

## **LifeBrandz inks exclusive deal with the world's largest design nail manufacturer**

LifeBrandz Ltd ("LifeBrandz" or the Company) wishes to announce that the Company has signed a Letter of Intent ("LOI") with New York-headquartered Dashing Diva Franchise Corp., ("*Dashing Diva*"), a subsidiary of US-incorporated KMC Exim Corp ("KMC") which is the world's largest manufacturer of design nails and the creator of patent-pending Virtual Nails™ and other premium nail care products.

The parties intend to sign a Distribution and Licence Agreement ("Agreement") pertaining to the *Dashing Diva Style Lab* nail spa and boutique concept within 90 days and are currently finalising the terms and provisions of the Agreement.

In the LOI, LifeBrandz is to be awarded as the Exclusive Licensee for *Dashing Diva* in Singapore, Hong Kong and Taiwan for an initial contract period of five years, plus options to renew for another three successive five years periods. LifeBrandz will merchandise to retailers and establish, install, operate and franchise in-line salons, stores-within-stores and kiosks using the *Dashing Diva* systems, trademarks and service marks.

As the Exclusive Licensee for *Dashing Diva*, the Company envisages that it will progressively introduce over 200 product and service points of sale in the stipulated territories of Singapore, Hong Kong and Taiwan within a year. The Company also intends to franchise the *Dashing Diva* concept to appropriate third party individuals and /or companies.

*Dashing Diva* is a Manhattan, USA-based nail spa and boutique concept, which offers the most comprehensive and best quality menu of nail care products and services including manicures, pedicures, nail extensions, wraps, massages, facials, and skin products all in a unique New York *Dashing Diva Style Lab* setting. Currently there are 10,000 different *Dashing Diva* products specially designed to meet customers' needs. *Dashing Diva* is headquartered in Port Washington, N.Y., and has outlets worldwide spanning the United States across to Japan and Korea. The concept is hip, stylish and cool and has been the rave amongst fashion-conscious customers as well as major international fashion magazines and mainstream media all across the world.

*Dashing Diva* is in line with the Company's growth strategy to leverage on the rising affluence of women in Asia and their increasingly discerning demands for innovative lifestyle products and services. In addition, LifeBrandz will be able to capitalise on its already established product merchandising network and highly relevant customer base to effectively launch *Dashing Diva* in Singapore, Hong Kong and Taiwan.

The *Dashing Diva* line will also be the first product line to kick off LifeBrandz' "Lifestyle" sub-category, which comes under the Group's fourth major product category "Personal/Family Care & Lifestyle". Under this sub-category, LifeBrandz will develop and market brands pertaining to aesthetics, fashion, style, entertainment and overall lifestyle. The Group's other three major product categories are "Nutraceuticals" (e.g. Extrim carbohydrate neutraliser tablets),

“Cosmeceuticals” (e.g. Intenz skin activator oral supplements) and “Functional Food & Beverages” (e.g. Genki health teas).

The Company’s obligations under the Distribution and Licensing Agreement will be funded by internal resources and are not expected to have any material impact on the earnings per share and the net tangible assets per share for the current financial year ending 31 July 2005, although this venture is expected to have a positive impact on earnings in subsequent financial periods.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect in the above agreement.