

LIFEBRANDZ LIMITED

(Company Registration No. 200311348E)

Response to SGX's email dated 18 June 2015 on Company's 3Q FY2015 financial statements announcement on 12 June 2015 ("Results Announcement").

- 1. We note that 'Other operating expenses' in Q3 FY2015 has increased from S\$51,000 to S\$2.019 million mainly due to lifting of the fixed deposits of S\$1.98 million with Maybank effected by the landlord from the closure of the Clarke Quay club premises. Please provide details on the costs from the closure of the Clarke Quay club premises.*

Other operating expenses in Q3 FY2015 has increased from S\$51,000 to S\$2.019 million includes the fixed deposits lifted by the landlord for the lease security deposit. The fixed deposits was placed with Maybank as a collateral for the banker's guarantee security deposit issued to the landlord for the lease at Clarke Quay. The fixed deposits of \$1.98 million was utilised to settle the security deposit when our club operations predetermined the lease, closed and vacated the premises at Clarke Quay in March 2015.

- 2. We note that 'Total expenses' in Q3 FY2015 increased to S\$2.63 million mainly due to the lifting of the fixed deposit with Maybank for the closure of the premises at Clarke Quay. Please clarify why this is an expense.*

Upon the closure of the club operations at Clarke Quay, the landlord demanded for the security deposit on the lease. The amount on the fixed deposits was lifted and withdrawn to discharge the payment of the security deposit. With the discharge, the fixed deposits has extinguished and be written off as an expense.

By Order of the Board

Chng Weng Wah
CEO / Executive Director

Dated: 19 June 2015