Annual Report 2021

BEVERLY JCG LTD.

BEVERLY WILSHIRE MEDICAL CENTRE 碧薇麗

Tenacious Strong Growth

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,
N0. 237 Jalan Tun Razak,
50400 Kuala Lumpur.
Tel: 03 2118 2999

Beverly Dentistree Sdn. Bhd.
A-1-5, Sunway Nexis, No 1,
Jalan PJU 5/1, Kota Damansara,
47810 Petaling Jaya, Selangor
Tel : 03 7622 9680

Natasha Beverly Mizu Sdn. Bhd.
96, Jalan Maarof, Bangsar,
Taman Bandaraya,
59100 WP Kuala Lumpur
Tel: 03 2201 0138

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This annual report has been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

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

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 2021 ("**FY2021**").

In FY2021, the Group continued to steadfastly execute 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 strengthen and expand our position in the Healthcare and Beauty business.

Results

FY2021 has been an eventful year to the Company and the Group. The ongoing Covid-19 pandemic posed many new challenges. The Beverly Wilshire group of companies in Malaysia ("**BW Group**") which contributed about 98% of the Group's revenue has turned around even during the Covid-19 pandemic period, with its best financial performance since the inception of business operations in 2012. The Group's revenue for aesthetic medical and healthcare segment has increased by 66% from S$5,315,000 for the financial year ended 31 December 2020 ("**FY2020**") to S$8,801,000 for FY2021. Gross profit margin has improved from 44.9% from FY2020 to 48.7% in FY2021. The BW Group's earnings before interests, tax, depreciation and amortisation ("**EBITDA**") is positive at S$454,000 for FY2021 as compared to negative S$1,664,000 for FY2020.

We are proud to report that the three biggest revenue contributors to the BW Group, namely the 51% owned clinics, Beverly Wilshire Medical Centre Sdn Bhd, Beverly Wilshire Medical Centre (JB) Sdn Bhd and Beverly Wilshire Aesthetic Dental Sdn Bhd, which in aggregate contributed 83% of the BW Group revenue, have turned around from EBITDA negative of S$1,369,000 in FY2020 to EBITDA positive of S$608,000 in FY2021 as well as from net loss before tax of S$1,844,000 to net profit before tax of S$82,000.

Dato' Francis Ng (Chairman) receiving The Brand Laurette 2020 Award.

Expanding our Footprint, Strengthening our Brand

During the financial year under review, BJCG, through the BW Group, further expanded its footprint in Malaysia with the opening of a new aesthetic clinic, Natasha Beverly Aesthetics Sdn. Bhd. ("**NBASB**"), two new dental aesthetic clinics, Beverly Dentistree Sdn Bhd ("**BDSB**") and Natasha Beverly Dental Sdn Bhd ("**NBDSB**"), and also ventured into the medical spa ("**MediSpa**") business, with Natasha Beverly Mizu Sdn Bhd ("**NBMSB**"), all in the upmarket suburb of Bangsar in Kuala Lumpur.

The Group is constantly identifying suitable opportunities to 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, "Beverly", we are hopeful for more new developments, partnerships and joint ventures which will contribute to the maximisation of the Group's growth potential. It is expected that many opportunities will arise for the Group to look for smaller medical aesthetics and dental companies that may have been affected by the COVID-19 pandemic for collaboration or acquisition. This is in line with the Group's strategy to grow through mergers and acquisitions in Singapore, Malaysia and Indonesia in 2022/2023.

Chairman's Statement

Founder, Tan Sri Tony Fernandez, Air Asia visiting BW Group for business to business ("**B2B**") collaboration.

Streamlining Business Focus

The Group had, on 16 February 2021, entered into an unwinding and settlement agreement (the "**Agreement**") in relation to the acquisition of Brand X Lab Pte. Ltd. ("**Brand X**"), a wholly-owned subsidiary of the Group. The principal activities of Brand X comprise event organisation and promotion as well as business and management consultancy services. The Board had determined that it is in the best interests of the Company to unwind the acquisition of Brand X by the Company. The proposed unwinding and settlement will see approximately 1.58 billion shares in the Company (representing 8.0% of the issued paid up capital) being returned by the vendor of Brand X for cancellation by way of capital reduction. On 18 January 2022, the vendor of Brand X and the Company entered into a supplemental agreement ("**SA**") to amend, modify and vary the terms and provisions of the Agreement including but not limited to state that the date of effective transfer of any and all rights and entitlements as well as any and all obligations attached to the 100,000 ordinary shares of Brand X shall remain as 1 January 2021. As a result, the Group has de-consolidated Brand X from 1 January 2021, having considered that the Group has lost control of Brand X from 1 January 2021.

The SA provided a moratorium (not entitled to vote) on the voting rights of this block of 1.58 billion shares.

Howard Ng (Deputy CEO) receiving Merz Aesthetic Award 2021.

Chairman's Statement

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.

The Company's business, like many other businesses, has been affected by the Covid-19 pandemic; in particular, the Company's business was adversely impacted by the decrease in overseas clients due to border lockdowns and restrictions in Malaysia. However, I am happy to inform shareholders that our Malaysian businesses remain robust notwithstanding the COVID-19 restrictions. With the opening of land borders between Singapore and Malaysia from 1 April 2022 as well as Malaysia's reopening of borders to foreign tourists in 2022, the Group is cautiously optimistic that the influx of interstate and foreign customers will further increase our revenue and improve our financial results going forward.

I am happy to record that the Group was able to raise approximately S$3.477 million (S$2.847 million in 2021 and S$0.630 million in the first quarter of 2022), comprising S$2.112 million gross proceeds from the June 2021 rights cum warrants issue as well as S$1.365 million aggregate gross proceeds from the share subscriptions (private placements) completed in December 2021 and March 2022 and a further S$0.735 million will be raised on completion of the subscriptions announced on 5 April 2022, for general working capital needs and for the future expansion of the Group.

2021 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.

Our business model is
"Multi Discipline
Multi Locations
Competitive Pricing Regime
Our Best Services".

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

Stay Healthy
Stay Safe

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

New dental and aesthetic clinics at Natasha Beverly Medical Centre.

Operations and Financial Review

Dr. Nasir in performing surgery in the operating theatre at Beverly Wilshire Medical Centre, Kuala Lumpur.

Revenue

The aesthetics medical and healthcare segment recorded revenue of S$8.801 million for FY2021, an increase of S$3.486 million compared to FY2020 of S$5.315 million. The lower level of revenue recorded in FY2020 was due to the commencement of the Movement Control Order ("**MCO**") in Malaysia in March 2020 arising from the Covid-19 pandemic. Increased marketing efforts in FY2021 such as the launch of BW Elite Club program and the Premium Beauty Package program in FY2021 which offered attractive promotions, discounts, products and benefits, helped to capture market share and expand our customer base and increase the revenue in FY2021. Increasing digital marketing efforts in search engine marketing ("**SEM**") and search engine optimization ("**SEO**") and engagement of influencers to reach out to more customers on social media helped to further boost revenue in FY2021. Apart from that, new entities incorporated in 2020 and 2021, namely Natasha Beverly Sdn Bhd, Beverly Ipoh Sdn Bhd, Natasha Beverly Aesthetics Sdn Bhd, Natasha Beverly Dental Sdn Bhd, Beverly Dentistree Sdn Bhd and Natasha Beverly Mizu Sdn Bhd had contributed S$0.951 million of revenue to the Group in FY2021 as compared to S$0.053 million for FY2020.

The Group's revenue from its trading and distribution business for FY2021 was S$0.173 million, an increase of 32% or S$0.042 million as compared to the revenue of S$0.131 million for FY2020.

Total revenue has increased to S$8.974 million in FY2021, an increase of 65% or S$3.528 million, compared to total revenue of S$5.446 million in FY2020.

Operating Result

The Group's gross profit from operations increased by 79% or S$1.921 million from S$2.445 million in FY2020 to S$4.366 million in FY2021. The increase was mainly due to increase in revenue in the aesthetic medical and healthcare segment that resulted in increased gross profit. The increase in revenue from the trading and distribution business did not have significant impact on the gross profit of the Group for FY2021.

Other income increased by S$0.227 million from S$0.427 in FY2020 to S$0.654 million in FY2021 mainly due to increase in rent concession, gain on modification of lease, vaccination service fee income, rental income from sublet of office and medical centre in Malaysia and shared service fee income of S$0.084 million, S$0.106 million, S$0.038 million, S$0.024 million, and S$0.041 million respectively and partially offset by decrease in government grants and fixed deposit interest income of S$0.095 million and S$0.009 million respectively.

Other losses decreased by S$0.026 million from S$0.091 million in FY2020 to S$0.065 million in FY2021 due to decrease in property, plant and equipment written-off of S$0.060 million and no loss allowances on trade receivables of S$0.042 million. The decrease is offset by loss on deconsolidation of Brand X of S$0.054 million in FY2021.

Selling and distribution expenses decreased by S$0.016 million from S$0.220 million in FY2020 to S$0.204 million in FY2021. The decrease was mainly due to reversal of over accrued digital marketing expenses such as SEM and SEO incurred in FY2021.

Administrative expenses decreased by S$0.027 million from S$7.517 million in FY2020 to S$7.490 million in FY2021. The administrative expenses incurred during the FY2021 are mainly operational costs, including staff costs, directors' remunerations and professional fees. The decrease was mainly due to decrease in amortisation of right-of-use asset of S$0.137 million due to partial termination of lease and adjustment in lease amounts of our medical centres, Beverly Wilshire Medical Centre Sdn Bhd and Beverly Wilshire Medical Centre (JB) Sdn Bhd in Malaysia.

Dr. Wong at work at aesthetic clinic located at 3 Damansara.

Operations and Financial Review

Depreciation of property, plant and equipment decreased by S$0.283 million or 15% from S$1.858 million in FY2020 to S$1.575 million in FY2021 mainly due to decrease in the carrying amount of the right-of-use asset arising from lease modification as a result of partial termination of lease and adjustment in lease amounts of our medical centres, Beverly Wilshire Medical Centre Sdn Bhd and Beverly Wilshire Medical Centre (JB) Sdn Bhd in Malaysia. Accordingly, there is a decrease in amortization of right-of-use asset. This decrease is partially offset by additions of property, plant and equipment comprising primarily dental and medical equipment and renovation.

Finance expenses increased by S$0.101 million or 58% from S$0.174 million in FY2020 to S$0.275 million in FY2021. The increase is mainly due to increase in interest expense on lease of S$0.082 million from S$0.124 million in FY2020 to S$0.206 million in FY2021 due to additions of lease liabilities for medical centres for Natasha Beverly Sdn Bhd and Beverly Ipoh Sdn Bhd which were entities which were newly incorporated in FY2020.

Income tax credit decreased by S$0.091 million from S$0.249 million in FY2020 to S$0.158 million in FY2021. The decrease was mainly due to decrease in income tax credit arising from deferred tax liabilities from fair value adjustments to the intangible assets and property, plant and equipment of Beverly Wilshire Medical Centre Group in Malaysia.

The loss from discontinued operations has decreased from S$0.373 million in FY2020 to nil in FY2021 due to the Group having de-consolidated Brand X from 1 January 2021.

As a result of the above, net loss attributable to equity holders of the Company for the financial year decreased by 41% from S$4.250 million in FY2020 to S$2.500 million in FY2021.

Dr. Elaine Chong analysing patient's skin condition at Dr. Elaine @ Beverly Wilshire (Ipoh).

Dr. Aren Yong at work at new aesthetic clinic at Natasha Beverly Medical Centre.

Assets and Liabilities

Assets

Total assets of the Group decreased by S$4.404 million from S$12.720 million as at 31 December 2020 to S$8.316 million as at 31 December 2021 mainly due to:

- decrease in property, plant and equipment of S$0.937 million mainly due to depreciation of S$1.575 million during the financial year ended 31 December 2021, partially offset by additions of property, plant and equipment amounting to S$0.534 million during the financial year ended 31 December 2021;
- decrease in intangible assets of S$0.385 million due to amortization of intangible assets of S$0.385 million during the financial year ended 31 December 2021; and
- decrease in assets of disposal group classified as held-for-sale amounting to S$3.869 million due to Brand X being de-consolidated from 1 January 2021;
- offset by increase in cash and cash equivalents of S$0.620 million from S$0.293 million as at 31 December 2020 to S$0.913 million as at 31 December 2021 due to the net proceeds from the 2021 Rights cum Warrants issue and share placement of S$1.882 million and S$0.658 million respectively, offset by cash used in operating activities, investing activities and other financing activities; and
- increase in trade and other receivables of S$0.172 million which is in line with the increase in level of sales activities in FY2021.

Liabilities

Total liabilities decreased by S$0.611 million from S$8.880 million as at 31 December 2020 to S$8.269 million as at 31 December 2021 mainly due to:

- decrease in lease liabilities of S$0.579 million mainly due to repayment of lease liabilities for our offices and medical centres; and
- decrease in deferred income tax liabilities arising from fair value adjustments to the intangible assets and property, plant and equipment of Beverly Wilshire Medical Centre Group in Malaysia of S$0.159 million due to recognition as deferred tax credit in the income statement during the financial year ended 31 December 2021;
- offset by increase in trade and other payables of S$0.476 million mainly due to increase in advances from customers and accruals for operating expenses of S$0.815 million and S$0.249 million respectively and offset by decrease in other payables of S$0.566 million; and
- increase in borrowings of S$0.109 million mainly arising from increase in invoice financing of S$0.303 million and offset by decrease in bank loan and bank overdraft of S$0.170 million of S$0.177 million respectively.

Working Capital

The Group and the Company incurred a total loss of S$2,856,000 (2020: S$5,254,000) and S$1,903,000 (2020: S$2,653,000) respectively and the Group also incurred net operating cash outflows of S$683,000 (2020: S$670,000) for the financial year ended 31 December 2021. As at 31 December 2021, the Group's current liabilities exceeded its current assets by S$3,841,000 (2020: S$520,000). Included in current liabilities is the current portion of lease liabilities amounting to S$616,000 (2020: S$785,000) as at 31 December 2021.

The continuous fund-raising of which a total fund raised of S$3.447 million (S$2.847 million in 2021 and S$0.630 million in the first quarter of 2022) up to March 2022 is adequate for the present cash requirement of the Company.

The Board of Directors of the Company believe that the use of the going concern assumption in the preparation of the financial statements for the financial year ended 31 December 2021 is appropriate after taking into consideration the following assumptions and measures:

(a) Better financial performance from aesthetic medical and healthcare segments in Malaysia which is expected to continue

(i) The Beverly Wilshire group of companies in Malaysia which contributed about 98% of the Group's revenue has turned around despite challenges of operating under Covid-19 restrictions, with its best financial performance since inception of business operations in 2012. The Group's revenue for aesthetic medical and healthcare segments have increased by 66% from S$5,315,000 for the financial year ended 31 December 2020 ("**FY2020**") to S$8,801,000 for the financial year ended 31 December 2021 ("**FY2021**").

(ii) The Beverly Wilshire group of companies' earnings before interests, tax, depreciation and amortisation ("**EBITDA**") is positive at S$454,000 for FY2021 as compared to negative S$1,664,000 for FY2020. The legacy Beverly Wilshire clinics comprising Beverly Wilshire Medical Centre Sdn Bhd ("**BWMC**"), Beverly Wilshire Medical Centre (JB) Sdn Bhd, Beverly Wilshire Tropicana Mall Sdn Bhd, Beverly Wilshire Aesthetic Dental Sdn Bhd and Beverly Wilshire Medical Academy and Research Sdn Bhd contributed positive EBITDA of S$595,000 for FY2021 as compared to negative S$1,428,000 for FY2020.

(iii) The newly incorporated entities in FY2020 and FY2021, namely Natasha Beverly Sdn Bhd, Beverly Ipoh Sdn Bhd, Natasha Beverly Aesthetics Sdn Bhd, Natasha Beverly Dental Sdn Bhd, Beverly Dentistree Sdn Bhd and Natasha Beverly Mizu Sdn Bhd had contributed S$951,000 of revenue to the Group in FY2021 as compared to S$53,000 for FY2020.

The above is achieved with the domestic market alone due to the border closure measures undertaken by the Malaysia government during the Covid-19 pandemic. The historical track records have shown that the Beverly Wilshire group of companies' overseas business contribution to be approximately 45% to 50% of its total revenue. With Malaysia allowing interstate travel from 11 October 2021, the opening of the vaccinated travel lane between Singapore and Kuala Lumpur from 29 November 2021, the opening of land borders between Singapore and Malaysia from 1 April 2022 as well as Malaysia's plans to reopen borders to foreign tourists in 2022, the Group is cautiously optimistic that the influx of interstate and foreign customers will further increase its revenue and improve its financial results going forward.

(b) Continuing fund-raising efforts

(i) BWMC had on 28 May 2020 entered into a letter of offer with a Malaysian bank in relation to the granting of banking facilities of up to RM7 million (approximately S$2,333,000) to BWMC. BWMC had on 18 August 2020 entered into a banking facilities agreement with the Malaysian bank. As at 31 December 2021, BWMC has drawn down the loan facility of RM3 million (approximately S$1 million) and the loan balance as at 31 December 2021 is S$726,000. In addition, as at December 2021, the invoice financing balance is S$552,000. The loan facilities available to BWMC as at 31 December 2021 is S$781,000.

(ii) On 2 June 2021, the Company 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, 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 under a rights issue exercise (the "**2021 Rights Cum Warrants Issue**").

(iii) In July 2021, the Company signed a subscription agreement for private placement amount of S$105,000 which will be used to fund future expansions through mergers and acquisitions and for the Group's working capital.

Founder, Tan Sri Tony Fernandez, Air Asia Representative and Beverly Wilshire Chairman in discussion on B2B collaboration.

(iv) In October 2021, the Company had engaged Astramina Advisory Sdn Bhd ("**Astramina**"), a corporate finance advisory firm licensed with the Securities Commission Malaysia to refer or introduce investors for subscription of shares in the Company. As at the date of this Annual Report, Astramina has successfully assisted the Company in signing 6 subscription agreements for total private placement amounts of S$630,000, of which the proceeds will be used to fund growth, development and expansion of its existing aesthetic medical and healthcare business and for the Group's working capital.

(v) In January 2022, the Company had engaged Chadway Management Services Pte Ltd ("**Chadway**"), an exempt financial institution under the Securities and Futures Act to refer or introduce investors for subscription of shares in the Company. As at the date of this Annual Report, Chadway had successfully assisted the Company in signing 11 subscription agreements for total private placement amounts of S$1,365,000, of which the proceeds will be used to fund growth, development and expansion of its existing aesthetic medical and healthcare business and for the Group's working capital.

The general mandate as approved by the shareholders during the Company's annual general meeting held on 29 June 2021 allows for the Company to issue and allot up to 8,963,857,794 new shares on a non-pro rata basis. The Company intends to raise new funds of S$6,000,000 by June 2022 (of which S$3,477,000 (S$2,847,000 in 2021 and S$630,000 in the first quarter of 2022) has been raised by way of the rights cum warrants issue completed in June 2021 and the private placements completed in December 2021 and March 2022 and a further S$735,000 will be raised on completion of the subscriptions announced on 5 April 2022) for additional working capital and to fund growth and development. The Group then intends to raise a further S$18,000,000 by December 2023 to acquire profitable beauty and healthcare medical clinics as part of the Group's strategic plan to turn around the Company.

Board of Directors

From L-R: 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).

Board of Directors

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.

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 Senior Advisor, 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 Wal 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 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 is currently the Chief Executive Officer of Alpha Millennia Technology focusing on developing core systems and digital infrastructure for insurance ecosystems in Asia. He was the Regional Head of Insurance for Grab Holdings until 2018. 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 appointment of Honorary Secretary for 9 yearsfrom 2011 to 2019. 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. Mr Cheung is also currently a lecturer for Singapore College of Insurance, ESSEC Business School and Nanyang Technological University. 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 an Associate Member 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. [(1)]

[(1)] Ms Seah has resigned from her position as Chief Financial Officer and her resignation will take effect on 24 June 2022.

Launching of BW Elite Club Membership in Beverly Wilshire Medical Centre, Kuala Lumpur

Corporate Information

Dr. Arlena and Dr. Joyce Fong at new dental clinic at Natasha Beverly Medical Centre.

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

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 Cheung Wai Man, Raymond

RISK MANAGEMENT COMMITTEE

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

REGISTERED OFFICE

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Ms Ong Beng Hong
Ms Tan Swee Gek

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#17-02 One Raffles Place
Singapore 048616

Partner-in-charge: Mr Ravinthran Arumugam FCA
Year of appointment: Financial Year ended 31 December 2021

SPONSOR

Stamford Corporate Services Pte. Ltd.
10 Collyer Quay
#27-00 Ocean Financial Centre
Singapore 049315

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 2021 ("**FY2021**"). 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 2021 ("**FY2021**").

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

13 April 2022

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.

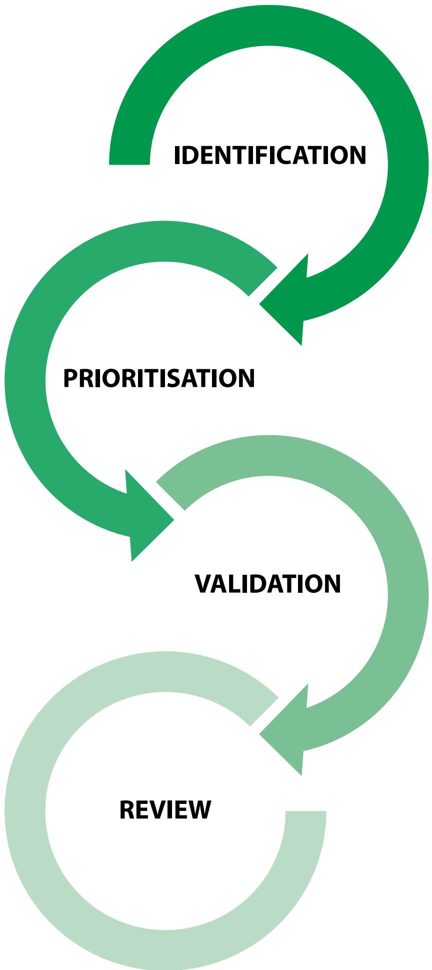
The following sets out our engagement platforms with our stakeholders and the material outcomes of these engagements:

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 aesthetics medical and healthcare segment recorded revenue of S$8.801 million for FY2021, an increase of S$3.486 million compared to FY2020 of S$5.315 million. Increased marketing efforts in FY2021 such as the launch of BW Elite Club program and the Premium Beauty Package program in FY2021 which offered attractive promotions, discounts, products and benefits, helped to capture market share and expand our customer base and increase the revenue in FY2021. Increasing digital marketing efforts in search engine marketing ("**SEM**") and search engine optimization ("**SEO**") and engagement of influencers to reach out to more customers on social media helped to further boost revenue in FY2021. Apart from that, new entities incorporated in 2020 and 2021, namely Natasha Beverly Sdn Bhd, Beverly Ipoh Sdn Bhd, Natasha Beverly Aesthetics Sdn Bhd, Natasha Beverly Dental Sdn Bhd, Beverly Dentistree Sdn Bhd and Natasha Beverly Mizu Sdn Bhd had contributed S$0.951 million of revenue to the Group in FY2021 as compared to S$0.053 million for FY2020.

The Group's revenue from its trading and distribution business for FY2021 was S$0.173 million, a decrease of 32% or S$0.042 million as compared to the revenue of S$0.131 million for FY2020.

The Group's total revenue has increased to S$8.974 million in FY2021, an increase of 65% or S$3.528 million, compared to total revenue of S$5.446 million in FY2020.

The Group's gross profit from operations increased by 79% or S$1.921 million from S$2.445 million in FY2020 to S$4.366 million in FY2021. The increase was mainly due to increase in revenue in the aesthetic medical and healthcare segment that resulted in increased gross profit.

The Group and the Company incurred a total loss of S$2,856,000 (31 December 2020: S$5,254,000) and S$1,903,000 (31 December 2020: S$2,653,000) respectively and the Group also incurred net operating cash outflows of S$683,000 (31 December 2020: S$670,000) for the financial year ended 31 December 2021. As at 31 December 2021, the Group's current liabilities exceeded its current assets by S$3,841,000 (31 December 2020: S$520,000). Notwithstanding this, the Group is able to continue as a going concern due to strong financial performance from our aesthetic medical and healthcare segment in Malaysia.

The Beverly Wilshire group of companies in Malaysia which contributed about 98% of the Group's revenue has turned around even during the Covid-19 pandemic period, with its best financial performance since inception of business operations in 2012. The Group's revenue for aesthetic medical and healthcare segment has increased by 66% from S$5,315,000 for the financial year ended 31 December 2020 to S$8,801,000 for the financial year ended 31 December 2021.

The Beverly Wilshire group of companies' earnings before interests, tax, depreciation and amortisation ("**EBITDA**") is positive at S$454,000 for FY2021 as compared to negative S$1,664,000 for FY2020. The legacy Beverly Wilshire clinics comprising Beverly Wilshire Medical Centre Sdn Bhd ("**BWMC**"), Beverly Wilshire Medical Centre (JB) Sdn Bhd, Beverly Wilshire Tropicana Mall Sdn Bhd, Beverly Wilshire Aesthetic Dental Sdn Bhd and Beverly Wilshire Medical Academy and Research Sdn Bhd contributed positive EBITDA of S$595,000 for FY2021 as compared to negative S$1,428,000 for FY2020.

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 51 to 161.

The Beverly Wilshire group of companies in Malaysia which contributed about 98% of the Group's revenue has turned around even during the Covid-19 pandemic period, with its best financial performance since inception of business operations in 2012. This was achieved with the domestic market alone due to the border closure measures undertaken by the Malaysian government during the Covid-19 pandemic. With Malaysia allowing interstate travel from October 2021, the opening of the vaccinated travel lane between Singapore and Kuala Lumpur from November 2021, the opening of land borders between Singapore and Malaysia from 1 April 2022 as well as Malaysia's plans to reopen borders to foreign tourists in 2022, the Group is cautiously optimistic that the influx of interstate and foreign customers will further increase our revenue and improve our financial results going forward. We aim to improve our revenue and gross profit for the financial year ending 31 December 2022 ("**FY2022**") as compared to FY2021.

Economic

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 FY2021, we strived to achieve zero incidents of corruption during FY2021 and we have achieved our target of zero incidents of corruption during FY2021. We also target to maintain zero incidents of corruption in FY2022.

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 FY2021 (FY2020: Nil) and we have attained our target. We aim to have no instance of whistleblowing cases throughout FY2022.

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 FY2021 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 FY2021 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 2021 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 FY2021 was:

No.	Supplier's name	Materials supplied	Supplier's Assessment
1	Wogen Resources Ltd. ("**WRL**")	Nitrogen Vanadium	WTL 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 FY2021 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 FY2021. This shall be our business practice and target for FY2022 as well 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

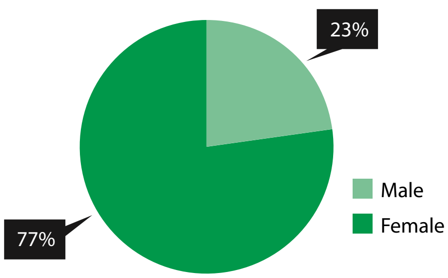
Pls refer to our Corporate Governance Report on pages 30 to 32 for information on Board Diversity.

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 20s to 70s in FY2021 (FY2020: 30s to 60s). The ratio of male to female employees in FY2021 was almost 1:3 (FY2020: 1:4).

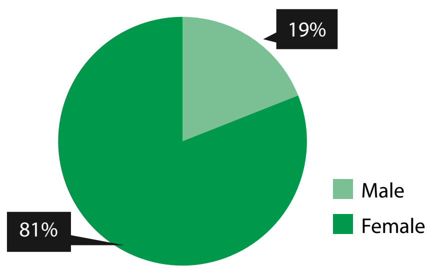
The total number of employees in the Group was 129 in FY2021 (FY2020: 137). The number of employees has decreased due to streamlining of the Beverly Wilshire Medical Centre Sdn Bhd operations. The decrease is partially offset by the increase in headcount from the expansion of the dental sub-segment, being the opening of the two new dental clinics, namely Natasha Beverly Dental Sdn Bhd and Beverly Dentistree Sdn Bhd, as well as the new medical spa business, Natasha Beverly Mizu Sdn Bhd, in 2021.

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.

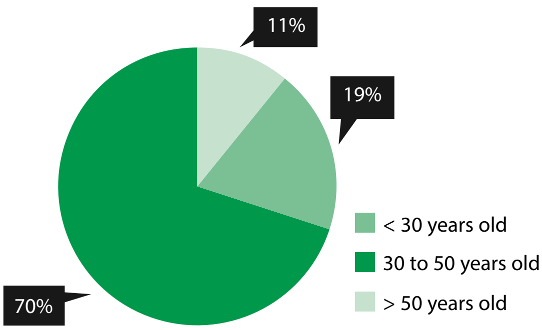
Gender Breakdown FY2021



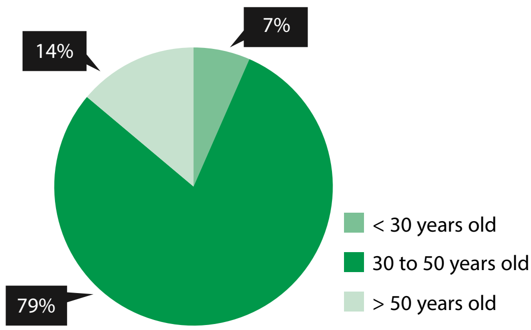
Gender Breakdown FY2020



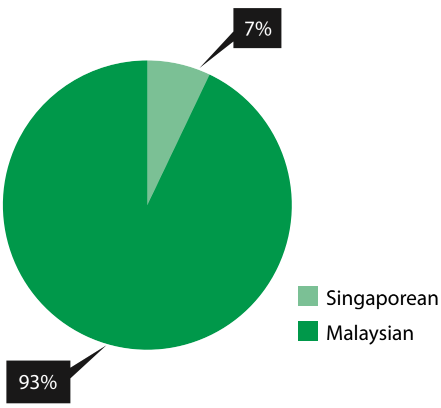
Employee Age Distribution FY2021



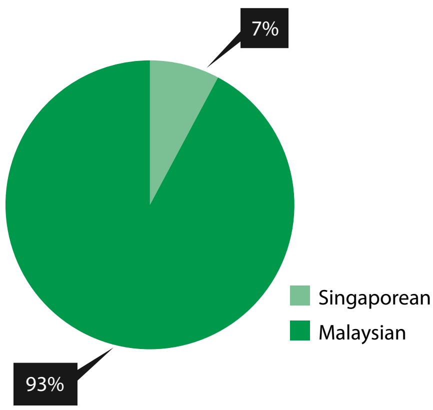
Employee Age Distribution FY2020

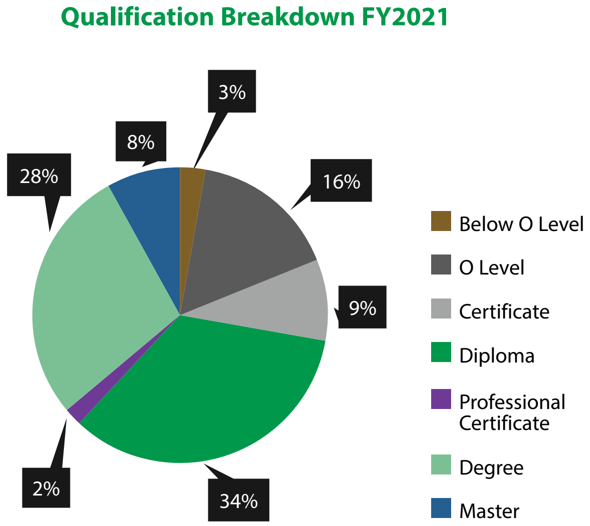


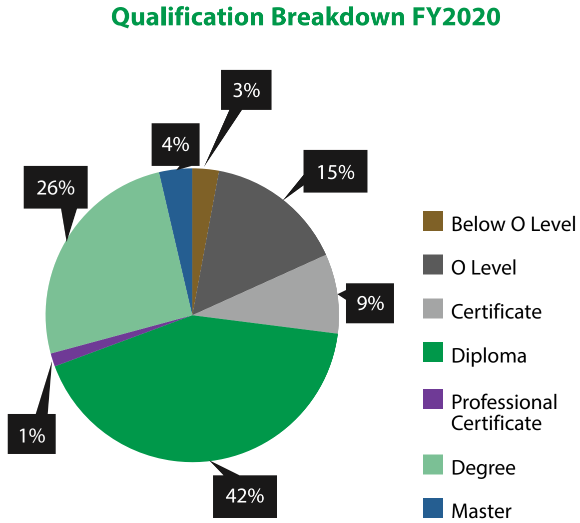
Nationality Breakdown FY2021



Nationality Breakdown FY2020







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 FY2021 as no external events and large gatherings were allowed due to the Covid-19 pandemic and the Covid-19 restrictions. Nevertheless, we maintain staff interaction via zoom meetings for staff as well as 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 FY2021 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 FY2021. In FY2022, 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 FY2022. 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, maternity 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.

Social

TRAINING AND EDUCATION

Our target for 2021 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 FY2021.

For FY2022 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 as prescribed by the Malaysian Medical Academy for Doctors to renew their Annual Practicing Certificate ("**APC**") and 20 CPD points are required each year as prescribed by the Malaysian Nursing Board for Nurses to renew their APC.

In addition to mandatory continuous medical and technical training as required for the medical staff, we are committed to providing continuous support to upgrade the skills and knowledge of our staff in the area of technical training, especially on nursing department, 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.

Two of Beverly Wilshire Medical Centre Group's clinics, namely Beverly Wilshire Medical Centre Sdn. Bhd. and Beverly Wilshire Medical Centre (JB) Sdn. Bhd. were appointed as official Covid-19 vaccination centres in Malaysia in June 2021. The Group is proud to be part of the National Vaccination Program. In FY2021, the Group administered 3,468 vaccinations including first, second and booster doses. For FY2022, the number of vaccinations to be administered is dependent on the Malaysia government's allocation; as such, no target is set for FY2022. With Malaysia reaching approximately 98% vaccination rate for its adult population, the Group will continue to administer booster shots as well as assist in the vaccination of the younger age group.

The Group works with organisations such as the Rotary Club in Kuala Lumpur and Johor Bahru as well as referrals from other doctors in Malaysia to undertake pro bono works in cleft lip surgery in Beverly Wilshire Medical Centre Sdn Bhd. However, due to the movement control/lockdown restrictions imposed by the government arising from the Covid-19 pandemic, there were no such works in FY2021. Subject to limitations from further movement control/lockdown restrictions, the Group targets to achieve at least 1 pro bono cleft lip surgery in FY2022.

Dato Dr Jalil performing Covid-19 vaccination at Beverly Wilshire Medical Centre, Kuala Lumpur.

Beverly Wilshire Medical Centre in Kuala Lumpur and Johor Bahru participating in the Covid-19 National Vaccination Program as part of corporate social responsibility ("CSR") activities.

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 26 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	Pages 69 and 162 to 163, Corporate Information
	102-6	Markets served	Chairman's Statement
	102-7	Scale of the organisation	Pages 20 to 21
	102-8	Information on employees and other workers	Pages 20 to 21
	102-9	Supply chain	Pages 18 to 19
	102-10	Significant changes to the organisation and its supply chain	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 23
	102-18	Governance structure	Page 23
	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	Page 15
	102-45	Entities included in the consolidated financial statements	Pages 102 to 105
	102-46	Defining report content and topic boundaries	Page 13
	102-47	List of material topics	Pages 14 to 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	14 June 2021
	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 24 to 25
	102-56	External Assurance	Page 13

GRI Standards Content Index

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 17
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Pages 18 to 19
GRI 404: Training and Education	404-1	Average hours of training per year per employee	Page 22
GRI 405: Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	Pages 20 to 21

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 2021 ("**FY2021**"), with specific reference made to the principles and guidelines of the Code, and where applicable, deviations from the Code are explained.

(A) BOARD MATTERS

BOARD'S CONDUCT OF ITS AFFAIRS

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

The current Board comprises five Directors - an Executive Chairman and CEO, an Executive Director and Deputy CEO and three Independent Directors and collectively have the appropriate mix of core competencies and diversity of experience, as set out 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**"))
Dr Lam Lee G (Lead Independent Director)
Mr Yap Siean Sin (Independent Director)
Mr Cheung Wai Man, Raymond (Independent Director)

Provision 1.1 of the Code

The primary function of the Board is to protect and enhance long-term value and returns for the Company's shareholders. The Directors are fiduciaries who act objectively in the best interests of the Company and hold Management accountable for performance. The Board sets appropriate tone from the top and desired organisational culture and ensures proper accountability within the Company. Any Director who face 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 AC currently approves disbursements of funds exceeding S$50,000 and delegates authority for transactions below those limits to management so as to optimise operational efficiency. In addition, the engagement of professional services above S$30,000 is required to be approved by the Board.

The Board had formally met a total of four times and had convened several ad-hoc meetings in FY2021.

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 Core Modules 1 to 4 courses provided by the Singapore Institute of Directors as at 31 December 2021. The Directors are briefed by professionals either during Board meetings or at separate meetings on accounting standards and regulatory changes which have an important bearing on the Company and the Directors' obligations to the Company. All the Audit Committee ("**AC**") members receive updates from the external auditors on updates to accounting issues which have a direct impact on financial statements. In addition, the Board encourages its members to participate in seminars and receive training at the Company's expense to improve themselves and develop and maintain their skills and knowledge in the discharge of their duties as directors. The external auditors ("**EA**") had briefed the AC on changes or amendments to accounting standards in FY2021.

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 FY2021, the AC and RC were made up solely of Independent Directors. On 29 June 2021, the NC was reconstituted to comprise solely Independent Directors and the RMC was reconstituted to comprise three Independent Directors and two Executive Directors. All Board Committees are made up of a majority of Independent Directors and the effectiveness of each committee is regularly monitored by the Board.

DELEGATION BY THE BOARD

AUDIT COMMITTEE

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

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 FY2021, the AC had formally met a total of four times.

Further details about the AC may be found on pages 42 to 43 of this report.

NOMINATING COMMITTEE

Following the appointment of Mr Cheung Wai Man, Raymond as a member of the NC on 29 June 2021 and the retirement of Mr Ang Kok Huan as a member of the NC on 29 June 2021, the NC was reconstituted on 29 June 2021 as follows:

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

As at the date of this Annual Report, the NC comprises three Independent Directors.
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 FY2021. It has also implemented a process for assessing the effectiveness of the Board as a whole.

Further details about the NC may be found on pages 33 to 37 of this report.

REMUNERATION COMMITTEE

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

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

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

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

In FY2021, the RC had formally met once.

Further details about the RC can be found on pages 37 to 39 of this report.

RISK MANAGEMENT COMMITTEE

Following the appointment of Mr Cheung Wai Man, Raymond as the Chairman of the RMC on 29 June 2021 and the retirement of Mr Ang Kok Huan as the Chairman of the RMC on 29 June 2021, the RMC was reconstituted on 29 June 2021 as follows:

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

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

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.

Provision 1.5 of the Code

The Directors attend and actively participate in Board and Board Committee meetings. The number of meetings held by the Board and Board Committees and attendance thereat during FY2021 are as follows:

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

(1) Attendance by invitation.
(2) Mr Cheung Wai Man, Raymond was appointed as a member of the NC and the Chairman of the RMC on 29 June 2021. The announcement relating to Mr Cheung Wai Man, Raymond's appointment as a member of the NC and the Chairman of the RMC was released via SGXNET on 29 June 2021.

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.

Provisions 2.2 and 2.3 of the Code

Provision 2.3 of the Code states that Non-Executive Directors should make up a majority of the Board to avoid undue influence of the management over the Board and ensure appropriate checks and balances are in place. The current Board, of which three out of five of the Directors are Non-Executive Directors, is able to exercise its powers objectively and independently from the management. All of the Non-Executive Directors are also Independent Directors. The Independent Directors are Mr Yap Siean Sin, 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.

Provision 2.1 of the Code

The criterion of independence is based on the definition given in the Code and Rule 406(3)(d) of the Catalist Rules. The Board considers an "independent" director as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company. Under Rule 406(3)(d) of the Catalist Rules, a director will not be considered independent (i) if he is employed by the Company or any of its related corporations for the current or any of the past three financial years, (ii) if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the remuneration committee of the Company, or if he has been a director for an aggregate period of more than 9 years (whether before or after listing) and his continued appointment as an independent director has not been sought and approved in separate resolutions by (A) all shareholders; and (B) shareholders, excluding the directors and the chief executive officer of the listing applicant, and associates of such directors and chief executive officer. For the purpose of the resolution referred to in (B), the directors and the chief executive officer of the listing applicant, and their respective associates, must not accept appointment as proxies unless specific instructions as to voting are given. Such resolutions may remain in force until the earlier of the following:- (aa) the retirement or resignation of the director; or (bb) the conclusion of the third annual general meeting of the listing applicant following the passing of the resolutions.

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 FY2021, 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	5	100%
Business management	5	100%
Legal or corporate governance	5	100%
Relevant industry knowledge or experience	5	100%
Strategic planning experience	5	100%
Customer based experience or knowledge	4	80%
Information technology	4	80%

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

Provision 3.2 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.

Deviation 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 Board comprises majority Independent Directors, 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 the Board comprises majority Independent Directors. The Board is satisfied that there is currently a strong independent element to contribute to effective decision-making.

BOARD MEMBERSHIP

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

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 three Independent Directors. 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 2022 subsequent to FY2021 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 FY2021, 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 FY2021, 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	- Asia-Pacific Strategic Investments Limited	- Spring Rise Pte Ltd - Cavacole (5) Pte Ltd - Pacific Coast Pte. Ltd. - Spring Malaysia (MM2H) Sdn. Bhd. - Timur Baiduri Sdn. Bhd. - Arealink Corporation Sdn. Bhd. - Seni Rancang (M) Sdn. Bhd. - Moi Siean Holdings Sdn. Bhd. - Jururancang YSS (Sole Proprietorship) - Arkitek Seni Perundung. (Sole Proprietorship)

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
Dr Lam Lee G	14 May 2018	29 June 2020	- Alset International Limited - Asia-Pacific Strategic Investments Limited - AustChina Holdings Limited - China LNG Group Limited - CSI Properties Limited - Elife Holdings Limited - Hong Kong Aerospace Technology Group Limited - Greenland Hong Kong Holdings Limited - Haitong Securities Company Limited - Hang Pin Living Technology Company Limited - Huarong International Financial Holdings Limited - Jade Road Investments Limited - Kidsland International Holdings Limited - Mei Ah Entertainment Group Limited - Mingfa Group (International) Company Limited - National Arts Entertainment and Culture Group Limited - Sunwah Kingsway Capital Holdings Limited - Thomson Medical Group Limited - TMC Life Sciences Berhad - Vongroup 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 - Sunwah International Limited - Tianda Pharmaceuticals Limited - Top Global 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
Mr Cheung Wai Man, Raymond	28 February 2019	29 June 2021	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 - Datong Berhad

The profiles of the Directors can be found on pages 8 to 9 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 Howard Ng How Er and Lam Lee G be nominated for re-election at the Company's forthcoming Annual General Meeting ("**AGM**"). In making the recommendation, the NC had considered Howard Ng How Er and Lam Lee G's overall contributions and performance. Howard Ng How Er and Lam Lee G abstained from making any deliberations on each of their re-elections.

Mr Howard Ng How Er will, upon re-election as a Director of the Company, remain as a member of the RMC.

Mr Lam Lee G will, upon re-election as a Director of the Company, remain as a member of the AC, RM, NC and RMC. Mr Lam Lee G will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

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

Provision 5.1 of the Code

The NC has established an appraisal process to assess the performance and effectiveness of the Board as a whole. For this purpose, the NC has developed a checklist to assist in its assessment of the effectiveness of the Board and of each board committee separately as well as the contribution by the 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.

Provision 5.2 of the Code

The NC and the Board has assessed the performance of the current Board, Board Committees and Individual Directors to-date and is of the view that performance of the Board as a whole, the Board Committees and Individual Directors have been satisfactory. No external facilitator has been used for the assessment in FY2021.

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

(B) REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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

Provisions 6.1 and 6.2 of the Code

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

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

Provision 6.1 of the Code

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

Provision 6.3 of the Code

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

Provision 6.4 of the Code

If necessary, the RC may seek expert advice outside the Company on remuneration of the Directors and key executives. The RC ensures that in the event of such advice being sought, existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. The Company has not appointed any remuneration consultants for FY2021.

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. At the extraordinary general meeting held on 8 December 2021, shareholder approval was obtained for, *inter alia*, the part payment of executive directors' salaries, directors' fees for FY2021 and directors' fees for the financial year ended 31 December 2020 ("**FY2020**") in shares, to conserve cash and to provide the Directors with the opportunity to participate in the equity of the Company and motivate them towards better performance through increased dedication and loyalty. It would also encourage the alignment of interests between the Directors and Shareholders whilst not compromising their independence.

Provision 7.1 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 and renewed at the annual general meeting held on 14 June 2021. 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.

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 FY2021 is set out below:

Name of Director/CEO	Base Salary	Allowance	Directors Fees	Other Benefits[1]	Total
Between S$250,000 and S$500,000					
Dato' Ng Tian Sang @ Ng Kek Chuan	93%	-	-	7%	100%
Below S$250,000					
Mr Howard Ng How Er	86%	5%	-	9%	100%
Dr Lam Lee G	-	-	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.

The Directors' fees for FY2022, as a lump sum, will be subject to the approval by shareholders at the forthcoming AGM.

Deviation 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 FY2021 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	85%	-	-	15%	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 FY2021. 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 FY2021.

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 FY2021, 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 FY2021.

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 had 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 FY2021 focused on Beverly Wilshire Medical Centre (JB) Sdn Bhd ("**BWJB**") under an internal audit plan. Based on the internal audit performed for FY2021, the Internal Auditors had identified and provided recommendations in relation to the key business operations of BWJB. 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 30 June 2022. During FY2021, the CFO prepared the applicable risk pillars in view of the Group's operations and had in place an Enterprise Risk Management framework, which was reviewed by the Executive Chairman and CEO and the AC. 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 the Company having implemented the recommendations of the Internal Auditors for FY2021, 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 FY2021.

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, having implemented the recommendations of the Internal Auditors for FY2021:

(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 FY2021.

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 FY2021, 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, RT LLP, have been the auditors of the Group since 23 December 2021. Mr Ravinthran Arumugam FCA is the engagement partner since the financial year ended 31 December 2021.

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 read together with Rule 716 of the Catalist Rules.

The AC is pleased to recommend to the Board that RT LLP be nominated for re-appointment as external auditors of the Company at the forthcoming AGM. The amount of audit fees paid to RT LLP in FY2021 was S$165,000. There were no non-audit fees paid to RT LLP in FY2021. Having reviewed, amongst others, the scope and quality of their audits and their independence, the AC is satisfied that the independence and objectivity of the external auditors is not affected during their engagement for the financial year ended 31 December 2021.

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 FY2021 being focused on BWJB. 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 19 years of experience in internal audit and risk management, and is a member of the Malaysian Institute of Accountants. He is also a 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 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 has the necessary resources to adequately perform its functions. The AC would also decide on the appointment, termination and remuneration of the internal audit function.

(D) SHAREHOLDERS' RIGHTS AND ENGAGEMENT

SHAREHOLDERS' RIGHTS AND CONDUCT OF GENERAL MEETINGS

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

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

Provision 11.1 of the Code

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

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

Provision 11.2 of the Code

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form 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.

Provision 11.3 of the Code

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

The attendance of the Directors of the Company at the Company's general meetings held during FY2021 are reflected in the table below:

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

Deviation 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, companies may require shareholders who wish to exercise their voting rights to 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 FY2021 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 2021 which is the principal forum of dialogue and interaction with its shareholders. An extraordinary general meeting was held on 23 December 2021 to seek shareholders' approval in relation to, *inter alia*, the appointment of RT LLP as auditors of the Company, and resolutions in relation to the part payment of executive directors' salaries, directors' fees for FY2021 and directors' fees for FY2020 in new shares of the Company in lieu of cash. Before and after such general meetings, the Directors would also take the opportunity to interact with shareholders. For FY2021, the shareholders were invited to submit questions relating to the resolutions to be tabled at the respective meeting and questions from Securities Investors Association (Singapore) had been received. The Company had posted its responses to Securities Investors Association (Singapore) via SGXNET and the Company's corporate website.

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 have 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 by posting its replies via SGXNet and the Company's website prior to the AGM on 28 April 2022.

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 FY2021 will also be set out in the Company's Sustainability Report which can be found on pages 12 to 25 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 FY2021, 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 2021 amounted to S$157,000.

Other than the above, there were no interested person transactions of S$100,000 or more in value per transaction entered into during FY2021.

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.

USE OF PROCEEDS

On 10 March 2022, the Company had completed the allotment and issuance of an aggregate of 630,000,000 shares at an issue price of S$0.001 per Share and an aggregate of 210,000,000 investment warrants (the "**March 2022 Investment Warrants**") to certain subscribers (the "**March 2022 Subscribers**"), each convertible into one share at an exercise price of S$0.001 per March 2022 Investment Warrant for an aggregate amount of S$630,000 pursuant to the subscription agreements dated 12 January 2022 between the Company and Subscribers (the "**March 2022 Subscriptions**"). The Company announced on 13 January 2022 that the net proceeds will be used for the future expansion of the Group as well as for the working capital needs of the Group. As at the Latest Practicable Date, the net proceeds raised from the March 2022 Subscriptions had been utilised as follows:

Use of proceeds	Percentage Allocation (%)	Amount allocated (S$'000)	Amount utilised (S$'000)	Amount Unutilised (S$'000)
Net Proceeds from the March 2022 Subscriptions				
(i) For general working capital needs	50	300	264	36
(ii) For funding growth, development and expansion of its existing aesthetic medical and healthcare business and exploration of new business opportunities as and when they arise	50	300	33	267
Total	100	600	297	303

No further proceeds from the March 2022 Subscriptions have been raised as the March 2022 Investment Warrants have not been exercised.

On 9 December 2021, the Company had completed the allotment and issuance of an aggregate of 735,000,000 shares at an issue price of S$0.001 per Share and an aggregate of 245,000,000 investment warrants (the "**December 2021 Investment Warrants**") to certain subscribers (the "**December 2021 Subscribers**"), each convertible into one share at an exercise price of S$0.001 per December 2021 Investment Warrant for an aggregate amount of S$735,000 pursuant to the subscription agreements dated 21 July 2021 and 28 October 2021 between the Company and Subscribers (the "**December 2021 Share Subscriptions**"). The Company announced on 21 July 2021 and 28 October 2021 the net proceeds will be used for the future expansion of the Group as well as for the working capital needs of the Group. As at the Latest Practicable Date, the net proceeds raised from the December 2021 Share Subscriptions had been utilised as follows:

Use of proceeds	Percentage Allocation (%)	Amount allocated (S$'000)	Amount utilised (S$'000)	Amount Unutilised (S$'000)
Net Proceeds from the December 2021 Share Subscriptions				
(i) For general working capital needs	50	329	329	-
(ii) For funding growth, development and expansion of its existing aesthetic medical and healthcare business and exploration of new business opportunities as and when they arise	50	329	-	329
Total	100	658	329	329

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 21 July 2021 and 29 October 2021.

No further proceeds from the December 2021 Subscriptions have been raised as the December 2021 Investment Warrants have not been exercised.

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	Percentage Allocation (%)	Amount allocated (S$'000)	Amount utilised (S$'000)	Amount Unutilised (S$'000)
Net Proceeds from 2021 Rights Cum Warrants Issue				
(i) For general working capital needs	50	941	941	-
(ii) For the future expansion of the Group, including but not limited to mergers with and acquisitions of similar businesses	50	941	558	383
Total	100	1,882	1,499	383

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.

No further proceeds from the 2021 Rights Cum Warrants Issue have been raised as the W240531 Warrants have not been exercised.

NON-SPONSOR FEES

No non-sponsor fees were paid to the Company's sponsor, Stamford Corporate Services Pte. Ltd. for the period 1 January 2021 to 31 December 2021.

SUSTAINABILITY REPORT

During FY2021, 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 25 of this Annual Report.

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2021 and the balance sheet of the Company as at 31 December 2021.

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 62 to 161 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 2021 and the financial performance, changes in equity and cash flows of the Group for the financial year then ended; and

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

Directors

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

Dato' Ng Tian Sang @ Ng Kek Chuan
Howard Ng How Er
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 31.12.2021**	**At 1.1.2021**	**At 31.12.2021**	**At 1.1.2021**
(No. of ordinary shares)				
Dato' Ng Tian Sang @ Ng Kek Chuan	1,585,012,533	1,188,759,400	920,435,423	775,511,751
Howard Ng How Er	353,811,793	265,358,845	-	-
Ang Kok Huan[(1)]	145,900,000	143,888,889	-	-
Dr Lam Lee G	-	-	63,067,009	47,300,000
Cheung Wai Man, Raymond	7,500,009	5,000,000	-	-

(1) Ang Kok Huan has resigned as director on 29 June 2021. 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 31.12.2021	At 1.1.2021	At 31.12.2021	At 1.1.2021
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

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 31.12.2021	At 1.1.2021	At 31.12.2021	At 1.1.2021
Company				
(No. of warrants)				
Dato' Ng Tian Sang @ Ng Kek Chuan	701,961,174	305,708,041	199,665,675	54,742,003
Howard Ng How Er	107,184,160	18,731,212	-	-
Ang Kok Huan*	2,011,111	-	-	-
Dr Lam Lee G	-	-	15,767,009	-
Cheung Wai Man, Raymond	2,500,009	-	-	-

* Ang Kok Huan has resigned as director on 29 June 2021.

(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 31.12.2021	At 01.01.2021
Company		
(No. of ordinary shares)		
Ang Kok Huan*	138,888,889	138,888,889

* Ang Kok Huan has resigned as director on 29 June 2021.

(c) The directors' interests in the ordinary shares and convertible securities of the Company as at 21 January 2022 were the same as those as at 31 December 2021.

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.

- 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 2021.

Date of grant	Balance as at 1.1.2021	Options granted/ adjustment	Options cancelled or lapsed	Balance as at 31.12.2021	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		

Share options (cont'd)

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

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		

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.

Share performance plan (cont'd)

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

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.

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

a) all Awards granted thereunder;

b) all the Options under the Albedo ESOS; and

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

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

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

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

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

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

No share awards are granted during the financial years ended 31 December 2020 and 2021 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 former 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 independent auditor, RT LLP, has expressed its willingness to accept reappointment.

On behalf of the directors

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

13 April 2022

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Beverly JCG Ltd. (the "**Company**") and its subsidiary corporations (the "**Group**"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2021, and the consolidated statement of profit or loss and other 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 Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Going concern

The following circumstances give rise to material uncertainties on the Group's and the Company's ability 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$2,856,000 (2020: S$5,254,000) and S$1,903,000 (2020: S$2,653,000) respectively and the Group also incurred net operating cash outflows of S$683,000 (2020: S$670,000) for the financial year ended 31 December 2021. As at 31 December 2021, the Group's current liabilities exceeded its current assets by S$3,841,000 (2020: S$520,000).

Nevertheless, the Board of Directors of the Company believe that the use of the going concern assumption in the preparation of the financial statements for the financial year ended 31 December 2021 is appropriate after taking into consideration the assumptions and measures elaborated in Note 4.

The ability of the Group and of the Company to continue in operational existence in the foreseeable future and to meet their financial obligations as and when they fall due are dependent on the positive outcome of the actions and measures undertaken as disclosed in Note 4. 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 sheet. 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.

Basis for Disclaimer of Opinion (cont'd)

2. Opening balances and comparative figures - Assets, liabilities and results of the Group's aesthetic business in Taiwan

The audit opinion on the consolidated financial statements of the Group for the financial year ended 31 December 2020, which form the basis for the comparative figures presented in the current year's consolidated financial statements, was disclaimed by the predecessor auditor, and one of the basis for disclaimer of opinion was the assets, liabilities and results of the Group's aesthetic business in Taiwan.

Notwithstanding that the disposal of the Group's aesthetic business in Taiwan had been completed during the current financial year, the matters which resulted in the disclaimer of opinion remain unresolved with respect to the opening balances of the Group as at 1 January 2021. In view of that, we were unable to determine whether adjustments to the opening balances of the Group as at 1 January 2021 might have been necessary. In addition, since opening balances enter into the determination of the financial performance, changes in equity and cash flows for the current financial year, we were unable to determine whether adjustments might have been necessary in respect of the loss, changes in equity and cash flows of the Group for the financial year ended 31 December 2021.

Our opinion on the current year's financial statements is also disclaimed because of the possible effects of this matter on the comparability of the current year's figures and the comparative figures.

Other Matter

The financial statements of the Group for the year ended 31 December 2020, were audited by another auditor who expressed a disclaimer of opinion on those statements on 14 June 2021.

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 Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the 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, 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 partner on the audit resulting in this independent auditor's report is Mr. Ravinthran Arumugam FCA.

RT LLP

Public Accountants and
Chartered Accountants
Singapore, 13 April 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 31 December 2021

	Note	Group 2021 S$'000	Group 2020 S$'000
Continuing operations			
Revenue	5	8,974	5,446
Cost of sales		(4,608)	(3,001)
Gross profit		4,366	2,445
Other income	6	654	427
Other losses, net	7	(65)	(91)
Expenses			
- Distribution		(204)	(220)
- Administrative		(7,490)	(7,517)
- Finance	10	(275)	(174)
Loss before income tax		(3,014)	(5,130)
Income tax credit	11	158	249
Loss from continuing operations		(2,856)	(4,881)
Loss from discontinued operations	16(a)	-	(373)
Total loss		(2,856)	(5,254)
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Losses	26(b)(ii)	3	(22)
Other comprehensive losses, net of tax		3	(22)
Items that will not be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Losses	26(b)(ii)	-	(20)
Other comprehensive losses, net of tax		-	(20)
Total comprehensive loss		(2,853)	(5,296)

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

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the financial year ended 31 December 2021

	Note	Group 2021 S$'000	Group 2020 S$'000
Total loss attributable to:			
- Equity holders of the Company		(2,500)	(4,250)
- Non-controlling interests		(356)	(1,004)
		(2,856)	(5,254)
Total loss attributable to equity holders of the Company relates to:			
- Continuing operations		(2,500)	(3,820)
- Discontinued operations		-	(430)
		(2,500)	(4,250)
Total comprehensive loss attributable to:			
- Equity holders of the Company		(2,497)	(4,272)
- Non-controlling interests		(356)	(1,024)
		(2,853)	(5,296)
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	-	-*
		(0.02)	(0.03)

* Amount less than (0.01) Singapore cents.

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

Balance Sheets
As at 31 December 2021

	Note	Group 2021 S$'000	Group 2020 S$'000	Company 2021 S$'000	Company 2020 S$'000
ASSETS					
Current assets					
Cash and cash equivalents	13	913	293	192	43
Trade and other receivables	14	924	752	739	510
Inventories	15	407	412	-	-
		2,244	1,457	931	553
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
		2,244	5,326	931	4,164
Non-current assets					
Investments in subsidiary corporations	17	-	-	2,417	2,417
Property, plant and equipment	18	5,018	5,955	135	156
Intangible assets	21	1,054	1,439	-	-
		6,072	7,394	2,552	2,573
Total assets		8,316	12,720	3,483	6,737
LIABILITIES					
Current liabilities					
Trade and other payables	22	4,471	3,995	1,245	1,394
Income tax payable		18	-	-	-
Lease liabilities	23(a)	616	785	124	144
Borrowings	23(b)	980	808	800	965
		6,085	5,588	2,169	2,503
Liabilities directly associated with disposal group classified as held-for-sale	16(d)	-	258	-	-
		6,085	5,846	2,169	2,503
Non-current liabilities					
Lease liabilities	23(a)	1,643	2,053	-	-
Borrowings	23(b)	299	580	-	-
Deferred income tax liabilities	24	242	401	-	-
		2,184	3,034	-	-
Total liabilities		8,269	8,880	2,169	2,503
NET ASSETS		47	3,840	1,314	4,234
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	25	72,994	71,623	72,994	71,623
Settlement shares and warrants receivables	16	(3,557)	-	(3,557)	-
Other reserves	26	3,039	1,867	3,074	1,905
Accumulated losses		(72,691)	(70,191)	(71,197)	(69,294)
		(215)	3,299	1,314	4,234
Non-controlling interests	17	262	541	-	-
Total equity		47	3,840	1,314	4,234

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

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2021

		Attributable to equity holders of the Company								
	Note	Share capital S$'000	Settlement shares and warrants receivables S$'000	Share options reserve S$'000	Currency translation reserve S$'000	Warrant reserve S$'000	Accumulated losses S$'000	Total S$'000	Non-controlling interests S$'000	Total S$'000
2021										
Beginning of financial year		71,623	-	25	(38)	1,880	(70,191)	3,299	541	3,840
Net loss for the financial year		-	-	-	-	-	(2,500)	(2,500)	(356)	(2,856)
Other comprehensive loss for the financial year		-	-	-	3	-	-	3	-	3
Total comprehensive loss for the financial year		-	-	-	3	-	(2,500)	(2,497)	(356)	(2,853)
Issuance of share capital	25	658	-	-	-	-	-	658	-	658
Fair value adjustment of warrants	25, 26(b)(iii)	(1,169)	-	-	-	1,169	-	-	-	-
Rights issue	25	1,882	-	-	-	-	-	1,882	-	1,882
Total transactions with owners, recognised directly in equity		1,371	-	-	-	1,169	-	2,540	-	2,540
Settlement shares and warrants receivables	16	-	(3,557)	-	-	-	-	(3,557)	-	(3,557)
Effect of disposing part of interest in a subsidiary		-	-	-	-	-	-	-	37	37
Capital contributions from non-controlling interest		-	-	-	-	-	-	-	40	40
End of financial year		72,994	(3,557)	25	(35)	3,049	(72,691)	(215)	262	47

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

	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
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 Cash Flows

For the financial year ended 31 December 2021

	Note	Group 2021 S$'000	Group 2020 S$'000
Cash flows from operating activities			
Total loss		(2,856)	(5,254)
Adjustments for:			
- Income tax credit	11	(158)	(280)
- Loss allowances on trade receivables	29	-	42
- Amortisation of intangible assets	21	385	459
- Depreciation of property, plant and equipment	18	1,575	1,916
- Property, plant and equipment written off	7	11	71
- Rent concessions	6	(180)	(96)
- Gain due to modification of lease	6	(143)	(37)
- Reversal of provision of loss allowance	6	(6)	-
- Trade payables written off	7	-	(22)
- Loss on disposal of subsidiary corporation	7	54	-
- Loss recognised on remeasurement of disposal group to fair value less cost to sell	16(a)	-	193
- Interest income	6	-	(9)
- Finance expenses	10	275	174
- Unrealised currency translation (gains)/losses		(109)	123
		(1,152)	(2,720)
Change in working capital, net of effects from acquisition and disposal of subsidiary corporations:			
- Trade and other receivables		(172)	536
- Inventories		5	124
- Trade and other payables		642	1,482
Cash used in operations		(677)	(578)
- Interest expense- bank overdrafts		(23)	-
- Interest received		-	9
- Income tax refunded/(paid)		17	(101)
Net cash used in operating activities		(683)	(670)
Cash flows from investing activities			
- Purchase to property, plant and equipment		(325)	(544)
Net cash used in investing activities		(325)	(544)
Cash flows from financing activities			
- Bank deposit discharged		10	1,422
- Bank deposit pledged		(101)	(705)
- Net proceeds from share subscription	25	658	800
- Net proceeds from rights issue	25	1,882	-
- Proceeds from conversion of warrants		-	7
- Effect of disposing part of interest in a subsidiary		37	-
- Non-controlling interest contribution		40	-
- Proceeds from borrowings		393	1,317
- Repayment of lease liabilities		(871)	(1,017)
- Repayment of borrowings		(323)	(143)
- Interest paid		(49)	(51)
Net cash generated from financing activities		1,676	1,630

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

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2021

	Note	Group 2021 S$'000	Group 2020 S$'000
Net increase in cash and cash equivalents		668	416
Cash and cash equivalents			
Beginning of financial year		121	(297)
Effects of currency translation on cash and cash equivalents		-	2
End of financial year	13	789	121

Reconciliation of liabilities arising from financing activities

	1 January 2021 S$'000	Financing cash flows[1] S$'000	Interest expense S$'000	Non-cash changes: Purchase of property, plant and equipment S$'000	Non-cash changes: Modification of lease liabilities S$'000	Non-cash changes: Currency exchange loss S$'000	Non-cash changes: Others S$'000	31 December 2021 S$'000
<u>Continuing operations</u>								
Borrowings	1,211	24	46	-	-	(2)	-	1,279
Lease liabilities	2,838	(874)	206	350	(149)	(112)	-	2,259

	1 January 2020 S$'000	Financing cash flows[1] S$'000	Interest expense S$'000	Non-cash changes: Purchase of property, plant and equipment S$'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
<u>Continuing operations</u>								
Borrowings	-	1,177	39	-	-	(5)	-	1,211
Lease liabilities	3,034	(966)	120	975	(325)	-	-	2,838
<u>Discontinued operations</u>								
Borrowings	185	(54)	11	-	-	-	(142)	-
Lease liabilities	47	(51)	4	-	-	-	-	-

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

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

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

1 General information

Beverly JCG Ltd. (the "**Company**") is listed on the Catalist, the sponsor-supervised listing platform of Singapore Exchange Securities Trading Limited (the "**Singapore Exchange**" or "**SGX-ST**") and incorporated and domiciled in Singapore. The principal place of business and registered office is located at 600 North Bridge Road, #06-02 Parkview Square, Singapore 188778.

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.

2. Significant accounting policies

2.1 Basis of preparation

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

Interpretations and amendments to published standards effective in 2021

On 1 January 2021, 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.

- Amendments to SFRS(I) 1-39 Financial Instruments: Recognition and Measurement, SFRS(I) 7 Disclosures, SFRS(I) 9 Financial Instruments and SFRS(I) 16 Leases: Interest Rate Benchmark Reform - Phase 2

- Amendments to SFRS(I) 16 Leases: Covid-19 Related Rent Concessions

  The Amendments to SFRS(I) 16 Covid-19 Related Rent Concessions was early adopted during the financial year ended 31 December 2020. The adoption of the above amendments to SFRS(I)s did not result in material changes to the Group's accounting policies.

2. Significant accounting policies (cont'd)

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.

(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. Significant accounting policies (cont'd)

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.

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.

2. Significant accounting policies (cont'd)

2.4 Group accounting (cont'd)

(a) Subsidiary corporations (cont'd)

(ii) Acquisitions (cont'd)

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.

(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.

2. Significant accounting policies (cont'd)

2.5 Property, plant and equipment (cont'd)

(a) Measurement (cont'd)

(ii) Components of costs

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

(b) Depreciation

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

	Useful lives
Office equipment and fixtures	2 to 15 years
Renovation	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.

(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.

2. Significant accounting policies (cont'd)

2.6 Intangible assets (cont'd)

(a) Goodwill on acquisitions (cont'd)

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.

2.9 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.

2. Significant accounting policies (cont'd)

2.9 Impairment of non-financial assets (cont'd)

(a) *Goodwill* (cont'd)

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.

2.10 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.

2. Significant accounting policies (cont'd)

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

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.

At initial recognition

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

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.

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

2.15 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.

2. Significant accounting policies (cont'd)

2.16 Leases (cont'd)

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

- Right-of-use assets (cont'd)

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

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

- Lease liabilities

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

  Lease payments include the following:

  - Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
  - Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
  - Amount expected to be payable under residual value guarantees;
  - 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.

2. Significant accounting policies (cont'd)

2.16 Leases (cont'd)

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

- Short term and low value leases

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

(b) When the Group is the lessor:

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

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

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. Significant accounting policies (cont'd)

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.

2.21 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.

2. Significant accounting policies (cont'd)

2.21 Employee compensation (cont'd)

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset. (cont'd)

(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.

2.22 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.

2. Significant accounting policies (cont'd)

2.22 Currency translation (cont'd)

(b) Transactions and balances (cont'd)

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

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

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

(c) Translation of Group entities' financial statements

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

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

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

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

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

2.24 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. Significant accounting policies (cont'd)

2.25 Share capital and treasury shares

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

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

2.26 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 has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL by using an individual (debtor-by- debtor) basis. ECL is estimated based on historical credit loss experience based on the past due status of debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

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 29(b) to the financial statements.

The carrying amount of trade receivables as at 31 December 2021 is S$204,000 (2020: S$84,000) (Note 14).

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

*(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 measured at an amount equal to 12-month ECL at initial recognition.

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

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

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

The assessment of the correlation between historical observed default rates, 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 29(b) to the financial statements.

The carrying amount of other receivables as at 31 December 2021 is S$115,000 (2020: S$129,000) (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 2021 is S$664,000 (2020: S$664,000) (Note 21(a)).

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

(d) Estimated impairment of non-financial assets

Goodwill

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

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

Other non-financial assets

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

During the financial year ended 31 December 2021, 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$Nil (2020: S$995,000) 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 26 respectively.

(e) Deconsolidation of Brand X Lab Pte Ltd from 1 January 2021

During the financial year ended 31 December 2020, the Directors of the Company approved the plan to unwind the acquisition of Brand X Lab Pte Ltd ("**Brand X**"). Subsequently, on 16 February 2021, the Company entered into an unwinding and settlement agreement (the "**Agreement**") with Tan Suying ("**TSY**") in respect of the mutual agreement by TSY and the Company to unwind the acquisition of Brand X. On 18 January 2022, TSY and the Company entered into a supplemental agreement (the "**Supplemental Agreement**") to amend, modify and vary the terms and provisions of the Agreement including but not limited to state that the date of effective transfer of any and all rights and entitlements as well as any and all obligations attached to the 100,000 ordinary shares of Brand X shall remain 1 January 2021.

Management has de-consolidated Brand X from 1 January 2021, having considered that the Group has lost control of Brand X from 1 January 2021. The Group no longer has any power over Brand X from 1 January 2021, the Group no longer has the ability to use its power over Brand X to affect the amount of its returns.

4. Going concern

The Group and the Company incurred a total loss of S$2,856,000 (2020: S$5,254,000) and S$1,903,000 (2020: S$2,653,000) respectively and the Group also incurred net operating cash outflows of S$683,000 (2020: S$670,000) for the financial year ended 31 December 2021. As at 31 December 2021, the Group's current liabilities exceeded its current assets by S$3,841,000 (2020: S$520,000).

Nevertheless, the Board of Directors of the Company believe that the use of the going concern assumption in the preparation of the financial statements for the financial year ended 31 December 2021 is appropriate after taking into consideration the following assumptions and measures:

(a) Better financial performance from aesthetic medical and healthcare segments in Malaysia which is expected to continue

(i) The Beverly Wilshire group of companies in Malaysia which contributed about 98% of the Group's revenue has turned around despite challenges of operating under Covid-19 restrictions, with its best financial performance since inception of business operations in 2012. The Group's revenue for aesthetic medical and healthcare segments have increased by 66% from S$5,315,000 for the financial year ended 31 December 2020 ("**FY2020**") to S$8,801,000 for the financial year ended 31 December 2021 ("**FY2021**").

(ii) The Beverly Wilshire group of companies' earnings before interests, tax, depreciation and amortisation ("**EBITDA**") is positive at S$454,000 for FY2021 as compared to negative S$1,664,000 for FY2020. The legacy Beverly Wilshire clinics comprising Beverly Wilshire Medical Centre Sdn Bhd ("**BWMC**"), Beverly Wilshire Medical Centre (JB) Sdn Bhd, Beverly Wilshire Tropicana Mall Sdn Bhd, Beverly Wilshire Aesthetic Dental Sdn Bhd and Beverly Wilshire Medical Academy and Research Sdn Bhd contributed positive EBITDA of S$595,000 for FY2021 as compared to negative S$1,428,000 for FY2020.

(iii) The newly incorporated entities in FY2020 and FY2021, namely Natasha Beverly Sdn Bhd, Beverly Ipoh Sdn Bhd, Natasha Beverly Aesthetics Sdn Bhd, Natasha Beverly Dental Sdn Bhd, Beverly Dentistree Sdn Bhd and Natasha Beverly Mizu Sdn Bhd had contributed S$951,000 of revenue to the Group in FY2021 as compared to S$53,000 for FY2020.

The above is achieved with the domestic market alone due to the border closure measures undertaken by the Malaysia government during the Covid-19 pandemic. The historical track records have shown that the Beverly Wilshire group of companies' overseas business contribution to be approximately 45% to 50% of its total revenue. With Malaysia allowing interstate travel from 11 October 2021, the opening of the vaccinated travel lane between Singapore and Kuala Lumpur from 29 November 2021, the opening of land borders between Singapore and Malaysia from 1 April 2022 as well as Malaysia's plans to reopen borders to foreign tourists in 2022, the Group is cautiously optimistic that the influx of interstate and foreign customers will further increase its revenue and improve its financial results going forward.

4. Going concern (cont'd)

(b) Continuing fund-raising efforts

(i) BWMC had on 28 May 2020 entered into a letter of offer with a Malaysian bank in relation to the granting of banking facilities of up to RM7 million (approximately S$2,333,000) to BWMC. BWMC had on 18 August 2020 entered into a banking facilities agreement with the Malaysian bank. As at 31 December 2021, BWMC has drawn down the loan facility of RM3 million (approximately S$1 million) and the loan balance as at 31 December 2021 is S$726,000. In addition, as at December 2021, the invoice financing balance is S$552,000. The loan facilities available to BWMC as at 31 December 2021 is S$781,000.

(ii) On 2 June 2021, the Company 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, 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 under a rights issue exercise (the "**2021 Rights Cum Warrants Issue**").

(iii) In July 2021, the Company signed a subscription agreement for private placement amount of S$105,000 which will be used to fund future expansions through mergers and acquisitions and for the Group's working capital.

(iv) In October 2021, the Company had engaged Astramina Advisory Sdn Bhd ("**Astramina**"), a corporate finance advisory firm licensed with the Securities Commission Malaysia to refer or introduce investors for subscription of shares in the Company. As at the date of this Annual Report, Astramina has successfully assisted the Company in signing 6 subscription agreements for total private placement amounts of S$630,000, of which the proceeds will be used to fund growth, development and expansion of its existing aesthetic medical and healthcare business and for the Group's working capital.

(v) In January 2022, the Company had engaged Chadway Management Services Pte Ltd ("**Chadway**"), an exempt financial institution under the Securities and Futures Act to refer or introduce investors for subscription of shares in the Company. As at the date of this Annual Report, Chadway had successfully assisted the Company in signing 11 subscription agreements for total private placement amounts of S$1,365,000, of which the proceeds will be used to fund growth, development and expansion of its existing aesthetic medical and healthcare business and for the Group's working capital.

The general mandate as approved by the shareholders during the Company's annual general meeting held on 29 June 2021 allows for the Company to issue and allot up to 8,963,857,794 new shares on a non-pro rata basis. The Company intends to raise new funds of S$6,000,000 by June 2022 (of which S$3,477,000 (S$2,847,000 in 2021 and S$630,000 in the first quarter of 2022) has been raised by way of the rights cum warrants issue completed in June 2021 and the private placements completed in December 2021 and March 2022 and a further S$735,000 will be raised on completion of the subscriptions announced on 5 April 2022) for additional working capital and to fund growth and development. The Group then intends to raise a further S$18,000,000 by December 2023 to acquire profitable beauty and healthcare medical clinics as part of the Group's strategic plan to turn around the Company.

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	
	2021	**2020**
	S$'000	**S$'000**
At a point in time		
Aesthetic services		
- Malaysia	8,801	5,315
Sales of goods - Steel raw materials		
- Singapore	173	131
	8,974	5,446

6. Other income

	Group	
	2021	**2020**
	S$'000	**S$'000**
Interest income from bank deposits	-*	9
Rental income on operating lease	45	21
Rent concessions[(1)]	180	96
Gain due to modification of lease	143	37
Government grants – Government-Paid Child Care Leave[(2)]	-	2
Government grants – Government-Paid Maternity Leave[(3)]	13	-
Government grants – Jobs Support Scheme[(4)]	18	93
Government grants – Wages Subsidy Programme[(5)]	89	120
Vaccination income	38	-
Reversal of provision of loss allowance	6	-
Share services fee income	68	27
Others	54	22
	654	427

(1) Included within are COVID-19 related rent concessions received from lessors of approximately S$181,000 (2020: 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) Government-Paid Maternity Leave ("**GPML**") are provided to working mothers under the GPML scheme to recover from delivery and caring for their newborn children.

(4) 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.

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

* Less than S$1,000

7. Other losses, net

	Group	
	2021	2020
	S$'000	S$'000
Loss allowances on trade receivables (Note 29(b)(i))	-	(42)
Loss on disposal of subsidiary corporation	(54)	-
Property, plant and equipment written-off/disposal	(11)	(71)
Trade payables written-off	-	22
	(65)	(91)

8. Expenses by nature

	Group	
	2021	2020
	S$'000	S$'000
Agent commission	182	151
Amortisation of intangible assets (Note (21(c))	385	385
Consultant fees	167	450
Depreciation of property, plant and equipment (Note 18)	1,575	1,858
Directors' fees	164	213
Doctors' commissions	1,038	806
Employee compensation (Note 9)	4,989	3,173
Entertainment expenses	14	5
Electricity expenses	90	106
Fees on audit services paid/payable to:		
- Auditor of the Company	165	139
- Other auditors	37	18
IT expenses	6	11
Insurance	70	93
Marketing expenses	117	146
Purchase of inventories	2,005	1,116
Printing and stationery	13	31
Professional fees	421	673
Rental expense – short-term leases	11	-
Transportation expenses	16	24
Travelling and accommodation	10	74
Changes in inventories	(8)	126
Other	835	1,140
Total cost of sales, distribution and administrative expenses	12,302	10,738

9. Employee compensation

	Group	
	2021	2020
	S$'000	S$'000
Wages and salaries	4,587	2,801
Employer's contribution to defined contribution plans	369	339
Other short-term benefits	33	33
	4,989	3,173

10. Finance expenses

	Group	
	2021	2020
	S$'000	S$'000
Interest expense		
- Borrowings (non-related party)	4	-
- Borrowings (related party)	29	11
- Bank overdrafts	23	-
- Invoice financing	13	39
- Lease liabilities (Note 19(c))	206	124
	275	174

11. Income tax credit

	Group	
	2021	2020
	S$'000	S$'000
Tax credit attributable to loss is made up of:		
Loss for the financial year:		
From continuing operations		
- Deferred income tax (Note 24)	(159)	(249)
From discontinued operations		
- Deferred income tax (Note 24)	-	(13)
Over provision in prior financial years:		
From continuing operations		
- Current income tax	1	-
From discontinued operations		
- Current income tax	-	(18)
Tax credit is attributable to:		
- continuing operations	(158)	(249)
- discontinued operations (Note 16(a))	-	(31)
	(158)	(280)

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

	Group	
	2021	2020
	S$'000	S$'000
Loss before income tax		
- continuing operations	(3,014)	(5,130)
- discontinued operations (Note 16(a))	-	(211)
	(3,014)	(5,341)
Tax calculated at tax rate of 17% (2020: 17%)	(512)	(876)
Effects of:		
- Different tax rates in other countries	(69)	(224)
- Expenses not deductible for tax purposes	233	303
- Unrecognised tax losses	190	535
- Over provision of income tax in prior financial years	-	(18)
Tax credit	(158)	(280)

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.

	2021	2020
Continuing operations		
Net loss attributable to equity holders of the Company (S$'000)	(2,500)	(3,820)
Weighted average number of ordinary shares outstanding for basic loss per share ('000)	17,094,188	15,794,756
Basic loss per share (cents per share)	(0.02)	(0.02)
Discontinued operations		
Net loss attributable to equity holders of the Company (S$'000)	-	(430)
Weighted average number of ordinary shares outstanding for basic loss per share ('000)	17,094,188	15,794,756
Basic loss per share (cents per share)	-	-*
Total	(0.02)	(0.03)

* Amount less than (0.01) Singapore cents.

(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.

12. Loss per share (cont'd)

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

	2021	2020
Continuing operations		
Net loss attributable to equity holders of the Company (S$'000)	(2,500)	(3,820)
Weighted average number of ordinary shares outstanding for diluted loss per share ('000)	17,094,188	15,794,756
Adjustments for ('000)		
- Employee share options (Note 25(a))	38,488	38,488
- Warrants	4,117,907	1,760,128
	4,156,395	1,798,616
Diluted loss per share (cents per share)	(0.02)#	(0.02)#
Discontinued operations		
Net loss attributable to equity holders of the Company (S$'000)	-	(430)
Weighted average number of ordinary shares outstanding for diluted loss per share ('000)	17,094,188	15,794,756
Adjustments for ('000)		
- Employee share options (Note 25(a))	38,488	38,488
- Warrants	4,117,907	1,760,128
	4,156,395	1,798,616
Diluted loss per share (cents per share)	-#	-#*
Total	(0.02)	(0.03)

\# 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		Company	
	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000
Cash at bank and on hand	789	260	192	43
Short-term bank deposit[1]	124	33	-	-
	913	293	192	43

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

	Group	
	2021	2020
	S$'000	S$'000
Continuing operations:		
Cash and bank balances (as above)	913	293
Less: Short-term bank deposits[1]	(124)	(33)
Less: Bank overdrafts (Note 23)	-	(177)
	789	83
Discontinued operations:		
Cash and bank balances (Note 16(c))	-	38
Cash and cash equivalents per consolidated statement of cash flows	789	121

[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 32 to the financial statements for the effects of acquisition of subsidiary corporations on the cash flows of the Group.

The Company had struck-off subsidiary corporations, China iMyth Company Pte. Ltd., CMIC Hemodialysis Pte. Ltd. and JCG Health Pte. Ltd. during the financial year ended 31 December 2021 (31 December 2020: CMIC Hemodialysis (Hong Kong) Limited). 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	
	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000
Trade receivables				
- Non-related parties	241	126	-	-
- Related parties	5	6	-	-
	246	132	-	-
Less: Loss allowance (Note29(b)(i))	(42)	(48)	-	-
	204	84	-	-
Other receivables				
- Subsidiary corporations	-	-	643	1,045
- Related parties	20	16	-	-
- Non-related parties	95	113	17	9
	115	129	660	1,054
Less: Loss allowance (Note 29(b)(i))	-	-	-	(612)
	115	129	660	442
Deposits	388	383	36	41
Prepayments	217	156	43	27
	924	752	739	510

The average credit period of trade receivables is 60 days (2020: 60 days). No interest is charged on the trade receivables.

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

15. Inventories

	Group	
	2021	2020
	S$'000	S$'000
Drugs, medicine and medical consumables	407	412
Recognised as an expense and included in "Cost of sales"		
- Finished/trading goods	155	116
- Drugs, medicine and medical consumables	1,842	1,126

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.

On 18 January 2022, TSY and the Company have entered into a supplemental agreement (the "**Supplemental Agreement**") to amend, modify and vary the terms and provisions of the Agreement in the manner and to the extent as stated below:

- TSY to refrain from exercising of voting rights and transfer of consideration share;
- The methods for unwinding of the acquisition to remove selective off-market share buy-back and to include that capital reduction shall result in the cancellation of the 1,583,333,333 ordinary shares of the Company held by TSY as part of the consideration for the disposal and transfer of the 100,000 ordinary shares of Brand X to TSY;
- TSY and the Company shall endeavor for completion by no later than 31 August 2022 and if this is not achieved, both parties shall provide assistance for completion as soon as possible without any limit in time;
- The unwinding of the acquisition is irrevocable and neither TSY nor the Company shall be entitled or have the right to terminate the Agreement and the unwinding of the acquisition; and
- The date of effective transfer of any and all rights and entitlements as well as any and all obligations attached to the 100,000 ordinary shares of Brand X shall remain 1 January 2021 or such earliest date permissible under applicable laws and regulations as well as the financial reporting standards.

(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 Assets 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.

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

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

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

	Group 2020 S$'000
Revenue	130
Cost of sales	(82)
Gross profit	48
Other income	131
Expenses	
- Distribution	(10)
- Administrative	(365)
- Finance	(15)
Loss before income tax	(211)
Income tax credit	31
Loss after tax from discontinued operations	(180)
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)
Post-tax loss recognised on the remeasurement of disposal group to fair value less costs to sell	(193)
Loss for the financial year from discontinued operations	(373)

(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)

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

(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 24)	16
	258

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

	Company	
	2021 S$'000	2020 S$'000
Beginning of financial year	3,611	-
Reclassification from investment in subsidiary corporation (Note 17)	-	3,611
Loss on disposal of subsidiary corporation	(54)	-
Reclassification to settlement shares and warrants receivables	(3,557)	-
End of financial year	-	3,611

17. Investments in subsidiary corporations

	Company	
	2021	2020
	S$'000	S$'000
Equity investments at cost		
Beginning of financial year	25,174	28,785
Reclassified to non-current asset classified as held-for-sale (Note 16(e))	-	(3,611)
End of financial year	25,174	25,174
Allowance for impairment loss		
Beginning of financial year	22,757	21,762
Impairment loss [(1)]	-	995
End of financial year	22,757	22,757
Carrying amount	2,417	2,417

(1) 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$Nil (2020: S$995,000) 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 2021. The recoverable amount was determined using the net tangible asset value in financial year ended 31 December 2021, 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 2021 and 2020:

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	
			2021	2020	2021	2020	2021	2020
			%	%	%	%	%	%
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.[(2)(6)]	Event organisation and management consultancy	Singapore	-	100	-	100	-	-
China iMyth Company Pte. Ltd.[(3)(16)]	Investment holding and provision of management services	Singapore	-	51	-	51	-	49
CMIC Hemodialysis Pte. Ltd.[(3)]	Investment holding	Singapore	-	100	-	100	-	-
JCG-Beverly Pte. Ltd.[(1)]	Investment holding and provision of management services	Singapore	100	100	100	100	-	-
JCG Health Pte. Ltd.[(3)]	Investment holding and provision of management services	Singapore	-	100	-	100	-	-

17. Investments in subsidiary corporations (cont'd)

The Group has the following subsidiary corporations as at 31 December 2021 and 2020: (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	
			2021	2020	2021	2020	2021	2020
			%	%	%	%	%	%
Held by JCG-Beverly Pte. Ltd.								
Beverly Wilshire Medical Centre Sdn. Bhd.(4)(7)	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.(4)(7)	Provision of aesthetic and cosmetic surgery and reconstructive surgery	Malaysia	-	-	51	51	49	49
Beverly Wilshire Tropicana City Mall Sdn. Bhd.(4)(7)	Provision of cosmetologial and aesthetical related treatments	Malaysia	-	-	51	51	49	49
Beverly Wilshire Aesthetic Dental Centre Sdn. Bhd.(4)(7)	Provision of aesthetic dental care	Malaysia	-	-	51	51	49	49
Beverly Wilshire Hair Transplant S dn. Bhd.(4)(7)(8)	Provision of hair transplant care	Malaysia	-	-	51	51	49	49
Beverly Dentistree Sdn. Bhd (f.k.a Beverly Medical Centre Sdn. Bhd)(4)(7)(9)(10)	Provision of aesthetic dental care	Malaysia	-	-	70	100	30	-

17. Investments in subsidiary corporations (cont'd)

The Group has the following subsidiary corporations as at 31 December 2021 and 2020: (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	
			2021	2020	2021	2020	2021	2020
			%	%	%	%	%	%
Held by JCG-Beverly Pte. Ltd. (cont'd)								
Beverly Wilshire Medical Academy and Research Centre Sdn. Bhd.(4)(7)	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. (4)(7)(11)	Provision of physiotherapy, spa, reflexology services and activities	Malaysia	-	-	56	56	44	44
Beverly Ipoh Sdn. Bhd.(4)(7)(12)	Provision of aesthetic medicine and related activities	Malaysia	-	-	70	70	30	30
Held by Beverly Wilshire Medical Centre Sdn Bhd								
Beverly Wilshire Cosmetic Surgery Centre Sdn. Bhd.(4)(7)(8)	Provision of cosmetic and plastic surgery treatment and services	Malaysia	-	-	51	51	49	49

* 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 2021 and 2020: (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	
			2021	2020	2021	2020	2021	2020
			%	%	%	%	%	%
Held by Natasha Beverly Sdn. Bhd								
Natasha Beverly Dental Sdn. Bhd. (f.k.a Spinalive Beverly Sdn. Bhd.)(4)(7)(13)	Provision of chiropractic and traditional treatment	Malaysia	-	-	39#	29	61	71
Natasha Beverly Mizu Sdn. Bhd. (f.k.a DS Beverly Sdn. Bhd.)(4)(7)(14)	Provision of healthy aging, regenerative medicine, health screening services and medical spa procedures	Malaysia	-	-	39	39	61	61
Natasha Beverly Aesthetics Sdn. Bhd.(4)(7)(15)	Provision of aesthetic medicine and related activities	Malaysia	-	-	31	31	69	69
Held by China iMyth Company Pte. Ltd.								
iMyth Taiwan Limited(5)	Provision of management services required for operation of clinics, including office, facilities, equipment, medical materials and pharmaceuticals	Republic of China, Taiwan	-	-	-	51	-	49

7% is held through Beverly Wilshire Aesthetic Dental Centre Sdn. Bhd.

17. Investments in subsidiary corporations (cont'd)

The Group has the following subsidiary corporations as at 31 December 2021 and 2020: (cont'd)

(1) Audited by RT LLP and Nexia TS Public Accounting Corporation, Singapore for financial years ended 31 December 2021 and 2020 respectively.

(2) Audited by Nexia TS Public Accounting Corporation, Singapore for financial year ended 31 December 2020.

(3) Audited by Nexia TS Public Accounting Corporation, Singapore for financial year ended 31 December 2020. The Company is dormant during the financial year ended 31 December 2021 and had been struck off on 10 August 2021.

(4) For the purpose of the consolidated financial statements, these financial statements are reviewed and/or audited by RT LLP and Nexia TS Public Accounting Corporation, Singapore for financial years ended 31 December 2021 and 2020 respectively.

(5) 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.

(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. On 18 January 2022, TSY and the Company have entered into the Supplemental Agreement to amend, modify and vary the terms and provisions of the Agreement as disclosed in Note 33.

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

(8) Beverly Wilshire Cosmetic Surgery Centre Sdn. Bhd. remains dormant during the financial years ended 31 December 2021 and 2020, however it has not opted for audit exemption.

(9) Beverly Dentistree Sdn. Bhd. ("**BDSB**") remains dormant during the financial year ended 31 December 2020; however, it has not opted for audit exemption.

On 21 June 2021, BDSB has changed its business activities from provision of cosmetic and plastic surgery and as a medical specialist centre, with out-patient, in-patient and day care service and activities to the provision of aesthetic dental care. The Company has commenced its business operation in financial year ended 31 December 2021.

(10) JCG-Beverly Pte. Ltd ("**JCGB**") had entered into a trust deed dated 20 September 2019 (being date of incorporation of Beverly Dentistree Sdn. Bhd (f.k.a 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 Dentistree Sdn. Bhd (f.k.a 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.

17. Investments in subsidiary corporations (cont'd)

The Group has the following subsidiary corporations as at 31 December 2021 and 2020: (cont'd)

On 8 July 2021, Beverly Dentistree Sdn. Bhd (f.k.a Beverly Medical Centre Sdn. Bhd) had increased its issued and paid-up share capital from 100 shares to 350,000 ordinary shares. The shareholding interest of JCGB in Beverly Dentistree Sdn. Bhd (f.k.a Beverly Medical Centre Sdn. Bhd) had changed from 100% to 70%.

(11) 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.

(12) 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.

On 8 July 2021, BISB has allotted 50,000 ordinary shares and increased its issued and paid-up share capital from 400,000 shares to 450,000 ordinary shares. JCGB had entered a second supplemental trust deed dated 8 July 2021 with the BISB Trustee to declare a trust over his additional 35,000 ordinary shares in favour of JCGB. As the increase in the share capital of BISB is on a pro rata basis, the shareholding structure of BISB and the 70% shareholding interest of JCGB in BISB remain the same.

17. Investments in subsidiary corporations (cont'd)

The Group has the following subsidiary corporations as at 31 December 2021 and 2020: (cont'd)

(13) Newly incorporated on 10 March 2020.

On 15 March 2020, NBSB entered into a binding term sheet (the "**Term Sheet**") with Spinalive to establish a joint venture, Spinalive Beverly Sdn Bhd ("**SBSB**"), for the purposes of providing services of 'pain management', including but not limited to chiropractic and physiotherapy services. On 30 April 2020, the Term Sheet was terminated due to the pandemic situation caused by COVID-19 lasting longer than anticipated, leading to more uncertainties than previously foreseen. Following the termination of the Term Sheet, Spinalive transferred its 49% shareholdings in SBSB on 4 March 2021 to NBSB for an aggregate nominal consideration of RM49, accordingly, SBSB became a 100% subsidiary of NBSB and SBSB was renamed as Natasha Beverly Dental Sdn Bhd ("**NBDSB**") on 7 April 2021.

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

(14) Newly incorporated on 15 July 2020.

On 15 July 2020, Natasha Beverly Sdn. Bhd. ("**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. The shareholdings interest of NBSB and DS were 70% and 30% respectively. Subsequently, the Parties have mutually agreed to terminate the joint venture on 29 July 2021 due to the border lockdown between Malaysia and other countries arising from the current pandemic situation caused by COVID-19.

On 22 September 2021, NBSB entered into a definitive agreement (the "**Agreement**") with Mizu Skin Beauty ("**Mizu**") to establish a joint venture company in Malaysia to be known as "Natasha Beverly Mizu Sdn Bhd" for the purposes of providing medical spa ("**MediSpa**") services. On 12 October 2021, DS Beverly Sdn. Bhd. changed its name to Natasha Beverly Mizu Sdn. Bhd. On 25 October 2021, Natasha Beverly Mizu Sdn. Bhd. added the provision of medical spa procedures and related services to its existing business activities which include the provision of healthy aging, regenerative medicine, health screening, dermatology and preventive medicine services. The shareholdings interest of NBSB and Mizu are 70% and 30% respectively.

(15) 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. NBSB had on 15 February 2021 entered into a definitive agreement with BBSB to establish the joint venture using NBASB for the purposes of providing aesthetic medicine services. The shareholdings interest of NBSB and BBSB are 56% and 44% respectively.

17. Investments in subsidiary corporations (cont'd)

The Group has the following subsidiary corporations as at 31 December 2021 and 2020: (cont'd)

(16) On 12 April 2021, the Company completed the acquisition of the remaining 49% shareholding interest in China iMyth Company Pte Ltd from Dr Chung Yih-Chen.

Carrying value of non-controlling interests

	Group	
	2021	**2020**
	S$'000	**S$'000**
iMyth Taiwan Limited	-	115
Beverly Wilshire Medical Centre Sdn Bhd	(132)	(100)
Beverly Wilshire Medical Centre (JB) Sdn Bhd	428	488
Beverly Wilshire Tropicana City Mall Sdn Bhd	31	92
Beverly Wilshire Aesthetic Dental Centre Sdn Bhd	(120)	(100)
Beverly Wilshire Medical Academy and Research Centre Sdn Bhd	15	35
Natasha Beverly Sdn Bhd	24	141
Other subsidiary corporations with immaterial non-controlling interests	16	(130)
Total	262	541

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 2021 and 2020.

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	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Current								
Assets	1,545	1,525	558	387	262	219	167	146
Liabilities	(2,601)	(2,693)	(1,044)	(1,103)	(324)	(190)	(517)	(502)
Total current net (liabilities)/assets	(1,056)	(1,168)	(486)	(716)	(62)	29	(350)	(356)
Non-current								
Assets	1,216	1,970	2,306	2,892	147	191	125	207
Liabilities	(430)	(1,007)	(947)	(1,181)	(21)	(32)	(20)	(56)
Total non-current assets	786	963	1,359	1,711	126	159	105	151
Net (liabilities)/assets	(270)	(205)	873	995	64	188	(245)	(205)

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		iMyth Taiwan Limited	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Current						
Assets	6	59	214	179	-	376
Liabilities	(153)	(182)	(421)	(231)	-	(141)
Total current net (liabilities)/assets	(147)	(123)	(207)	(52)	-	235
Non-current						
Assets	200	244	849	1,072	-	-
Liabilities	(4)	(8)	(587)	(699)	-	-
Total non-current assets	196	236	262	373	-	-
Net assets	49	113	55	321	-	235

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	
	2021	2020	2021	2020	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue	4,208	3,194	2,532	1,455	481	433	644	187
Loss before income tax	(117)	(1,688)	(155)	(686)	(136)	(124)	(54)	(186)
Income tax credit	91	167	36	43	11	15	14	20
Net loss	(26)	(1,521)	(119)	(643)	(125)	(109)	(40)	(166)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive loss	(26)	(1,521)	(119)	(643)	(125)	(109)	(40)	(166)
Total comprehensive loss allocated to non-controlling interests	(13)	(745)	(58)	(315)	(61)	(53)	(20)	(81)

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.	
	2021	2020	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue	53	95	43	18	-	-
(Loss)/profit before income tax	(66)	(153)	(266)	(166)	-	144
Income tax credit	4	4	-	-	-	-
Net (loss)/profit	(62)	(149)	(266)	(166)	-	144
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss)/income	(62)	(149)	(266)	(166)	-	144
Total comprehensive (loss)/income allocated to non-controlling interests	(19)	(46)	(117)	(73)	-	71

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	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Net cash inflow/ (outflow) from operating activities	467	44	312	155	113	110	37	54
Net cash (outflow)/inflow from investing activities	(141)	(9)	-*	-	(15)	(2)	11	-
Net cash (outflow)/inflow from financing activities	(101)	709	(110)	(175)	(55)	(42)	(40)	(35)
Net increase/(decrease) in cash and cash equivalents	225	744	202	(20)	43	66	8	19
Beginning of financial year	(146)	(890)	39	39	88	22	26	7
Effect of currency translation on cash and cash equivalent	-	-	-	-	-	-	-	-
End of financial year	79	(146)	241	19	131	88	34	26

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	
	2021	2020	2021	2020	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Net cash inflow/ (outflow) from operating activities	4	46	48	(122)	-	(3)	-	-
Net cash inflow/ (outflow) from investing activities	-	-	74	(284)	-	-	-	-
Net cash (outflow)/inflow from financing activities	(6)	(44)	(141)	441	-	(4)	-	-
Net increase/(decrease) in cash and cash equivalents	(2)	2	(19)	35	-	(7)	-	-
Beginning of financial year	4	2	35	-	-	7	-	1
Effect of currency translation on cash and cash equivalent	-	-	(2)	-	-	-	-	(1)
End of financial year	2	4	14	35	-	-	-	-

18. Property, plant and equipment

Group	Office equipment and fixtures S$'000	Renovation S$'000	Medical and laboratory equipment S$'000	Motor vehicle S$'000	Signboard and signage S$'000	Office and medical centre S$'000	Total S$'000
2021							
Cost							
Beginning of financial year	2,241	4,316	5,738	104	82	5,017	17,498
Currency translation differences	(6)	(13)	(19)	-*	-*	(14)	(52)
Additions	43	70	420	-	1	141	675
Write-off	(11)	(94)	(55)	-	-	-	(160)
Effect of lease modification	-	-	-	-	-	(77)	(77)
End of financial year	2,267	4,279	6,084	104	83	5,067	17,884
Accumulated depreciation							
Beginning of financial year	1,378	2,918	4,734	100	39	2,374	11,543
Currency translation differences	(6)	(13)	(6)	-*	-*	(7)	(32)
Depreciation charge: – continuing - operations (Note 8)	155	171	403	4	8	834	1,575
Write-off	-*	(94)	(55)	-	-	-	(149)
Effect of lease modification	-	-	-	-	-	(71)	(71)
End of financial year	1,527	2,982	5,076	104	47	3,130	12,866
Net book value							
End of financial year	740	1,297	1,008	-	36	1,937	5,018

* Less than S$1,000

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

Group	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
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

* 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					
2021					
Cost					
Beginning of financial year	14	28	5	352	399
Additions	-	-	-	135	135
End of financial year	14	28	5	487	534
Accumulated depreciation					
Beginning of financial year	12	12	5	214	243
Depreciation charge	2	5	-	149	156
End of financial year	14	17	5	363	399
Net book value					
End of financial year	-	11	-	124	135
2020					
Cost					
Beginning and 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

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

During the financial year, the Group acquired property, plant and equipment and right-of-use assets with an aggregate cost of S$675,000 (2020: S$1,519,000) of which S$350,000 (2020: S$975,000) were acquired by means of leases. Cash payments of S$325,000 (2020: S$544,000) were made to purchase property, plant and equipment.

19. Leases - The Group as a lessee

<u>Nature of the Group's leasing activities</u>

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

	2021 S$'000	2020 S$'000
As at December	2,125	2,643

(b) Depreciation charge during the financial year

	2021 S$'000	2020 S$'000
Depreciation of right-of-use assets	855	803

(c) Interest expense

	2021 S$'000	2020 S$'000
Interest expense on lease liabilities (Note 10)	206	124

(d) Total cash outflows for all the leases in 2021 was S$662,000 (2020: S$1,017,000)

(e) Addition of ROU assets during the financial year 2021 was S$350,000 (2020: S$975,000).

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 2021 was S$46,000 (2020: S$21,000).

21. Intangible assets

	Group	
	2021	2020
	S$'000	S$'000
Composition:		
Goodwill arising on consolidation (Note 21(a))	664	664
Customer relationship (Note 21(b))	-	-
Trademark/brand (Note 21(c))	390	775
	1,054	1,439

(a) Goodwill arising on consolidation

	Group	
	2021	2020
	S$'000	S$'000
Cost		
Beginning financial year	664	22,118
Remeasurement of disposal group classified as held-for-sale (Note 16(a))	-	(179)
Disposal group classified as held-for-sale	-	(21,275)
End of financial year	664	664
Accumulated impairment		
Beginning of financial year	-	17,997
Disposal group classified as held-for-sale	-	(17,997)
End of financial year	-	-
Net book value	664	664

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
	S$'000	S$'000	S$'000	S$'000
2021				
Carrying value	-	664	-	664
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

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	
	2021	2020	2021	2020
	%	%	%	%
Gross margin	50.0-52.0	46.0	-	-
Growth rate	13.0-45.0	9.0	-	-
Discount rate	13.2	12.0	-	-

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$8,733,000 (2020: S$2,065,000) as at 31 December 2021.

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	
	2021	**2020**
	S$'000	**S$'000**
Cost		
Beginning of financial year	-	379
Disposal group classified as held-for-sale	-	(379)
End of financial year	-	-
Accumulated amortisation		
Beginning of financial year	-	208
Amortisation charge – discontinued operations	-	74
Disposal group classified as held-for-sale	-	(282)
End of financial year	-	-
Net book value	-	-

21. Intangible assets (cont'd)

(c) Trademark/brand

	Group	
	2021	2020
	S$'000	S$'000
Cost		
Beginning and end of financial year	1,160	1,160
Accumulated amortisation and impairment		
Beginning of financial year	385	-*
Amortisation charge (Note 8)	385	385
End of financial year	770	385
Net book value	390	775

* Less than S$1,000

22. Trade and other payables

	Group		Company	
	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000
Current				
Trade payables				
- Non-related parties	240	262	-	-
Other payables				
- Non-related parties	1,025	1,751	438	676
- Related parties	209	49	-	-
Advances received	1,641	826	-	-
Accruals for operating expenses	1,356	1,107	807	718
	4,471	3,995	1,245	1,394

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 or loss as and when the performance obligation under the contract with customers are fulfilled.

23. Borrowings

	Group 2021 S$'000	Group 2020 S$'000	Company 2021 S$'000	Company 2020 S$'000
(a) Lease liabilities				
Current	616	785	124	144
Non-current	1,643	2,053	-	-
	2,259	2,838	124	144
(b) Borrowings				
Current				
Borrowings				
- Loan 1	-	-	800	965
- Loan 2	428	317	-	-
- Loan 3	-	65	-	-
Bank overdraft (Note 13)	-	177	-	-
Invoice financing	552	249	-	-
	980	808	800	965
Non-current				
Borrowings				
- Loan 2	299	580	-	-
	299	580	-	-
Total borrowings	3,538	4,226	924	1,109

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 from subsidiary corporation, Albedo Corporation Pte Ltd, is unsecured, interest-free and is due for repayable on demand.

(ii) Loan 2 is from UOB Malaysia. The bank facility 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.

(iii) Loan 3 from a related company relates to loan from Beverly Bangsar Sdn Bhd ("**Beverly Bangsar**"), a director-related company which bears an interest rate of 5.00% per annum.

(iv) Bank overdraft from UOB Malaysia. The bank facility is secured by corporate guarantee from the Company as well as guarantee by certain directors of the Company. The bank overdraft bears an interest rate of 0.75% per annum over the bank's base lending rate on daily rests.

(v) Invoice financing from UOB Malaysia. The loan facility is secured by corporate guarantee from the Company 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.

23. Borrowings (cont'd)

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	
	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000
12 months or less	1,596	1,593	924	1,109
1- 5 years	1,942	2,633	-	-
	3,538	4,226	924	1,109

Fair value of non-current borrowings

	Group		Company	
	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000
Borrowings	299	580	-	-

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	
	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000
Borrowings	4.98%-6.98%	3.43%-7.25%	6.57%	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. 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	
	2021	2020
	S$'000	S$'000
Deferred income tax liabilities		
- To be settled after one year	242	401
Deferred income tax liabilities, representing fair value gain on customer relationships and property, plant and equipment		
Beginning of financial year	401	679
Disposal group classified as held-for-sale (Note 16(d))	-	(16)
Credited to profit or loss		
- continuing operations (Note 11)	(159)	(249)
- discontinued operations (Note 11)	-	(13)
End of financial year	242	401

The Group has unrecognised tax losses of S$1,118,000 (2020: S$3,159,000) 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.

25. Share capital

	2021		2020	
	No. of ordinary shares '000	Amount S$'000	No. of ordinary shares '000	Amount S$'000
Group and Company				
Beginning of financial year	15,814,936	71,623	15,383,882	67,460
Shares issued pursuant to: -				
Share subscription[1]	735,000	658	427,807	800
Conversion of warrants[2]	-	-	3,247	11
Expiry of warrants[3]	-	-	-	3,498
Rights issue[4]	2,112,779	1,882	-	-
Warrants adjustments[1][4][5]	-	(1,169)	-	(146)
End of financial year	18,662,715	72,994	15,814,936	71,623

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 2021, the Company had completed allotment and issuance of 735,000,000 ordinary shares at an issue price of S$0.001 and 245,000,000 investment warrants, each convertible into one ordinary share at an exercise price of S$0.001 on 9 December 2021. Proceeds from the share subscription are allocated separately based on the fair value of the warrants between the value of share capital and warrant reserves. Out of the total consideration of S$735,000, S$301,000 being the fair value of the warrants had been allocated from share capital to warrants reserve. In addition, the share subscription expenses amounting to S$77,000, were deducted against share capital.

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 (the "**January 2020 Share Subcriptions**"). Proceeds from the share subscription are allocated separately based on the fair value of the warrants between the value of share capital and warrant reserves. Out of the total consideration of S$800,000, S$146,000 being the fair value of the warrants had been allocated from share capital to warrants reserve.

(2) During the financial year ended 31 December 2020, 3,246,500 warrants with an exercise price of S$0.002 per warrant were issued for a total consideration of S$7,000. Accordingly, an amount of S$4,000 attributable to the fair value of the warrants exercised was transferred from warrants reserve to share capital (Note 26(b)(iii)).

(3) During the financial year ended 31 December 2020, 2,793,671,993 unexercised 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 26(b)(iii)).

(4) During the financial year ended 31 December 2021, 2,112,779,000 rights shares were subscribed under the rights cum warrants issue at an issue price of S$0.001 for each rights share for a total consideration of S$2,113,000. Proceeds from the rights cum warrants issue are allocated separately based on the fair value of the warrants between the value of share capital and warrant reserves. Out of the total consideration of S$2,113,000, S$868,000 being the fair value of the warrants had been allocated from share capital to warrants reserve. In addition, the rights issue expenses amounting to S$231,000, were deducted against share capital.

(5) During the financial year ended 31 December 2021, 2,357,779,000 (2020: 85,561,497) unexercised warrants with an exercise price of S$0.001 (2020: S$0.002) per warrant were issued, an amount of S$1,169,000 (2020: S$146,000) attributable to the fair value of the warrants was transferred from shares capital to warrants reserve.

25. 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.

25. Share capital (cont'd)

(a) Share options (cont'd)

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

Details of the options to subscribe for ordinary shares of the Company pursuant to the ESOS as at 31 December 2021 are as follows:

Date of grant	Balance as at 1.1.2021	Options granted/ adjustment	Options cancelled or lapsed	Balance as at 31.12.2021	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 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		

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.

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:

2021	Aggregate options granted since commencement of ESOS to 31.12.2021	Aggregate options exercised since commencement of ESOS to 31.12.2021	Aggregate share consolidation adjustment since commencement of ESOS to 31.12.2021	Aggregate options adjustment since commencement of ESOS to 31.12.2021	Aggregate options cancelled, lapsed or transferred since commencement of ESOS to 31.12.2021	Aggregate options outstanding as at 31.12.2021
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

25. Share capital (cont'd)

(a) Share options (cont'd)

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

Details of the options to subscribe for ordinary shares of the Company granted to directors and Participants of the Company pursuant to the ESOS were as follows: (cont'd)

2020	Aggregate options granted since commencement of ESOS to 31.12.2020	Aggregate options exercised since commencement of ESOS to 31.12.2020	Aggregate share consolidation adjustment since commencement of ESOS to 31.12.2020	Aggregate options adjustment since commencement of ESOS to 31.12.2020	Aggregate options cancelled, lapsed or transferred since commencement 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

The Group and the Company have evaluated the financial impact of the share options cancelled to be minimal, accordingly the effect on the share option reserve (Note 26(b)(i)) is not adjusted.

(1) The executive director ceased to be a Director of the Company upon his demise on 6 March 2018. Accordingly, the share options held by Tai Kok Chuan has been transferred to his spouse, Yap Mee Lee, a director and employee of one of the Company's subsidiary corporations. She subsequently resigned as a director on 16 July 2018.

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.

25. Share capital (cont'd)

(a) Share options (cont'd)

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

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

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.

25. Share capital (cont'd)

(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.

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

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

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

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

25. Share capital (cont'd)

(b) Share performance plan (cont'd)

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

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

(i) all Awards granted thereunder;
(ii) all the Options under the Albedo ESOS; and
(iii) any other share scheme which the Company may implement from time to time,

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

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

(i) all controlling shareholders and their associates must not exceed 25% of the total number of shares available under the proposed JCG Share Performance Plan; and
(ii) each controlling shareholder or his associate must not exceed 10% of the total number of shares available under the proposed JCG Share Performance Plan.

The JCG Share Performance Plan will continue in force at the discretion of the Remuneration Committee to a maximum of ten (10) years commencing from 30 April 2020. Subject to compliance with any applicable laws and regulations in Singapore, the proposed JCG Share Performance Plan may continue beyond the stipulated period with the approval of Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.

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.

(c) Call and Put option

(i) On 16 May 2019, the Company entered into a subscription agreement (the "**Dato' Ng 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 Dato' Ng 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 Dato' Ng 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.

25. **Share capital** (cont'd)

(c) **Call and Put option** (cont'd)

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 physiotherapy 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 JCGB and NSC (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 years ended 31 December 2020 and 2021.

26. **Other reserves**

	Group		Company	
	2021	**2020**	**2021**	**2020**
	S$'000	**S$'000**	**S$'000**	**S$'000**
(a) Composition:				
Share option reserve	25	25	25	25
Currency translation reserve	(35)	(38)	-	-
Warrant reserve	3,049	1,880	3,049	1,880
	3,039	1,867	3,074	1,905

26. Other reserves (cont'd)

	Group		Company	
	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000
(b) Movements:				
(i) Share option reserve				
Beginning and end of financial year	25	25	25	25
(ii) Currency translation reserve				
Beginning of financial year	(38)	(16)	-	-
Net currency translation of financial statements of foreign subsidiary corporations	3	(42)	-	-
Less: Non-controlling interests	-	20	-	-
	3	(22)	-	-
End of financial year	(35)	(38)	-	-
(iii) Warrants reserve				
Beginning of financial year	1,880	5,236	1,880	5,236
Conversion of warrants (Note 25[(2)])	-	(4)	-	(4)
Expiry of warrants (Note 25[(3)])	-	(3,498)	-	(3,498)
Warrants adjustment (Note 25[(5)])	1,169	146	1,169	146
End of financial year	3,049	1,880	3,049	1,880

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, details are as follow:

26. Other reserves (cont'd)

	Warrantholder	Issue date	No of warrants 2021	No of warrants 2020	Exercise price (S$)	Terms	Expiry Date
1	Rest Investments Ltd	10 January 2019	952,380,952	952,380,952	0.0014	5 years	9 January 2024
2	Tan Suying	15 April 2019	310,185,185	310,185,185	0.0018	5 years	14 April 2024
3	Dato' Ng Tian Sang	18 July 2019	250,000,000	250,000,000	0.0018	5 years	17 July 2024
4	Vendors of Beverly Wilshire Medical Centre Group	7 November 2019	162,000,000	162,000,000	0.002	5 years	6 November 2024
5	Subscribers of January 2020 Share Subscriptions	16 January 2020	85,561,497	85,561,497	0.002	3 years	15 January 2023
6	2021 Rights cum Warrants Issue	2 June 2021	2,112,779,425	-	0.001	3 years	1 June 2024
7	Subscribers of December 2021 Share Subscriptions	9 December 2021	245,000,000	-	0.001	3 years	8 December 2024

Each of the warrant above are convertible to one unit of ordinary shares.

Other reserves are non-distributable.

27. Accumulated losses

Movement in accumulated losses for the Company is as follows:

	Company	
	2021	2020
	S$'000	S$'000
Beginning of financial year	(69,294)	(66,641)
Net loss for the financial year	(1,903)	(2,653)
End of financial year	(71,197)	(69,294)

28. Commitments and contingent liabilities

(a) Contingent liabilities

The Company had issued corporate guarantee of S$1,279,000 (2020: S$1,323,000) to United Overseas Bank (Malaysia) Bhd who provided borrowings to its subsidiary corporation (Note 29(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.

29. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk, liquidity risk and capital risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes establishing detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits.

29. 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 and Malaysia. 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**") and Malaysian Ringgit ("**MYR**").

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	Total S$'000
2021			
Financial assets			
Cash and cash equivalents	206	707	913
Trade and other receivables	54	653	707
	260	1,360	1,620
Financial liabilities			
Trade and other payables	(1,324)	(3,147)	(4,471)
Borrowings	(124)	(3,414)	(3,538)
	(1,448)	(6,561)	(8,009)
Net financial liabilities	(1,188)	(5,201)	(6,389)

29. Financial risk management (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	Total S$'000
2020			
Financial assets			
Cash and cash equivalents	51	242	293
Trade and other receivables	142	454	596
	193	696	889
Financial liabilities			
Trade and other payables	(1,563)	(2,432)	(3,995)
Borrowings	(144)	(4,082)	(4,226)
	(1,707)	(6,514)	(8,221)
Net financial liabilities	(1,514)	(5,818)	(7,332)

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

	SGD S$'000	MYR S$'000	Total S$'000
2021			
Financial assets			
Cash and cash equivalents	192	-	192
Trade and other receivables	696	-	696
	888	-	888
Financial liabilities			
Trade and other payables	(1,224)	(21)	(1,245)
Borrowings	(924)	-	(924)
	(2,148)	(21)	(2,169)
Net financial liabilities	(1,260)	(21)	(1,281)

29. Financial risk management (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The Company's currency exposure based on the information provided to key management is as follows: (cont'd)

	SGD S$'000	MYR S$'000	Total S$'000
2020			
Financial assets			
Cash and cash equivalents	43	-	43
Trade and other receivables	510	-	510
	553	-	553
Financial liabilities			
Trade and other payables	(1,394)	-	(1,394)
Borrowings	(1,109)	-	(1,109)
	(2,503)	-	(2,503)
Net financial liabilities	(1,950)	-	(1,950)

If the foreign currencies change against the SGD by 5% (2020: 5%) with all other variables including tax rate being held constant, the effect arising from the net financial assets/ liabilities position will be as follows:

	2021 Increase/ (Decrease) Net profit S$'000	2020 Increase/ (Decrease) Net profit S$'000
Group		
RM against SGD		
- Strengthened	260	291
- Weakened	(260)	(291)

	2021 Increase/ (Decrease) Net profit S$'000	2020 Increase/ (Decrease) Net profit S$'000
Company		
RM against SGD		
- Strengthened	1	-
- Weakened	(1)	-

29. Financial risk management (cont'd)

(a) Market risk (cont'd)

(ii) Price risk

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

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group and the Company has cash balances placed with reputable banks and financial institutions which generate interest income for the Group and the Company whereby changes in interest rate exposure is not significant. The Group and the Company manages its interest rate risk by placing such balances on varying maturities and interest rate terms.

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

(b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligation resulting in a loss to the Group. The Group's exposure to credit risk mainly relates to long-term and short-term investments, fixed deposits, cash and bank balances, amount owing by subsidiaries, trade and other receivables.

The Group limits its credit risk exposures in respect of investments by only investing in liquid securities and placing it with diverse creditworthy financial institutions. Cash and fixed deposits are placed with major banks and financial institutions.

For trade and other receivables, the management has a credit policy in place and the exposure of credit risk is monitored on an ongoing basis to minimise credit risk. Monies due from customers are followed up, reviewed on a regular basis to understand the reasons, if any, of non-payment or delay in payment so that appropriate action can be implemented promptly. Credit risks of individual counterparties are restricted by credit limits that are approved based on ongoing credit evaluations.

In relation to the corporate guarantees issued by the Company on behalf of its subsidiaries, the credit risk, being the principal risk to which the Company is exposed, represents the loss that would be recognised upon a default by the subsidiaries.

Where applicable, the Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Where applicable, the Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 60 days when they fall due, which are derived based on the Group's historical information.

29. Financial risk management (cont'd)

(b) Credit risk (cont'd)

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	
	2021	**2020**
	S$'000	**S$'000**
Corporate guarantee provided to United Overseas Bank (Malaysia) Bhd on subsidiary corporation's borrowings (Note 28(a))	1,279	1,323

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the Group and changes in the operating results of the debtor.
- Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.
- The Group determined that its financial assets are credit-impaired when:
- There is significant difficulty in collecting receivables from the debtor
- There is a breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Group categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets 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. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Group's current credit risk grading framework comprises the following categories:

29. Financial risk management (cont'd)

(b) Credit risk (cont'd)

(i) Trade and other receivables

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >90 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >180 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	Amount is >365 days past due or there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Group's and Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Group					
	Note	Category	12 month or lifetime ECL	Gross carrying amount S$'000	Loss allowance S$'000	Net carrying amount S$'000
31 December 2021						
Trade receivables	14	Note B	Lifetime ECL (simplified)	246	(42)	204
Other receivables	14	Note A	12-month ECL	115	-	115
					(42)	
31 December 2020						
Trade receivables	14	Note B	Lifetime ECL (simplified)	132	(48)	84
Other receivables	14	Note A	12-month ECL	129	-	129
					(48)	

29. Financial risk management (cont'd)

(b) Credit risk (cont'd)

(i) Trade and other receivables

	Note	Category	12 month or lifetime ECL	Company Gross carrying amount S$'000	Loss allowance S$'000	Net carrying amount S$'000
31 December 2021						
Other receivables	14	Note A	12-month ECL	660	-	660
31 December 2020						
Other receivables	14	Note A	12-month ECL	1,054	(612)	442

Other receivables and amounts owing by subsidiaries (Note A)

The Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Trade receivables (Note B)

For trade receivables, the Group has applied the simplified approach in SFRS(I)9 to measure the loss allowance at lifetime ECL. The Group determines the ECL by using an individual (debtor-by- debtor) basis. ECL is estimated based on historical credit loss experience based on the past due status of debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

The Group's considers that all the receivables that are not impaired or past due for each reporting dates under review are of good credit quality.

The Company has no significant concentration of credit risk with any single counterparty.

29. 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	Total	Other receivables – subsidiary corporations	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
2021					
Beginning of financial year (Note 14)	48	-	48	612	612
Reversal of provision of loss allowance (Note 6)	(6)	-	(6)	-	-
Written off	-	-	-	(612)	(612)
End of financial year (Note 14)	42	-	42	-	-
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

* Less than S$1,000

29. 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$917,000 and S$192,000 (2020: S$293,000 and S$43,000) respectively with banks with high credit-ratings assigned by international credit-rating agencies and considered 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	Between 2 and 5 years	More than 5 years
	S$'000	S$'000	S$'000
Group			
2021			
Trade and other payables	4,471	-	-
Lease liabilities	616	1,643	-
Borrowings (excluding lease liabilities)	980	299	-
2020			
Trade and other payables	3,995	-	-
Lease liabilities	785	2,053	-
Borrowings (excluding lease liabilities)	808	580	-

29. Financial risk management (cont'd)

(c) Liquidity risk (cont'd)

	Less than 1 year S$'000	Between 2 and 5 years S$'000	More than 5 years S$'000
Company			
2021			
Trade and other payables	1,245	-	-
Lease liabilities	124	-	-
Borrowings (excluding lease liabilities)	800	-	-
2020			
Trade and other payables	1,394	-	-
Lease liabilities	144	-	-
Borrowings (excluding lease liabilities)	965	-	-

(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	
	2021 S$'000	2020 S$'000	2021 S$'000	2020 S$'000
Net debt	7,096	7,928	1,977	2,460
Total equity	47	3,840	1,314	4,234
Total capital	7,143	11,768	3,291	6,694
Gearing ratio	99.3%	67.4%	60.1%	36.7%

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2021 and 2020 respectively.

29. 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:

	2021 S$'000	2020 S$'000
Group		
Financial assets measured at amortised cost		
Trade receivables (Note 14)	204	84
Other receivables (Note 14)	503	512
Cash and cash equivalents (Note 13)	913	293
Total financial assets measured at amortised cost	1,620	889
Financial liabilities measured at amortised cost		
Trade payables (Note 22)	240	262
Other payables (Note 22)	4,231	3,733
Lease liabilities (Note 23 (a))	2,259	2,838
Borrowings (Note 23 (b))	1,279	1,388
Total financial liabilities measured at amortised cost	8,009	8,221
Company		
Financial assets at amortised cost		
Other receivables (Note 14)	696	483
Cash and cash equivalents (Note 13)	192	43
Total financial assets measured at amortised cost	888	526
Financial liabilities measured at amortised cost		
Other payables (Note 22)	1,245	1,394
Lease liabilities (Note 23 (a))	124	144
Borrowings (Note 23 (b))	800	965
Total financial liabilities measured at amortised cost	2,169	2,503

30. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group	
	2021	2020
	S$'000	S$'000
Sales to related parties	69	51
Other income	49	27
Cost of sales	31	31
Administrative expenses	4	-
Finance expenses	4	2

Outstanding balances as at 31 December 2021 and 2020 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.

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2021	2020
	S$'000	S$'000
Key management personnel		
Wages, salaries and short-term benefits	1,722	1,421
Employer's contribution to defined contribution plans, including Central Provident Fund/Employees' Provident Fund	73	72
	1,795	1,493
Comprised amounts paid to:		
- Directors of the Company	744	687
- Directors of subsidiary corporations	880	630
- Other key management personnel	171	176
	1,795	1,493

31. Segment information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors comprises of executive and non-executive directors.

The Board of Directors considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the two primary geographic areas namely, Singapore and Malaysia.

The Board of Directors monitors the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, as set out below, is measured differently from operating profit or loss in the consolidated financial statements.

The Group is organised into 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:

Aesthetic medical and healthcare:	Provision of aesthetic medical services includes the provision of aesthetic medical, beauty and wellness services.
Trading and distribution:	Trading and distribution of steel raw materials, consumables, instruments and semi-finished products for steel mills, iron and steel foundries and aluminum smelters in the Asia-Pacific region and provision of ancillary services.
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.

31. Segment information (cont'd)

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

	Continuing Operations								Discontinued Operations	
	Aesthetic medical and healthcare		Trading and distribution		Investment and others		Total			
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Segment revenue										
- External parties	8,801	5,315	173	131	-	-	8,974	5,446	-	130
- Related parties	-	-	-	-	-	-	-	-	-	-
Gross profit	4,357	2,430	9	15	-	-	4,366	2,445	-	48
Other income	593	300	9	24	52	103	654	427	-	131
Other (losses)/gains, net	(11)	(113)	-	-	(54)	22	(65)	(91)	-	-
Expenses										
- Distribution	(119)	(147)	(85)	(73)	-	-	(204)	(220)	-	(10)
- Administrative	(5,485)	(5,450)	(72)	(62)	(1,933)	(2,005)	(7,490)	(7,517)	-	(365)
- Finance	(262)	(158)	(1)	-	(12)	(16)	(275)	(174)	-	(15)
Loss before income tax	(927)	(3,138)	(140)	(96)	(1,947)	(1,896)	(3,014)	(5,130)	-	(211)
Income tax credit	141	249	17	-	-	-	158	249	-	31
Loss after income tax	(786)	(2,889)	(123)	(96)	(1,947)	(1,896)	(2,856)	(4,881)	-	(180)
Post-tax loss recognised on the remeasurement of disposal group to fair value less costs to sell	-	-	-	-	-	-	-	-	-	(193)
Net loss for the financial year	(786)	(2,889)	(123)	(96)	(1,947)	(1,896)	(2,856)	(4,881)	-	(373)

31. 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	
	Aesthetic medical and healthcare		Trading and distribution		Investment and others		Total			
	2021 S$'000	2020 S$'000	2021 S$'000	2020 S$'000	2021 S$'000	2020 S$'000	2021 S$'000	2020 S$'000	2021 S$'000	2020 S$'000
Other information										
Depreciation of property, plant and equipment (Note 18)	1,418	1,707	1	1	156	150	1,575	1,858	-	58
Amortisation of intangible assets (Note 21(b)(c))	385	385	-	-	-	-	385	385	-	74
Interest expense of borrowings (Note 10)	71	50	1	-	-	-	72	50	-	12
Interest expense of lease (Note 10)	191	108	-	-	12	16	203	124	-	3
Additions to:										
Property, plant and equipment (Note 18)	540	1,519	-	-	135	-	675	1,519	-	-

31. Segment information (cont'd)

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

	Aesthetic medical and healthcare		Trading and distribution		Investment and others		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Assets and liabilities								
Segment and consolidated total assets	7,794	8,505	98	69	424	277	8,316	8,851
Assets associated with disposal group	-	-	-	-	-	-	-	3,869
Consolidated total assets							8,316	12,720
Segment and consolidated total liabilities	6,821	6,914	24	39	1,424	1,669	8,269	8,622
Liabilities associated with disposal group	-	-	-	-	-	-	-	258
Consolidated total liabilities							8,269	8,880

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.

31. Segment information (cont'd)

(a) Revenue from major products and services

Revenue from external customers is derived mainly from the trading and distribution and rendering of aesthetic medical and healthcare services 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$173,000 (2020: S$131,000) is derived from 1 (2020: 1) external customer. These revenues are attributable to the trading and distribution segment.

(c) Geographical information

The Group's four major business segments operate in two 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

* This segment has been classified as discontinued operations as at 31 December 2020 and deconsolidated from 1 January 2021.

	Group	
	2021	**2020**
	S$'000	**S$'000**
Revenue		
Continued operations		
- Singapore	173	131
- Malaysia	8,801	5,315
	8,974	5,446
Discontinued operations		
- Singapore	-	130

	Group	
	2021	**2020**
	S$'000	**S$'000**
Non-current assets		
Singapore	135	158
Malaysia	5,937	7,236
	6,072	7,394

32. 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	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	224
	Property, plant and equipment	105
	Trade and other receivables	1,183
	Total assets	1,607
	Trade and other payables	287
	Current income tax payable	183
	Deferred income tax liabilities	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 during the financial year ended 31 December 2019.

32. 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. 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.

Current year development:

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

(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 ended 31 December 2019.

(h) Goodwill

The Group had recognised a goodwill of S$3,457,000 arising from the acquisition of Brand X Lab Pte Ltd in the financial year ended 31 December 2019. Brand X Lab Pte Ltd has subsequently been reclassified under disposal group classified as held-for-sale as at 31 December 2020.

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

(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.

32. 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 S$'000	Adjusted S$'000
(a)	**Purchase consideration**		
	Fair value of consideration shares	2,295	2,295
	Fair value of consideration warrants	132	132
	Contingent consideration	180	-
	Total purchase consideration	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 S$'000	Adjusted at fair value S$'000
(c)	**Identifiable assets acquired and liabilities assumed**		
	Cash and cash equivalents	246	246
	Intangible assets	1,197	1,160
	Property, plant and equipment	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	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	832	664
	Consideration transferred for the business	**2,607**	**2,427**

32. Business combinations (cont'd)

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

(d) Acquisition-related costs

Acquisition-related costs of S$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 during the financial year ended 31 December 2019.

(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. 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 in financial year ended 31 December 2019.

32. Business combinations (cont'd)

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

(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.

(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.

33. Events occurring after balance sheet date

(i) On 12 January 2022, the Company signed six subscription agreements for total private placement amounts of S$630,000, of which the proceeds will be used to fund growth, development and expansion of its existing aesthetic medical and healthcare business and for the Group's working capital. The Company had completed allotment and issuance of 630,000,000 ordinary shares at an issue price of S$0.001 and 210,000,000 investment warrants, each convertible into one ordinary share at an exercise price of S$0.001 on 10 March 2022.

(ii) On 18 January 2022, TSY and the Company have entered into a supplemental agreement (the "**Supplemental Agreement**") in relation to the unwinding of the acquisition of Brand X to amend, modify and vary the terms and provisions of the Agreement.

(iii) On 1 April 2022, the Company signed five subscription agreements for total private placement amounts of S$735,000, of which the proceeds will be used to fund growth, development and expansion of its existing aesthetic medical and healthcare business and for the Group's working capital.

(iv) On 4 April 2022, the Company completed the allotment and issuance of an aggregate of 388,696,000 ordinary shares at an issue price of S$0.001 to certain mid to high management level employees of the Company and its Singapore subsidiary, Albedo Corporation Pte Ltd, excluding directors of the Company, as part payment of salaries in shares in lieu of cash as well as to directors of the Company, as part payment of salaries/directors' fees in shares in lieu of cash.

34. 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 2022 and which the Group has not early adopted.

- Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current
- Amendments to SFRS(I) 1-8 Definition of Accounting Estimates
- Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies
- Annual Improvements to SFRS(I) Standards 2018-2020
- Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use
- Amendments to SFRS(I) 3 Business Combinations: Reference to the Conceptual Framework
- Amendments to SFRS(I) 16 Leases: Covid-19 Related Rent Concessions beyond 30 June 2021
- Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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

35. Development of COVID-19 outbreak and its impact on the Group

COVID-19 outbreak has brought about an unprecedented challenge for many entities, with increased uncertainty in the global economy. As the situation is still evolving, the full effect of the outbreak is still uncertain and the Group is therefore unable to provide a quantitative estimate of the potential impact of this outbreak or the Group. The Group continues to monitor and evaluate any possible impact on the Group's business and will consider implementation of various measures to mitigate the effects arising from the COVID-19 situation. Based on management's latest assessment, there is no indicator that the going concern assumption used by the Group in preparing the financial statements is inappropriate.

Despite of uncertainty in the economy, with an on-going roll-out of COVID-19 vaccines and balance of governments policies placed between public health and countries' economy, the Group is being optimistic towards the economy recovery.

36. Comparative information

During the current financial year, certain comparative amounts in the consolidated statement of cash flows were reclassified for consistency.

Since the amounts are reclassifications within the consolidated statement of cash flows, the reclassification did not have any effect on the balance sheets, consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

36. Comparative information (cont'd)

The details of the reclassification are as follows:

	As previously stated S$'000	Reclassification S$'000	As restated S$'000
For the financial year ended 31 December 2020:			
Consolidated statement of cash flows			
- Proceeds from borrowings	1,329	(12)	1,317
- Repayment of borrowings	(155)	12	(143)
- Repayment of lease liabilities	(995)	(22)	(1,017)
- Repayment of finance lease liabilities	(22)	22	-

37. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Beverly JCG Ltd. on 13 April 2022.

Statistics of Shareholdings
As at 6 April 2022

Issued share capital	:	S$80,349,188
No. of issued and full paid-up shares	:	19,681,411,589
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 6 April 2022)

	Direct Interest		Deemed Interest	
Name of Substantial Shareholders	**No. of shares**	**%**	**No. of shares**	**%**
Rest Investments Ltd(1)	2,857,142,857	14.52	-	-
Chua Chuan Seng(2)	5,000	0.00	2,857,142,857	14.52
Tan Suying(3)	1,861,111,111	9.46	-	-
Dato' Ng Tian Sang @ Ng Kek Chuan(4)	1,734,422,533	8.81	959,635,423	4.88

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 1,861,111,111 shares described as direct interests of Tan Suying, 1,583,333,333 shares have no voting rights.

(4) Out of the 1,734,422,533 voting shares described as direct interests of Dato' Ng Tian Sang @ Ng Kek Chuan, 1,513,362,187 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, 393,011,793 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.

Statistics of Shareholdings

As at 6 April 2022

SHAREHOLDINGS HELD IN THE HAND OF PUBLIC SHAREHOLDERS

Based on information available to the Company as at 6 April 2022, approximately 62.33% 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	103	3.51	3,931	0.00
100 - 1,000	162	5.52	102,503	0.00
1,001 - 10,000	225	7.66	1,291,328	0.01
10,001 - 1,000,000	1,955	66.59	460,085,126	2.34
1,000,001 AND ABOVE	491	16.72	19,219,928,701	97.65
TOTAL	**2,936**	**100.00**	**19,681,411,589**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	UOB KAY HIAN PRIVATE LIMITED	3,848,697,940	19.55
2	TAN SUYING	1,861,111,111	9.46
3	PHILLIP SECURITIES PTE LTD	1,605,709,286	8.16
4	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	1,584,246,536	8.05
5	CITIBANK NOMINEES SINGAPORE PTE LTD	1,063,539,283	5.40
6	YUEN PUI LENG EUNICE	928,571,428	4.72
7	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	817,553,449	4.15
8	LOKE LAI WAN	530,357,143	2.69
9	YAP MEE LEE	324,000,000	1.65
10	CHUA KHOON WONG	322,142,857	1.64
11	OCBC SECURITIES PRIVATE LIMITED	320,666,838	1.63
12	DBS NOMINEES (PRIVATE) LIMITED	314,637,695	1.60
13	FOO YU YUAN (FU YUYUAN)	258,928,572	1.32
14	CHIA SUAT PENG (XIE XUEPING)	258,928,571	1.32
15	ALEXANDER NG ZHONGLIE	250,000,000	1.27
16	SEAH SIN YUEN (XIE XINYUN)	158,200,008	0.80
17	MAYBANK SECURITIES PTE. LTD.	151,115,800	0.77
18	ANG KOK HUAN	147,900,000	0.75
19	TGC PRIVATE OFFICE PTE LTD	142,857,143	0.73
20	NEO KIM CHENG	135,369,000	0.69
	TOTAL	**15,024,532,660**	**76.35**

Statistics of Warrantholdings

As at 6 April 2022

DISTRIBUTION OF WARRANTHOLDINGS (W240531)

DISTRIBUTION OF WARRANTHOLDINGS

SIZE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
1 - 99	1	0.27	9	0.00
100 - 1,000	0	0.00	0	0.00
1,001 - 10,000	12	3.30	78,719	0.00
10,001 - 1,000,000	231	63.46	70,163,571	3.32
1,000,001 AND ABOVE	120	32.97	2,042,537,126	96.68
TOTAL	**364**	**100.00**	**2,112,779,425**	**100.00**

TWENTY LARGEST WARRANTHOLDERS

NO.	NAME	NO. OF WARRANTS	%
1	PHILLIP SECURITIES PTE LTD	385,368,111	18.24
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	162,062,078	7.67
5	MAYBANK SECURITIES PTE. LTD.	92,048,149	4.36
6	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	89,427,499	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	DBS NOMINEES (PRIVATE) LIMITED	33,622,906	1.59
11	OCBC SECURITIES PRIVATE LIMITED	31,183,836	1.48
12	TAN ENG CHUA EDWIN	30,000,000	1.42
13	WONG CHOO HIN	29,900,000	1.42
14	ANG KIM CHUAN	28,333,333	1.34
15	LIM CHWEE KIM	21,333,333	1.01
16	MRS CHAU-CHAN SUI YUNG	20,000,000	0.95
17	TANG BOON SIAH	18,000,000	0.85
18	CHUNG YUEN YEE KATHY	15,767,009	0.75
19	TAN HENG WENG	15,000,009	0.71
20	ANG YEW JIN EUGENE	14,000,000	0.66
	TOTAL	**1,668,849,979**	**78.99**

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 2021 (the "**Auditors Report**") issued by the Company's independent auditor, RT LLP, as set out on pages 59 to 61 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. <u>Going concern</u>

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 2021 is appropriate after taking into consideration the following assumptions and measures:

(a) Better financial performance from aesthetic medical and healthcare segments in Malaysia which is expected to continue

(i) The Beverly Wilshire group of companies in Malaysia which contributed about 98% of the Group's revenue has turned around despite challenges of operating under Covid-19 restrictions, with its best financial performance since inception of business operations in 2012. The Group's revenue for aesthetic medical and healthcare segments have increased by 66% from S$5,315,000 for the financial year ended 31 December 2020 ("**FY2020**") to S$8,801,000 for the financial year ended 31 December 2021 ("**FY2021**").

(ii) The Beverly Wilshire group of companies' earnings before interests, tax, depreciation and amortisation ("**EBITDA**") is positive at S$454,000 for FY2021 as compared to negative S$1,664,000 for FY2020. The legacy Beverly Wilshire clinics comprising Beverly Wilshire Medical Centre Sdn Bhd ("**BWMC**"), Beverly Wilshire Medical Centre (JB) Sdn Bhd, Beverly Wilshire Tropicana Mall Sdn Bhd, Beverly Wilshire Aesthetic Dental Sdn Bhd and Beverly Wilshire Medical Academy and Research Sdn Bhd contributed positive EBITDA of S$595,000 for FY2021 as compared to negative S$1,428,000 for FY2020.

(iii) The newly incorporated entities in FY2020 and FY2021, namely Natasha Beverly Sdn Bhd, Beverly Ipoh Sdn Bhd, Natasha Beverly Aesthetics Sdn Bhd, Natasha Beverly Dental Sdn Bhd, Beverly Dentistree Sdn Bhd and Natasha Beverly Mizu Sdn Bhd had contributed S$951,000 of revenue to the Group in FY2021 as compared to S$53,000 for FY2020.

The above is achieved with the domestic market alone due to the border closure measures undertaken by the Malaysia government during the Covid-19 pandemic. The historical track records have shown that the Beverly Wilshire group of companies' overseas business contribution to be approximately 45% to 50% of its total revenue. With Malaysia allowing interstate travel from 11 October 2021, the opening of the vaccinated travel lane between Singapore and Kuala Lumpur from 29 November 2021, the opening of land borders between Singapore and Malaysia from 1 April 2022 as well as Malaysia's plans to reopen borders to foreign tourists in 2022, the Group is cautiously optimistic that the influx of interstate and foreign customers will further increase its revenue and improve its financial results going forward.

(b) Continuing fund-raising efforts

(i) BWMC had on 28 May 2020 entered into a letter of offer with a Malaysian bank in relation to the granting of banking facilities of up to RM7 million (approximately S$2,333,000) to BWMC. BWMC had on 18 August 2020 entered into a banking facilities agreement with the Malaysian bank. As at 31 December 2021, BWMC has drawn down the loan facility of RM3 million (approximately S$1 million) and the loan balance as at 31 December 2021 is S$726,000. In addition, as at December 2021, the invoice financing balance is S$552,000. The loan facilities available to BWMC as at 31 December 2021 is S$781,000.

(ii) On 2 June 2021, the Company 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, 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 under a rights issue exercise (the "**2021 Rights Cum Warrants Issue**").

(iii) In July 2021, the Company signed a subscription agreement for private placement amount of S$105,000 which will be used to fund future expansions through mergers and acquisitions and for the Group's working capital.

(iv) In October 2021, the Company had engaged Astramina Advisory Sdn Bhd ("**Astramina**"), a corporate finance advisory firm licensed with the Securities Commission Malaysia to refer or introduce investors for subscription of shares in the Company. As at the date of this Annual Report, Astramina has successfully assisted the Company in signing 6 subscription agreements for total private placement amounts of S$630,000, of which the proceeds will be used to fund growth, development and expansion of its existing aesthetic medical and healthcare business and for the Group's working capital.

(v) In January 2022, the Company had engaged Chadway Management Services Pte Ltd ("**Chadway**"), an exempt financial institution under the Securities and Futures Act to refer or introduce investors for subscription of shares in the Company. As at the date of this Annual Report, Chadway had successfully assisted the Company in signing 11 subscription agreements for total private placement amounts of S$1,365,000, of which the proceeds will be used to fund growth, development and expansion of its existing aesthetic medical and healthcare business and for the Group's working capital.

The general mandate as approved by the shareholders during the Company's annual general meeting held on 29 June 2021 allows for the Company to issue and allot up to 8,963,857,794 new shares on a non-pro rata basis. The Company intends to raise new funds of S$6,000,000 by June 2022 (of which S$3,477,000 (S$2,847,000 in 2021 and S$630,000 in the first quarter of 2022) has been raised by way of the rights cum warrants issue completed in June 2021 and the private placements completed in December 2021 and March 2022 and a further S$735,000 will be raised on completion of the subscriptions announced on 5 April 2022) for additional working capital and to fund growth and development. The Group then intends to raise a further S$18,000,000 by December 2023 to acquire profitable beauty and healthcare medical clinics as part of the Group's strategic plan to turn around the Company.

2. **Opening balances and comparative figures - Assets, liabilities and results of the Group's 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 Limited ("**iMyth Taiwan**"). 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. 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.

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.

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Beverly JCG Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") will be held by way of electronic means on 28 April 2022 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/beverlyjcgagm2022. 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 2021 together with the Directors' Statement and the Auditors' Report. **(Resolution 1)**

2. To re-elect Mr Howard Ng How Er who is retiring pursuant to Regulation 90 of the Company's Constitution.

Mr Howard Ng How Er, if re-elected, will remain as Deputy Chief Executive Officer, an Executive Director and a member of the Risk Management Committee. Additional information on Mr Howard Ng How Er may be found in Additional Information on Directors Seeking Re-Election on pages 172 to 181 of the Annual Report. **(Resolution 2)**

3. To re-elect Dr Lam Lee G who is retiring pursuant to Regulation 90 of the Company's Constitution.

*Dr Lam Lee G, if re-elected, will remain as Lead Independent Director, Chairman of the Audit Committee, member of the Nominating Committee, the Remuneration Committee and the Risk Management Committee. Dr Lam Lee G 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 Dr Lam Lee G may be found in Additional Information on Directors Seeking Re-Election on pages 172 to 181 of the Annual Report.* **(Resolution 3)**

4. To approve the payment of Directors' fees of S$180,000 for the financial year ending 31 December 2022, to be paid quarterly in arrears (FY2021: S$156,000). **(Resolution 4)**

5. To re-appoint Messrs RT LLP for the financial year ending 31 December 2022 as the Company's auditors and to authorise the Directors to fix their remuneration. **(Resolution 5)**

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 1967 of Singapore (the "**Act**") and Rule 806 of the Catalist Rules, the directors of the Company (the "**Directors**") be and are hereby authorised to allot and issue:

a) shares in the capital of the Company ("**Shares**");

b) convertible securities; or

c) additional securities issued pursuant to adjustment to (b) above; or

d) Shares arising from the conversion of securities in (b) and (c) above,

in the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit provided that:

(i) the aggregate number of Shares and convertible securities that may be issued must not be more than 100% of the total number of issued Shares excluding treasury shares and subsidiary holdings, of which the aggregate number of Shares and convertible securities issued other than on a pro-rata basis to existing shareholders must not be more than 50% of the total number of issued Shares excluding treasury shares and subsidiary holdings. For the purpose of determining the aggregate number of Shares and convertible securities that may be issued under this resolution, the percentage of the total number of issued Shares excluding treasury shares and subsidiary holdings is based on the total number of issued Shares excluding treasury shares and subsidiary holdings at the time this resolution is passed, after adjusting for (aa) new Shares arising from the conversion or exercise of convertible securities; (bb) new Shares arising from exercising of share options or vesting of share awards outstanding or subsisting at the time of the passing of this resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and (cc) any subsequent bonus issue, consolidation or subdivision of Shares;

(ii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(iii) unless revoked or varied by the Company in a general meeting, such authority conferred by this resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier." [See Explanatory Note (i)] **(Resolution 6)**

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. [See Explanatory Note (ii)] **(Resolution 7)**

By Order of the Board

Ong Beng Hong/Tan Swee Gek
Company Secretaries
13 April 2022

Explanatory Notes:

(i) The ordinary resolution 6 proposed above, if passed, will empower the Directors from the passing of the AGM until the date of the next annual general meeting, to allot and issue Shares and convertible securities in the Company up to an amount not exceeding, in total, 100% of the number of issued Shares in the capital of the Company at the time of passing of this resolution, of which up to 50% may be issued other than on a pro-rata basis to existing shareholders of the Company. For determining the aggregate number of Shares that may be issued the total number of issued Shares excluding treasury shares and subsidiary holdings shall be calculated based on the total number of issued Shares excluding treasury shares and subsidiary holdings at the time of this ordinary resolution 5 above is passed after adjusting for new Shares arising from the conversion or exercise of convertible securities, share options or vesting of share awards which are outstanding or subsisting at the time this ordinary resolution 6 above is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

(ii) The ordinary resolution 7 proposed above, if passed, will empower the Directors to grant Awards under the JCG Share Performance Plan and to allot and issue shares as may be required to be issued pursuant to the vesting of Awards under the JCG Share Performance Plan, provided that the aggregate number of shares over which the Committee may grant Awards on any date, when added to the number of shares issued and issuable in respect of all Awards granted under the JCG Share Performance Plan, all the Options under the Albedo ESOS (and any other share-based incentive scheme of the Company which it may implement from time to time), shall not exceed 15% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) on the day preceding the relevant date of award. In addition, the total amount of new shares over which the Remuneration Committee may grant Awards on any date pursuant to the 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 all controlling shareholders and their associates must not exceed 25% of the total number of shares available under the JCG Share Performance Plan and each controlling shareholder or his associate must not exceed 10% of the total number of shares available under the JCG Share Performance Plan.

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 13 April 2022 entitled "Important Notice to Shareholders Regarding the Company's Annual General Meeting on 28 April 2022" 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/beverlyjcgagm2022.

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/beverlyjcgagm2022 for verification purposes. The website will open for pre-registration on 13 April 2022 and will close at 2.30 p.m. on 25 April 2022. 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/beverlyjcgagm2022. Non-validated members will receive an email informing them of the invalid status by 27 April 2022. 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 20 April 2022:

(a) via the pre-registration website at the URL https://conveneagm.com/sg/beverlyjcgagm2022;

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

(c) by email to our Share Registrar, srs.teamd@boardroomlimited.com

Members will need to identify themselves when posing questions by email or by mail by providing the following details:

(a) the member's full name as it appears on his/her/its CDP/CPF/SRS share records;

(b) the member's NRIC/Passport/UEN number;

(c) the member's contact number and email address; and

(d) the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will address substantial and relevant questions from Shareholders relating to the agenda of the AGM prior to the AGM by 2.30 p.m on 24 April 2022 via publication on SGXNET and the Company's corporate website at the URL https://www.beverlyjcg.com. The Company will also address any subsequent clarifications sought, or follow-up questions received after 20 April 2022 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 20 April 2022, shareholders are, however, encouraged to submit their questions in accordance with the paragraphs above earlier than 2.30 p.m. on 20 April 2022 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/beverlyjcgagm2022.

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

(b) if submitted by email, be received by our Share Registrar, srs.teamd@boardroomlimited.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 1967 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 19 April 2022.

7) The Annual Report for the financial year ended 31 December 2021 may be accessed at the Company's website at the URL https://www.beverlyjcg.com/investor-relations/annual-report/ under "Annual Report 2021", 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.

Mr Howard Ng How Er and Dr Lam Lee G are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 28 April 2022 ("**AGM**") (the "**Retiring Directors**").

Pursuant to Rule 720(5) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), the information relating to the Retiring Directors as set out in Appendix 7F of the Catalist Rules is set out below:

	MR HOWARD NG HOW ER	**DR LAM LEE G**
Date of Appointment	29 November 2019	14 May 2018
Date of last re-appointment (if applicable)	29 June 2020	29 June 2020
Age	44	62
Country of principal residence	Malaysia	Singapore/Hong Kong
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 reviewed and considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Mr Howard Ng How Er for re-appointment as a Director of the Company. The Board has reviewed and concluded Mr Howard Ng How Er possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has reviewed and considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Dr Lam Lee G for re-appointment as an Independent Director of the Company. The Board has reviewed and concluded Dr Lam Lee G possess 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	Executive. Mr Howard Ng How Er is responsible for the overall management of the Group's business.	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director, Deputy Chief Executive Officer and a member of the Risk Management Committee	Lead Independent Director, Chairman of the Audit Committee, Member of the Nominating Committee, Remuneration Committee and the Risk Management Committee
Professional qualifications	Not Applicable	Solicitor of the High Court of Hong Kong, Accredited Mediator of the Centre for Effective Dispute Resolution, Fellow of CMA Australia, the Hong Kong Institute of Arbitrators, the Hong Kong Institute of Directors, and the Institute of Corporate Directors Malaysia (ICDM), and Honorary Fellow of CPA Australia, the Hong Kong Institute of Facility Management and the University of Hong Kong School of Professional and Continuing Education.

	MR HOWARD NG HOW ER	DR LAM LEE G
Working experience and occupation(s) during the past 10 years	2019 – present Executive Director and Deputy CEO, Beverly JCG Ltd. 2020 – present Chief Executive Officer and Director, Beverly Wilshire Group of Companies 2017 – 2019 General Manager and Director, Beverly Wilshire Group of Companies 2015 – 2017 Director, City Centre Holdings Pty Ltd 2013 – 2015 Senior General Manager, Govt Liason and Business Development, Tropicana Danga Cove Sdn Bhd 2010 – 2013 Senior Manager Business Development, Iskandar Waterfront Sdn Bhd	June 2021 – Now Macquarie Group of Companies - Senior Advisor, Macquarie Group Asia May 2017 – May 2021 Macquarie Infrastructure and Real Assets (Hong Kong) Limited – Non-executive Chairman – Greater China and ASEAN Region, Chief Adviser to Macquarie Infrastructure and Real Assets Asia May 2015 - April 2017 Macquarie Infrastructure and Real Assets (Hong Kong) Limited – Chairman – ASEAN Region, Senior Adviser to Macquarie Infrastructure and Real Assets Asia May 2007 - March 2015 Macquarie Capital (Hong Kong) Limited – Chairman – Indochina, Myanmar and Thailand, Senior Adviser – Asia (and formerly Chairman – Hong Kong)
Shareholding interest in the listed issuer and its subsidiaries	Yes Refer to Appendix A.	Yes Beverly JCG Ltd. Direct Interest: 54,366,000 Shares Deemed Interest: 63,067,009 Shares* *Dr Lam Lee G is deemed to be interested in respect of 63,067,009 shares and 15,767,009 warrants held by his spouse, Chung Yuen Yee Kathy.
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	Yes, Son of Executive Chairman and Chief Executive Officer of the Company, Dato' Ng Tian Sang.	No

	MR HOWARD NG HOW ER	DR LAM LEE G
Conflict of Interest (including any competing business)	Yes. Mr Howard Ng is a shareholder and director of Beverly Bangsar Sdn Bhd ("**Beverly Bangsar**"), a Malaysian incorporated company which is in the business of provision of aesthetic medical services and in a competing business with the Group. Our Executive Chairman and CEO, Dato' Ng Tian Sang @ Ng Kek Chuan, and his two sons, Executive Director, Howard Ng How Er, and Alexander Ng Zhonglie together hold 63% shareholding in Beverly Bangsar. Howard Ng How Er and Alexander Ng Zhonglie are also directors of Beverly Bangsar. The Company is currently in negotiations to enter into a sales and purchase agreement to purchase up to 100% stake in Beverly Bangsar. The Company will provide updates to SGX and shareholders in due course and at the appropriate juncture.	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes

	MR HOWARD NG HOW ER	DR LAM LEE G
Other Principal Commitments* Including Directorships# (for the last 5 years) * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)	Past (for the past 5 years): - Wealthy Acorn Sdn Bhd Present: - Beverly Bangsar Sdn Bhd - Datong Berhad	Past (for the past 5 years): - Top Global Limited - Tianda Pharmaceuticals Limited - Sunwah International Limited - Aurum Pacific (China) Group Limited - Huarong Investment Stock Corporation Limited - China Shandong Hi-Speed Financial Group Limited - Hsin Chong Group Holdings Limited - Glorious Sun Enterprises Limited - Green Leader Holdings Group Limited - Xi'an Haitiantian Holdings Company Limited - Rowsley Limited - Vietnam Equity Holding (VEH) - Roma Group Limited Present: - Alset International Limited - Jade Road Investments Ltd - AustChina Holdings Limited - China LNG Group Limited - Asia-Pacific Strategic Investments Limited - CSI Properties Limited - Elife Holdings Limited - Greenland Hong Kong Holdings Limited - Haitong Securities Company Limited - Hang Pin Living Technology Company Limited - Hong Kong Aerospace Technology Group Limited - Huarong International Financial Holdings Limited - Kidsland International Holdings Limited - Mei Ah Entertainment Group Limited - Mingfa Group (International) Company Limited - National Arts Entertainment and Culture Group Ltd. - Sunwah Kingsway Capital Holdings Limited - Thomson Medical Group Limited - TMC Life Sciences Berhad - Vongroup Limited

	MR HOWARD NG HOW ER	DR LAM LEE G
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	Yes. Ruifeng Petroleum Chemical Holdings Limited ("**Ruifeng Petroleum**") During the period between July 2014 and March 2015, Dr. Lam served as an independent non-executive director of Ruifeng Petroleum, a company incorporated in the Cayman Islands, the shares of which were listed on the Stock Exchange of Hong Kong and delisted on 6 February 2017. Ruifeng Petroleum was previously engaged in the petrochemical business. A winding-up petition was served on Ruifeng Petroleum on 12 August 2015 due to failure to pay a judgement debt relating to an outstanding amount of promissory note issued by Ruifeng Petroleum in 2011 (3 years before Dr. Lam's appointment as an independent non-executive director). On 16 November 2015, Ruifeng Petroleum was wound up by the High Court of Hong Kong. Joining the board of directors as a new independent non-executive director during the restructuring period of Ruifeng Petroleum, Dr. Lam had no management role in Ruifeng Petroleum and was not involved in the creation of the above-mentioned promissory note. Hsin Chong Group Holdings Limited ("**Hsin Chong**") During the period between 17 May 2018 and 27 September 2019, Dr. Lam served as an independent non-executive director of Hsin Chong, a company incorporated in Bermuda, the shares of which were listed on the Stock Exchange of Hong Kong.

	MR HOWARD NG HOW ER	DR LAM LEE G
		Hsin Chong defaulted on its US$150 million 8.5% USD bonds (launched on 14 January 2016) due on 22 January 2019. Hsin Chong filed for provisional liquidation on 17 January 2019, and on 20 January 2019, RSM Corporate Advisory (Hong Kong) Limited and KRyS & Associates (Bermuda) were appointed by the Supreme Court of Bermuda Commercial Court as joint and several provisional liquidators of Hsin Chong. The filing was aimed at safeguarding Hsin Chong's assets and preventing seizure by creditors as Hsin Chong was attempting to negotiate a deal with one of the potential "white knight" groups to restructure its debts caused by Hsin Chong's earlier rapid expansion in mainland China. Such expansion projects dried up Hsin Chong's liquidity and led Hsin Chong to incur significant debts. Joining the board of directors as a new independent non-executive director during the restructuring period of Hsin Chong, Dr. Lam had no management role in Hsin Chong and was not involved in the creation of the above-mentioned bonds and debts. Nine (9) months after the joint and several provisional liquidators of Hsin Chong were appointed, all independent non-executive directors including Dr. Lam resigned from the board of directors of Hsin Chong on 27 September 2019.
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

	MR HOWARD NG HOW ER	DR LAM LEE G
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

	MR HOWARD NG HOW ER	DR LAM LEE G
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (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	No

	MR HOWARD NG HOW ER	DR LAM LEE G
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

Appendix A

Howard Ng How Er – Disclosure of Shareholding Interests in the Listed Issuer and its Subsidiaries*

		Shares/ Warrants	No. of ordinary shares/warrants Direct Interests	No. of ordinary shares/warrants Deemed interests	No. of ordinary shares/warrants Total
Listed Issuer	Beverly JCG Ltd.	Shares Warrants	393,011,793 107,184,160	- -	393,011,793 107,184,160
Subsidiary	Beverly Wilshire Medical Centre Sdn Bhd	Shares	1,314,296	-	1,314,296
Subsidiary	Beverly Wilshire Medical Centre (JB) Sdn Bhd	Shares	597,912	-	597,912
Subsidiary	Beverly Wilshire Tropicana City Mall Sdn Bhd	Shares	71,078	-	71,078
Subsidiary	Beverly Wilshire Aesthetic Dental Centre Sdn Bhd	Shares	131,269	-	131,269
Subsidiary	Beverly Wilshire Hair Transplant Sdn Bhd	Shares	980	-	980
Subsidiary	Beverly Wilshire Medical Academy and Research Centre Sdn Bhd	Shares	-	17,320	17,320
Subsidiary	Beverly Wilshire Cosmetic Surgery Centre Sdn Bhd	Shares	-	484	484

* Excluding shares held under trust deed:

(i) The Company's wholly-owned subsidiary JCG-Beverly Pte Ltd had entered into a trust deed dated 24 January 2020 and a supplementary trust deed dated 21 December 2020 with Mr Howard Ng How Er in respect of ordinary shares held by Mr Howard Ng How Er in the issued and paid-up share capital of Natasha Beverly Sdn. Bhd. (collectively, the "**NBSB Trust Deed**"). Pursuant to the NBSB Trust Deed, Mr Howard Ng How Er declared a trust over all the shares held by him in the issued and paid-up share capital of Natasha Beverly Sdn. Bhd., representing 56% shares in the issued and paid-up share capital of Natasha Beverly Sdn Bhd, in favour of JCG-Beverly Pte Ltd.

(ii) The Company's wholly-owned subsidiary JCG-Beverly Pte Ltd had entered into a trust deed dated 17 April 2020, a supplemental trust deed dated 11 June 2021 and a second supplemental trust deed dated 8 July 2021 with Mr Howard Ng How Er in respect of ordinary shares held by Mr Howard Ng How Er in the issued and paid-up share capital of Beverly Ipoh Sdn. Bhd. (collectively, the "**BISB Trust Deed**"). Pursuant to the BISB Trust Deed, Mr Howard Ng How Er declared a trust over all the shares held by him in the issued and paid-up share capital of Beverly Ipoh Sdn. Bhd., representing 70% shares in the issued and paid-up share capital of Beverly Ipoh Sdn. Bhd, in favour of JCG-Beverly Pte Ltd.

(iii) The Company's 56% owned subsidiary Natasha Beverly Sdn. Bhd. had entered into a trust deed dated 25 November 2020, with Mr Howard Ng How Er and Mr Alexander Ng Zhonglie in respect of ordinary shares held by Mr Howard Ng How Er and Mr Alexander Ng Zhonglie in the issued and paid-up share capital of Natasha Beverly Aesthetic Sdn. Bhd. (the "**NBASB Trust Deed**"). Pursuant to the NBASB Trust Deed, Mr Howard Ng How Er declared a trust over the 30 shares held by him in the issued and paid-up share capital of Natasha Beverly Aesthetic Sdn. Bhd., representing 30% shares in the issued and paid-up share capital of Natasha Beverly Aesthetic Sdn Bhd, in favour of Natasha Beverly Sdn. Bhd.

PROXY FORM

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 13 April 2022 entitled "Important Notice to Shareholders Regarding the Company's Annual General Meeting on 28 April 2022" which has been uploaded together with the Notice of Annual General Meeting dated 13 April 2022 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 19 April 2022.

ANNUAL GENERAL MEETING
BEVERLY JCG LTD.

ACRA Registration Number: 200505118M
(Incorporated in the Republic of Singapore)

I/We ____ (Name)

of ____ (Address)
being a *member/members of Beverly JCG 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 28 April 2022 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 2021			
2.	Re-election of Mr Howard Ng How Er as a Director of the Company			
3.	Re-election of Dr Lam Lee G as a Director of the Company			
4.	Approval of Directors' Fees for the financial year ending 31 December 2022			
5.	Re-appointment of Messrs RT LLP as Auditors of the Company			
	Special Business			
6.	Authority to allot and issue shares			
7.	Authority to allot and issue shares pursuant to the JCG Share Performance Plan			

(The resolutions put to vote at the AGM shall be decided by poll. Please indicate with a cross [X] in the space provided whether you wish your vote to be cast for or against the resolutions or to abstain from voting on a resolution as set out in the Notice of AGM. Alternatively, if you wish to exercise some and not all of your votes both "For" and "Against" the relevant resolution and/or to abstain from voting in respect of the relevant resolution, please indicate the number of shares in the boxes provided. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.)**

*Please delete accordingly

Dated this __ day of 2022.

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 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares registered in your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

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

    a. if sent by post and lodging the same at the office of our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632; or

    b. if submitted by email, be received by our Share Registrar, srs.teamd@boardroomlimited.com,

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

    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 1967.

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 a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 April 2022.

BEVERLY JCG LTD.
(Company Registration Number: 200505118M)

REGISTERED OFFICE
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