

## LIFEBRANDZ LTD

(Incorporated in the Republic of Singapore)

(Company Registration No. 200311348E)

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### RESPONSE TO STRAITS TIMES ARTICLES HEADLINED “3 CLARKE QUAY NIGHTSPOTS STAY SHUT AS MOM PROBES PAY COMPLAINTS” OF 12 MARCH 2015

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The board of directors (“**Board**”) of Lifebrandz Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the abovementioned Straits Times article dated 12 March 2012 (“**ST Article**”) and wishes to inform that the Company has been requested by the Singapore Exchange Securities Trading Limited to make the following clarification:

1. The Company’s subsidiaries comprising Cannery Leisure Pte. Ltd., Brandz+ Pte. Ltd., Tribeca Leisure Pte. Ltd. and Lux Leisure Pte Ltd have been unable to pay salaries due to its employees for the month of February 2015.
2. The management of the abovementioned subsidiaries has met with the Ministry of Manpower (“**MOM**”) to address the complaints lodged by the respective employees. There is presently no official outcome from the meeting with MOM.
3. As at the date and time the Company had released its financial results for the six months period ended 31 January 2015 (“**Results Announcement**”), the above matters were not disclosed to the Board by the management of the relevant subsidiaries. Accordingly, the Company had not been able to include such information in the Results Announcement.
4. Pending the resolution of the complaints, the Board has completed a strategic review of the businesses of the abovementioned subsidiaries and have decided to cease their F&B operations located in the Clarke Quay area with immediate effect. The affected venues comprise Aquanova, Fenix Room, Mulligan’s Irish Pub (Clarke Quay branch), Playhouse and Hopdog (“**Affected Venues**”).

The decision to cease the operations have been arrived at after reviewing the financial position of the abovementioned subsidiaries, as well as their business prospects and environment. Having considered the intense competition that the subsidiaries have been facing (and continues to face), the trend of diminishing crowd spending and the impact of the restriction on liquor licensing hours, the Board has determined that the operations of the Affected Venues is presently not sustainable or commercially viable, and that the named subsidiaries cannot continue as a going concern.

The Group’s Mulligan’s Irish Pub branch located in Pattaya will continue to operate. The said branch is owned and operated by the Company’s wholly-owned subsidiary, Mulligan’s Co. Ltd.

5. The Board wishes to reassure shareholders that the Company will continue to review the Group’s business against the operational landscape, and explore business opportunities to position its business profile and strategic direction. As mentioned in the Results Announcement, effective management and control over operation costs remains a priority of the Group, and the Company will continue to do so in respect of the remaining operations. In

the meantime, the Company will be working with the employees of the relevant subsidiaries to resolve the salary payment amicably. Further announcements will be made when there are developments in this regard.

By Order of the Board

Chng Weng Wah  
Chief Executive Officer / Executive Director

13 March 2015