

LIFEBRANDZ LTD.

(Company Registration No. 200311348E)
(Incorporated in the Republic of Singapore)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE – WARRANTS ADJUSTMENT

1. INTRODUCTION

The board of directors (the “**Board**”) of LifeBrandz Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcements made by the Company on 18 December 2017, 15 January 2018, 30 January 2018, 14 February 2018, and 20 February 2018 (collectively, the “**Previous Announcements**”) in relation to the renounceable non-underwritten rights issue of up to 388,039,976 new ordinary shares in the issued and paid-up capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.015 for each Rights Share (the “**Issue Price**”), on the basis of two (2) Rights Share for every one (1) existing ordinary shares in the issued share capital of the Company (the “**Shares**”), held by shareholders of the Company (the “**Shareholders**”) as at 5.00 p.m. on 2 March 2018, at and on which the register of members and the transfer books of the Company will be closed to determine the provisional allotments of Rights Shares of the Entitled Shareholders (as defined herein) (the “**Books Closure Date**”) under the rights issue, fractional entitlements to be disregarded (the “**Rights Issue**”). Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as in ascribed to them in the Previous Announcements.

2. WARRANTS ADJUSTMENTS

- 2.1. As at the date of this announcement, there are 122,399,992 listed warrants (the “**Existing Listed Warrants**”), each carrying the right to subscribe for one (1) new Share, at an exercise price of S\$0.05 for each new Share. The Existing Listed Warrants are listed and quoted on the Catalist.
- 2.2. The Existing Listed Warrants were previously issued pursuant to the rights cum warrants issue announced by the Company on 24 January 2017. The terms and conditions (the “**Term and Conditions**”) of the Existing Listed Warrants are set out in the Deed Poll dated 5 May 2017 (the “**Deed Poll**”) executed by the Company for the purposes of constituting the Existing Listed Warrants.
- 2.3. The Board wishes to announce that the Rights Issue, as announced by the Company on 18 December 2017, constitutes an event giving rise to an adjustment to the exercise price and the number of the Existing Listing Warrants (the “**Warrants Adjustment**”). Pursuant to the Terms and Conditions of the Deed Poll, the Company is required to make the Warrants Adjustment.
- 2.4. Pursuant to the Terms and Conditions of the Deed Poll, adjustments shall be made to both the number and exercise price of the Existing Listed Warrants in the following manner:

Before Warrants Adjustment		After Warrants Adjustment	
<u>Exercise Price</u>	<u>Number of Existing Listed Warrants</u>	<u>Exercise Price</u>	<u>Number of Existing Listed Warrants</u>
S\$0.05	122,399,992	S\$0.04	195,074,987

- 2.5. Based on 122,399,992 Existing Listed Warrants as at the date of this announcement:
- (i) warrantholders will be receiving approximately an additional 0.5937 Additional Warrants (as defined herein) for every one (1) Existing Listed Warrants held. The adjustment to the number of Existing Listing Warrants held by each warrantholder will be rounded down to the nearest whole Existing Listed Warrants, fractional entitlements to disregarded; and
 - (ii) the exercise price of the Existing Listed Warrants will be adjusted from S\$0.05 to S\$0.04.
- 2.6. On the basis of 122,399,992 Existing Listed Warrants, the Company will accordingly issue up to 72,674,995 additional warrants (the “**Additional Warrants**”) pursuant to the Warrants Adjustment, such that there is an aggregate number of 195,074,987 warrants. Depending on the actual number of Existing Listed Warrants as at the Warrants Adjustments Effective (as defined below), the total additional Warrants eventually issued will be confirmed and announced by the Company in due course.
- 2.7. Each Additional Warrant carries the right to subscribe for one (1) Additional New Share at the adjusted exercise price of S\$0.04. Upon the exercise of the Additional Warrants, the Company will issue up to 72,674,995 Additional New Shares.
- 2.8. The Company, in accordance with the Terms and Conditions of the Deed Poll, has appointed Asian Corporate Advisors Pte. Ltd. to determine that the above-mentioned adjustments is in accordance with the formula set out in the Terms and Conditions of the Deed Poll. The Company’s auditors, Mazars LLP, has confirmed and certified that the Warrants Adjustments are fair and reasonable. Save for the Warrants Adjustment described above, the Terms and Conditions of the Deed Poll remain the same.
- 2.9. The Company will be applying for the listing and quotation of the Additional Warrants arising from the Warrants Adjustment and the Additional New Shares that may be issued on the exercise of the Additional Warrants. The Company will update Shareholders upon receipt of the listing and quotation notice of the Additional Warrants and the Additional New Shares.
- 2.10. Subject to the approval in-principle of the Additional Warrants and Additional New Shares being obtained from the SGX-ST, the Warrants Adjustment shall be effective from 22 March 2018 being the day following the Closing Date of the Rights Issue.

3. CLARIFICATION TO THE EXPIRATION DATE OF THE EXISTING LISTED WARRANTS

- 3.1. The Company wishes to state that the expiration date of the Existing Listed Warrants should be 4 June 2019 and not 2 June 2019 as currently stated in the trading name of the Existing Listed Warrant counter. Accordingly, the Company will be requesting SGX-ST to update the trading name of the Existing Listed Warrant counter from “Lifebrandz Ltd W190602” to Lifebrandz Ltd W190604” to reflect this clarification.
- 3.2. For the avoidance of any doubt, all other Terms and Conditions of the Deed Poll remain unchanged.

4. FURTHER ANNOUNCEMENTS

Further announcements will be made by the Company in relation to the Warrants Adjustment as and when appropriate.

5. **CAUTION IN TRADING**

Shareholders and potential investors of the Company are hereby reminded to exercise caution when dealing in the securities of the Company. In particular, Shareholders and potential investors of the Company are reminded that there is no assurance that the Rights Issue mentioned in this announcement will materialise. Persons who are in doubt to the action they should take should consult their stockbrokers, bank managers, solicitors, or other professional advisors.

BY ORDER OF THE BOARD

Saito Hiroyuki
Executive Chairman / Chief Executive Officer

1 March 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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

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