



**LIFEBRANDZ LTD.**

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

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**NON-BINDING MEMORANDUM OF UNDERSTANDING IN RELATION TO THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID UP SHARE CAPITAL OF BEEF BY KOH CO., LTD.**

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**1. INTRODUCTION**

The board of directors (the “**Board**” or the “**Directors**”) of LifeBrandz Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that LB F&B Pte. Ltd., a wholly-owned subsidiary of the Company (the “**Purchaser**”), had on 21 February 2020 entered into a non-binding Memorandum of Understanding (“**MOU**”) with Mr Koichiro Ara (the “**Vendor**”, together with the Purchaser, the “**Parties**”) regarding the potential acquisition of 10,000 ordinary shares (the “**Target Shares**”) representing 100% of the entire issued and paid up share capital of and Beef by Koh Co., Ltd. (the “**Target Company**”) from the Vendors for an indicative consideration of S\$200,000, which will be subject to the results of the due diligence to be carried out on the Target Company and the definitive agreement to be executed by the Parties (the “**Proposed Acquisition**”).

**2. INFORMATION ON THE TARGET COMPANY AND THE VENDORS**

**2.1. The Target Company**

The Target Company is a company incorporated in Japan and is engaged in restaurant for serving beef cuisine, such as Yakiniku (BBQ Beef), Korean cuisine and other creative cuisine in Tokyo, Japan with one outlet. The Target Company has an issued and paid-up share capital of JPY 10,000 comprising 10,000 ordinary shares.

**2.2. The Vendor**

The Vendor, a Japanese citizen, is currently a sole director and sole legal and beneficial owner of the Target Company.

The Vendor does not hold any shares in the Company and is not related to the Group, the Directors, substantial shareholders and controlling shareholders of the Company, and their respective associates.

**3. SALIENT TERMS OF THE MOU**

**3.1. Exclusivity**

The Vendor agrees that, for a period of six (6) calendar months from the date of the MOU (or such later date as the Parties may otherwise agree) (the “**Exclusivity Period**”), other than with the Purchaser or its advisers, the Vendor will not engage in any negotiations or agree with or accept any proposal from any third party regarding the acquisition of shares of the Target Company, and shall not, and shall cause the Target Company and representatives of the Target Company not to, directly, or indirectly, solicit, initiate, encourage, or entertain any inquiries or proposals from, discuss or negotiate with, provide any non-public information to, or consider the merits of any inquiries or proposals from, any person (other than the Purchaser) relating to any business combination transaction involving the Target Company, including the sale of any of the shares of the Target Company, any merger or consolidation with any of them, or the sale of the business or any of the assets of the Target Company (other than in the ordinary course of business).

### 3.2. **Further action**

The Parties intend and shall use all reasonable endeavours to enter into the definitive agreement as soon as possible and in any event within the Exclusivity Period (or such later date as the Parties may otherwise agree).

### 3.3. **Structure of the Proposed Acquisition**

The Purchaser will acquire all of the 10,000 ordinary shares in three (3) tranches as set out below:

First tranche            The Purchaser shall acquire from the Vendor the first tranche of 5,000 ordinary shares of the Target Company which amounts to 50% of the total issued and paid up capital of the Target Company, for a cash consideration of SGD 100,000.

Second tranche        The Purchaser shall acquire from the Vendor the second tranche of 2,500 ordinary shares of the Target Company which amounts to 25% of the total issued and paid up capital of the Target Company, for a cash consideration of SGD 50,000.

The second tranche shall occur within the three months from the date of completion of First tranche.

Third tranche            The Purchaser shall acquire from the Vendor the third tranche of 2,500 ordinary shares of the Target Company which amounts to 25% of the total issued and paid up capital of the Target Company, for a cash consideration of SGD 50,000.

The third tranche shall occur within the three months from the date of completion of Second tranche.

## 4. **FINANCING FOR THE PROPOSED ACQUISITION**

The Board would like to announce that the Proposed Acquisition will be financed by internal resource or paid off by fund raised from corporate issuance exercise.

## 5. **RATIONALE OF THE PROPOSED ACQUISITION**

The Proposed Acquisition is in the ordinary course of the Group's business and is in line with the Group's strategy to establish new food outlets and expand its business through acquisitions, joint ventures or strategic alliances. The Proposed Acquisition will provide an additional income stream from the sale of the food and beverages as well as expanding the food and beverages business in overseas market, which in turn, would enhance the shareholders' value.

## 6. **DIRECTORS' INTEREST, SUBSTANTIAL SHAREHOLDERS AND CONTROLLING SHAREHOLDERS**

Saved as disclosed above, none of the Directors, substantial shareholders or the controlling shareholders, or their respective associates, has any interest, direct or indirect, in the MOU and/or the Proposed Acquisition, other than through their respective shareholdings in the Company (if any).

**7. FURTHER ANNOUNCEMENTS**

Further announcements will be made by the Company in relation to the MOU and the Proposed Acquisition as and when appropriate.

**8. RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the MOU, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

**9. CAUTION IN TRADING**

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers, as to the actions they should take.

**BY ORDER OF THE BOARD**

Saito Hiroyuki  
Executive Chairman and Chief Executive Officer

21 February 2020

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*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor"). This announcement 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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: (65) 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.*