00
1,001 - 10,000	226	7.71	1,316,415	0.01
10,001 - 1,000,000	1,984	67.67	467,503,348	2.61
1,000,001 AND ABOVE	461	15.72	17,458,788,890	97.38
TOTAL	**2,932**	**100.00**	**17,927,715,589**	**100.00**

Statistics of Shareholdings

As at 4 June 2021

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	UOB KAY HIAN PRIVATE LIMITED	3,470,331,410	19.36
2	TAN SUYING	1,861,111,111	10.38
3	PHILLIP SECURITIES PTE LTD	1,569,033,517	8.75
4	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	1,422,036,536	7.93
5	YUEN PUI LENG EUNICE	928,571,428	5.18
6	CITIBANK NOMINEES SINGAPORE PTE LTD	819,011,483	4.57
7	LOKE LAI WAN	530,357,143	2.96
8	CHUA KHOON WONG	322,142,857	1.80
9	OCBC SECURITIES PRIVATE LIMITED	305,922,438	1.71
10	YAP MEE LEE	270,000,000	1.51
11	CHIA SUAT PENG (XIE XUEPING)	265,528,571	1.48
12	FOO YU YUAN (FU YUYUAN)	258,928,572	1.44
13	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	258,769,149	1.44
14	ALEXANDER NG ZHONGLIE	250,000,000	1.39
15	MAYBANK KIM ENG SECURITIES PTE. LTD.	222,363,800	1.24
16	DBS NOMINEES (PRIVATE) LIMITED	211,459,894	1.18
17	WONG CHAO HSIUNG	156,126,757	0.87
18	ANG KOK HUAN	145,900,000	0.81
19	TGC PRIVATE OFFICE PTE LTD	142,857,143	0.80
20	SEAH SIN YUEN (XIE XINYUN)	140,000,008	0.78
	TOTAL	**13,550,451,817**	**75.58**

Statistics of Warrantholdings

As at 4 June 2021

DISTRIBUTION OF WARRANTHOLDINGS (W240531)

SIZE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
1 - 99	0	0.00	0	0.00
100 - 1,000	0	0.00	0	0.00
1,001 - 10,000	11	3.04	70,386	0.00
10,001 - 1,000,000	229	63.26	70,046,872	3.32
1,000,001 AND ABOVE	122	33.70	2,042,662,167	96.68
TOTAL	**362**	**100.00**	**2,112,779,425**	**100.00**

TWENTY LARGEST WARRANTHOLDERS (W240531)

NO.	NAME	NO. OF WARRANTS	%
1	PHILLIP SECURITIES PTE LTD	379,605,611	17.97
2	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	345,622,046	16.36
3	CITIBANK NOMINEES SINGAPORE PTE LTD	171,991,795	8.14
4	UOB KAY HIAN PRIVATE LIMITED	116,062,078	5.49
5	MAYBANK KIM ENG SECURITIES PTE. LTD.	92,048,149	4.36
6	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	89,439,999	4.23
7	WONG HAN YEW	70,000,009	3.31
8	CHIA KWAI LIN	50,166,666	2.37
9	LONG SA KOW	45,023,200	2.13
10	TAN ENG CHUA EDWIN	40,000,000	1.89
11	OCBC SECURITIES PRIVATE LIMITED	31,183,836	1.48
12	WONG CHOO HIN	30,000,000	1.42
13	ANG KIM CHUAN	28,333,333	1.34
14	LEE YOONG TAI	26,000,009	1.23
15	DBS NOMINEES (PRIVATE) LIMITED	22,352,805	1.06
16	LIM CHWEE KIM	21,333,333	1.01
17	NG NGEE HUNG	20,000,009	0.95
18	MRS CHAU-CHAN SUI YUNG	20,000,000	0.95
19	TANG BOON SIAH	18,000,000	0.85
20	CHUNG YUEN YEE KATHY	15,767,009	0.75
	TOTAL	**1,632,929,887**	**77.29**

Update on Audit Issues Pursuant to Paragraph 3A of Appendix 7C, Catalist Rules

The board of directors (the "**Board**" or "**Directors**") of Beverly JCG Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the disclaimer of opinion in respect of its Independent Auditor's Report for the financial statements of the Group for the financial year ended 31 December 2020 (the "**Auditors Report**") issued by the Company's independent auditor, Nexia TS Public Accounting Corporation as set out on pages 59 to 63 of this report.

Pursuant to Rule 704(4) and paragraph 3A of Appendix 7C of the Catalist Listing Rules, the Board wishes to update the shareholders on its responses to the key bases for the disclaimer of opinion and the efforts being taken to resolve each outstanding audit issue, as the case may be:

1. Going concern

The Board of Directors of the Company believes that the use of the going concern assumption in the preparation of the financial statements for the financial year ended 31 December 2020 is appropriate after taking into consideration the following assumptions and measures:

a) New subsidiary corporations/joint venture companies

(i) The Company's wholly-owned subsidiary JCG-Beverly Pte Ltd ("**JCGB**") had on 24 January 2020, formed a strategic joint venture with Natasha Skincare (Malaysia) Sdn Bhd under a special purpose vehicle, Natasha Beverly Sdn Bhd ("**NBSB**"). NBSB's principal activities are medical aesthetics clinic and other health maintenance procedures such as medi-spa, chiropractor and physiotherapy. Natasha Skincare is a leading beauty brand in Indonesia with more than 100 outlets. NBSB is expected to generate revenue and contribute positively to the Group in the subsequent years as it has been involved in the following corporate expansion exercises, including establishing aesthetics and dental clinics within the Natasha Beverly Medical Centre.

(ii) On 15 July 2020, NBSB incorporated a special purpose vehicle, DS Beverly Sdn Bhd , for the purposes of entering into a strategic joint venture with a non-related party, Dermatology & Surgery Clinic Pte Ltd ("**DS**"). The joint venture's principal activities include healthy aging, regenerative medicine and health screening services. On 28 December 2020, NBSB and DS had entered into an extension letter whereby both parties mutually agreed that the long-stop date for signing of the definitive agreement shall be extended to 31 July 2021 from a previously agreed date of 31 December 2020.

(iii) On 11 August 2020, NBSB incorporated a 56% owned subsidiary corporation, Natasha Beverly Aesthetics Sdn. Bhd. ("**NBASB**"). NBSB had on 1 January 2021 entered into a non-binding term sheet with Beverly Bangsar Sdn. Bhd. ("**BBSB**") and on 15 February 2021, signed the definitive agreement with BBSB to jointly provide aesthetic medicine and related services through NBASB.

(iv) NBSB and Beverly Wilshire Aesthetic Dental Centre Sdn Bhd, both subsidiary corporations of the Company, had on 15 April 2021 entered into a definitive agreement with Arlena Philip Lee ("**Dr. Arlena**") and Rajinderpal Singh A/L Nantam Singh to establish a joint venture company in Malaysia to be known as "Natasha Beverly Dental" for the purpose of providing aesthetic dental services.

(v) JCGB had on 7 April 2020, incorporated a special purpose vehicle, Beverly Ipoh Sdn Bhd ("**BISB**") for the purpose of entering into a strategic joint venture with Chong Yee Leng ("**Dr Elaine**"). The joint venture's principal activities are aesthetic medicine and related activities. JCGB had on 23 April 2020 entered into a non-binding term sheet (the "**BISB Term Sheet**") with Dr Elaine to establish a joint venture for the purposes of providing aesthetic medicine procedures. The BISB Term Sheet had lapsed on 14 May 2020. Subsequently, JCGB had on 8 June 2020 entered into a new non-binding term sheet (the "**New BISB Term Sheet**") with Dr Elaine for the proposed transaction. The New BISB Term Sheet had lapsed on 29 June 2020. Subsequent to the lapse of the New BISB Term Sheet and pursuant to further discussions between JCGB and Dr Elaine, JCGB had on 7 September 2020 entered into a joint venture agreement with Dr Elaine; and a shareholders' agreement with Dr Elaine, Howard Ng How Er and BISB, each in relation to the proposed transaction. BISB is part of the Group's expansion plans to open clinics in the other states of Malaysia, other than Kuala Lumpur and Johor.

(iv) JCGB had on 15 April 2021 entered into a definitive agreement with Dr. Arlena and Klinik Pergigian Dentistree to, inter alia, establish a joint venture company in Malaysia to be known as "Beverly Dentistree" for the purpose of providing aesthetic dental services.

Barring any unforeseen circumstances, the Group expects these new subsidiary corporations/joint venture companies to contribute positively to the Group's working capital position.

(b) Fund-raising exercises

(i) Beverly Wilshire Medical Centre Sdn Bhd ("**BWMC**"), a 51% owned subsidiary of the Company, had on 28 May 2020 entered into a letter of offer with a Malaysian bank in relation to the grant of banking facilities of up to RM7.0 million to BWMC.

(ii) On 2 June 2021, the Company has allotted and issued 2,112,779,425 rights shares ("**Right Shares**") with 2,112,779,425 warrants pursuant to a rights cum warrants issue (the "**2021 Rights cum Warrants Issue**") at an issue price of S$0.001 for each Rights Share for net proceeds of approximately S$1,954,000 which will be used for general working capital and future expansion of the Group.

Concurrently, the Company will continue to look for other fund-raising exercises to fund the working capital and growth of the Group going forward and the Company will also seek for growth opportunities and all other possibilities to complement the existing businesses of the Group.

2. <u>Assets, liabilities and results of the Group's aesthetic business in Taiwan</u>

(a) The advances and/or loans made to a few business partners for the setting up of clinics through joint venture arrangements and/ or Wholly Foreign-Owned Enterprise ("**WFOE**") had been fully impaired during the financial years ended 31 December 2017 and 2016 and the total cumulative loss allowances amounted to S$6,078,000 were written off during the financial year ended 31 December 2019 as management formed the opinion that these loans were no longer recoverable.

(b) Management had fully impaired the goodwill arising from the acquisition of China iMyth Company Pte. Ltd. ("**China iMyth**") during the financial year ended 31 December 2017 on the basis that the business had been recording losses for past few financial years, therefore it was not expected to be able to generate return to the Group.

(c) On 13 May 2020, the Company entered into a deed of settlement with Dr Chung Yih-Chen in relation to the termination of the joint venture in respect of iMyth Taiwan Limited ("**iMyth Taiwan**"). Pursuant to the deed of settlement, China iMyth had on 26 March 2021, completed the disposal of its 100% shareholding interest in iMyth Taiwan to Lin Hongtu, a nominee of Dr Chung Yih-Chen.

Accordingly, the net assets and liabilities of iMyth Taiwan were reclassified as disposal group held-for-sale in accordance with SFRS(I) 5 Non-current Asset Held for Sale and Discontinued Operations and the carrying amounts were written down to US$1, being the consideration for the disposal. The results of iMyth Taiwan during the financial year ended 31 December 2020 was also presented as discontinued operations.

(d) As announced by the Company on 30 March 2020, BDO LLP, which was appointed by the Company to conduct the independent review, has completed the independent review. The Company has formulated its response and proposal to address the issues raised, and implemented some of the recommendations proposed in the independent review report. The Company has submitted a report to SGX in relation to this and will provide updates to shareholders in due course and at the appropriate juncture.

The Board (i) is of the opinion that sufficient information has been disclosed for trading of the Company's securities to continue in an orderly manner; (ii) confirmed that all material disclosures have been provided for trading of the Company's shares to continue; and (iii) confirmed that the impact of all outstanding audit issues on the financial statements have been adequately disclosed and all necessary adjustments have been reflected in the financial statements.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Beverly JCG Ltd. (f.k.a JCG Investment Holdings Ltd.) (the "**Company**", and together with its subsidiaries, the "**Group**") will be held by way of electronic means on Tuesday, 29 June 2021 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 and may be accessed at the URL https://conveneagm.com/sg/beverlyjcg. A printed copy of this Notice will NOT be despatched to members.

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2020 together with the Directors' Statement and the Auditors' Report. **(Resolution 1)**

2. To re-elect Mr Cheung Wai Man, Raymond who is retiring pursuant to Regulation 90 of the Company's Constitution.

*Mr Cheung Wai Man, Raymond, if re-elected, will remain as a member of the Audit Committee, the Remuneration Committee and the Risk Management Committee. Mr Cheung Wai Man, Raymond will be considered independent for the purpose of Rule 704(7) of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Catalist Rules**"). Additional information on Mr Cheung Wai Man, Raymond may be found in Additional Information on Directors Seeking Re-Election on pages 165 to 168 of the Annual Report.* **(Resolution 2)**

3. To note the retirement of Mr Ang Kok Huan who is retiring pursuant to Regulation 90 of the Company's Constitution and will not be seeking re-election.

Mr Ang Kok Huan will step down from his position of Chairman of the Risk Management Committee and member of the Nominating Committee.

4. To approve the payment of Directors' fees of S$156,000 for the financial year ending 31 December 2021, to be paid quarterly in arrears (FY2020: S$296,000). **(Resolution 3)**

5. To note that Messrs Nexia TS Public Accounting Corporation will not be seeking for re-appointment at this AGM as the Company's auditors.
[See Explanatory Note (i)]

6. To transact any other business that may be transacted at an annual general meeting.

AS SPECIAL BUSINESS

7. 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, Chapter 50 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)] **(Resolution 4)**

8. 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. **(Resolution 5)**

By Order of the Board

Ong Beng Hong/Tan Swee Gek
Company Secretaries
14 June 2021

Explanatory Notes:

(i) The auditors of the Company, Messrs Nexia TS Public Accounting Corporation, have expressed their intention not to seek for re-appointment at this AGM. The Board of the Company shall be taking the necessary steps to replace the independent auditors of the Company, in consultation with the Audit Committee of the Company, with another firm of auditors. Shareholders' approval for the appointment of the incoming independent auditors of the Company will be sought at a forthcoming Extraordinary General Meeting ("**EGM**") of the Company, the details of which will be made known to shareholders in due course. Messrs Nexia TS Public Accounting Corporation shall stay on as the interim auditors of the Company until the appointment of the incoming independent auditors at the next EGM.

(ii) The ordinary resolution 4 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 4 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 4 above is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

Notes:

1) Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out in the Company's announcement dated 14 June 2021 entitled "Important Notice to Shareholders Regarding the Company's Annual General Meeting on 29 June 2021" which has been uploaded together with this Notice of AGM on SGXNet on the same day. This announcement may also be accessed at the URL https://conveneagm.com/sg/beverlyjcg.

   In particular, the AGM will be held by way of electronic means and a member will be able to watch the proceedings of the AGM through a "live" webcast or listen to these proceedings through a "live" audio feed via his/her/its mobile phones, tablets or computers. In order to do so, a member who wishes to watch the "live" webcast or listen to the "live" audio feed must pre-register at the URL https://conveneagm.com/sg/beverlyjcg for verification purposes. The website will open for pre-registration on 14 June 2021 and will close at 2.30 p.m. on 26 June 2021. Following authentication of his/her/its status as members, authenticated members will be able to use their login details created during the registration process to access the webcast and audio feed of the proceedings of the AGM at the URL https://conveneagm.com/sg/beverlyjcg. Non-validated members will receive an email informing them of the invalid status by 28 June 2021. Members are reminded that the AGM proceedings are private. As such, members should not share their login details to access the "live" webcast or "live" audio feed of the AGM proceedings to anyone else. Recording of the "live" webcast of the AGM proceedings in whatever form is also strictly prohibited.

   Members may also submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted by 2.30 p.m. on 26 June 2021:

   (a) via the pre-registration website at the URL https://conveneagm.com/sg/beverlyjcg;

   (b) in hard copy by sending by post and lodging the same at the office of our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or

   (c) by email to ir@jcg-investment.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 endeavour to provide its responses to substantial queries and relevant comments from Shareholders relating to the agenda of the AGM prior to, or during, the AGM via publication on SGXNET and the Company's corporate website at the URL https://www.beverlyjcg.com/ or by the Chairman at the AGM. The Company will also address any subsequent clarifications sought, or follow-up questions, prior to, or during, the AGM in respect of substantial and relevant matters. Where there are substantially similar questions the Company will consolidate such questions; consequently, not all questions may be individually addressed.

Although the deadline for submitting questions is 2.30 p.m. on 26 June 2021, shareholders are, however, encouraged to submit their questions in accordance with the paragraphs above earlier than 2.30 p.m. on 26 June 2021 so that they may have the benefit of the answers to their questions (where substantial and relevant to the agenda of the AGM) prior to submitting their proxy forms.

Please note that members will not be able to ask questions at the AGM "live" during the webcast and the audio feed, and therefore it is important for members to submit their questions in advance of the AGM.

2) **A member will not be able to attend the AGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM.** In appointing the Chairman of the AGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. The accompanying proxy form for the AGM may be accessed at the URL https://conveneagm.com/sg/beverlyjcg.

3) The Chairman of the AGM, as proxy, need not be a member of the Company. The instrument appointing the Chairman of the AGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must:

(a) if sent by post, be deposited at the office of our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or

(b) if submitted by email, be received by the Company at ir@jcg-investment.com,

in either case, not less than 48 hours before the time for holding the AGM, and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

4) The instrument appointing the Chairman of the AGM as proxy must be signed under the hand of the appointor or of his/ her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

5) 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. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form 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.

6) Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including CPF and SRS investors, and who wish to participate in the AGM ("**Relevant Intermediary Participants**") by (a) observing and/or listening to the AGM proceedings via the "live" webcast or the "live" audio feed in the manner provided in Note 1) above; (b) submitting questions in advance of the AGM in the manner provided in Note 1) above; and/ or (c) appointing the Chairman of the AGM as proxy to attend, speak and vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the AGM. CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 2.30 p.m. on 18 June 2021.

7) The Annual Report for the financial year ended 31 December 2020 may be accessed at the Company's website at the URL https://www.beverlyjcg.com/investor-relations/annual-report/ under "Annual Report 2020", and has also been made available on SGXNet.

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 or pre-registering for the "live" webcast or "live" audio feed of the AGM, 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 pre-registration of members for the AGM (including any adjournment thereof) 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 Cheung Wai Man, Raymond is the Director seeking re-election at the forthcoming annual general meeting of the Company to be convened on 29 June 2021 ("**AGM**") (the "**Retiring Director**").

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 Director as set out in Appendix 7F of the Catalist Rules is set out below:

	MR CHEUNG WAI MAN, RAYMOND
Date of Appointment	28 February 2019
Date of last re-appointment (if applicable)	30 April 2019
Age	44
Country of principal residence	Singapore
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 Cheung Wai Man, Raymond for re-appointment as an Independent Director of the Company. The Board has reviewed and concluded Mr Cheung Wai Man, Raymond 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
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Member of the Audit Committee, the Remuneration Committee and the Risk Management Committee
Professional qualifications	Associate member of the Institute & Faculties of Actuaries, UK and Associate of Singapore Actuarial Society.
Working experience and occupation(s) during the past 10 years	March 2021 – Present Managing Director, Alpha Consultant Pte. Ltd. February 2021 – Present Chief Executive Officer, Alpha Millennia Technology Pte. Ltd. June 2014 – Present Director, BRCA Pte Ltd November 2018 – December 2019 Chief Risk Officer, BMFA Group Pte. Ltd. March 2018 – November 2018 Chief Strategy Officer, Symbo Platform Holdings Pte Ltd April 2016 to February 2018 Regional Insurance Lead, GrabTaxi Holdings Pte Ltd

Additional Information on Directors seeking re-election

	MR CHEUNG WAI MAN, RAYMOND
	December 2013 to June 2014 Chief Risk Officer & Group Head of Compliance, Asia Capital Reinsurance Group April 2011 to December 2013 Chief Risk Officer, AIG Asia Pacific Insurance - Regional Head of Insurance Portfolio / Aggregation Risk (ERM), AIG APAC Holdings June 2010 to April 2011 Associate Director, Standard & Poor's November 2008 to June 2010 AVP, Head of Actuarial & Pricing, OAC Insurance
Shareholding interest in the listed issuer and its subsidiaries	Yes Beverly JCG Ltd. Direct Interest: 7,500,009 Shares
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
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
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)	<u>Past Directorships (for the past 5 years):</u> AllCars Pte. Ltd. CarFrenHQ Pte. Ltd. SWIFTAGRO Pte. Ltd. Salvare Holdings Pte Ltd. <u>Present Directorships:</u> Alpha Consultant Pte. Ltd. Alpha Millennia Technology Pte. Ltd Alpha Millennia Consulting Pte. Ltd Baystech Solution Pte. Ltd. AP Capital Fund I Pte Ltd Two Actuarial Solutions Pte. Ltd. BRCA Pte Ltd JPL Advisory LLP WTSG Pte. Ltd.
(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

		MR CHEUNG WAI MAN, RAYMOND
(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
(c)	Whether there is any unsatisfied judgment against him?	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
(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
(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
(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
(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

		MR CHEUNG WAI MAN, RAYMOND
(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
(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 (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?	No
(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
Disclosure applicable to the appointment of Director only.		
Any prior experience as a director of an issuer listed on the Exchange?		Not applicable as Mr Cheung Wai Man, Raymond, is being nominated for re-appointment as a director.

PROXY FORM

ANNUAL GENERAL MEETING
BEVERLY JCG LTD.
(f.k.a. JCG Investment Holdings Ltd.)
ACRA Registration Number: 200505118M
(Incorporated in the Republic of Singapore)

This form of proxy has been made available on SGXNet and the Company's website.
A printed copy of this form of proxy will NOT be despatched to members.

IMPORTANT
1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the Annual General Meeting are set out in the Company's announcement dated 14 June 2021 entitled "Important Notice to Shareholders Regarding the Company's Annual General Meeting on 29 June 2021" which has been uploaded together with the Notice of Annual General Meeting dated 14 June 2021 on SGXNet on the same day.
2. A member will not be able to attend the Annual General Meeting in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the Annual General Meeting, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting. In appointing the Chairman as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF/SRS investors who wish to vote should contact their respective CPF Agent Banks or SRS Operators to submit their votes by 2.30 p.m. on 18 June 2021.

I/We ____ (Name)

of ____ (Address)

being a *member/members of Beverly JCG Ltd. (f.k.a JCG Investment Holdings Ltd.) (the "**Company**") hereby appoint the Chairman of the Annual General Meeting ("**AGM**"), as my/our proxy to attend, speak and vote for me/us on my/our behalf at the AGM of the Company to be held by way of electronic means on Tuesday, 29 June 2020 at 2.30 p.m. and at any adjournment thereof.

*I/We direct the Chairman of the AGM as *my/our proxy to vote for or against the resolutions or abstain from the resolutions to be proposed at the AGM as indicated hereunder.

No.	Resolutions Relating To:	For	Against	Abstain
	Ordinary Business			
1.	Adoption of Directors' Statement, Auditors Report and Audited Financial Statements for the financial year ended 31 December 2020			
2.	Re-election of Mr Cheung Wai Man, Raymond as a Director of the Company			
3.	Approval of Directors' Fees for the financial year ending 31 December 2021			
	Special Business			
4.	Authority to allot and issue shares			
5.	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 __________________ 2021.

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. A member will not be able to attend the AGM in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

2. The Chairman of the AGM, as proxy, need not be a member of the Company.

3. 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, Cap. 289), 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.

4. The instrument appointing the Chairman of the AGM as proxy must:

   (a) if sent by post, be deposited at the office of our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or

   (b) if submitted by email, be received by the Company at ir@jcg-investment.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.

   A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

5. If sent by post, the instrument appointing the Chairman of the AGM as proxy of an individual must be under the hand of the appointor or of his/her attorney duly authorised in writing and the instrument appointing the Chairman of the AGM as proxy of a corporation must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

   Where an instrument appointing the Chairman of the AGM as proxy is submitted by email, it must be authorised in the following manner:

   (a) by way of the affixation of an electronic signature by the appointer or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or

   (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

6. Where the instrument appointing the Chairman of the AGM as proxy is signed on behalf of the appointor by an attorney, the letter of power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy; failing which the instrument may be treated as invalid.

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

8. 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 the Chairman of the AGM as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 June 2021.

Ensuring Growth and Success

BEVERLY JCG LTD.
(f.k.a JCG Investment Holdings Ltd.)
(Company Registration Number: 200505118M)

REGISTERED OFFICE
600 North Bridge Road #06-02 Parkview Square Singapore 188778

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