

CIRCULAR DATED 4 MAY 2021

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by LifeBrandz Ltd. (the "Company"). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting ("**Notice of EGM**") and the attached proxy form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of EGM and the attached proxy form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s) which are not deposited with the CDP, you should at once hand this Circular with the Notice of EGM and the attached proxy form immediately to the purchaser or transferee, or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

This Circular has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"). This Circular has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular. 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.



(Company Registration Number: 200311348E)
(Incorporated in the Republic of Singapore on 7 November 2003)

CIRCULAR TO SHAREHOLDERS IN RELATION TO:

- (A) THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 1,030,170,246 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF THE COMPANY AT THE ISSUE PRICE OF S\$0.005 FOR EACH RIGHTS SHARE, WITH UP TO 515,085,123 FREE DETACHABLE AND TRANSFERABLE WARRANTS, EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE IN THE SHARE CAPITAL OF THE COMPANY AT AN EXERCISE PRICE OF S\$0.010 FOR EACH NEW SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN THE SHARE CAPITAL OF THE COMPANY HELD BY THE ENTITLED SHAREHOLDERS AS AT THE RECORD DATE, WITH ONE (1) WARRANT FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED; AND**
- (B) THE PROPOSED ISSUANCE OF SHARES TO I CONCEPT GLOBAL GROWTH FUND PURSUANT TO RULE 803 OF THE CATALIST RULES**

IMPORTANT DATES AND TIMES:

- Last date and time for lodgement of Proxy Form : 17 May 2021 at 3:00 p.m.
- Date and time of Extraordinary General Meeting : 19 May 2021 at 3:00 p.m.
- Place of Extraordinary General Meeting : The Extraordinary General Meeting will be held by way of electronic means.

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DEFINITIONS

The following definitions apply throughout in this Circular except where the context otherwise requires or otherwise stated:

- "ARE"** : Application and acceptance form for Rights Shares with Warrants and excess applications for the Rights Shares with Warrants to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares with Warrants under the Proposed Rights cum Warrants Issue
- "ARS"** : Application and acceptance form for Rights Shares with Warrants to be issued to Purchasers of the provisional allotments of Rights Shares with Warrants under the Proposed Rights cum Warrants Issue traded on the SGX-ST through the book-entry (scripless) settlement system
- "Associate"** : (a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more,
- or such other definition as the Catalist Rules may from time to time prescribe
- "ATM"** : Automated teller machine of a Participating Bank
- "Board"** : The board of Directors of the Company as at the Latest Practicable Date
- "Bounty Blue"** : Bounty Blue Capital Ltd
- "Capital Square"** : Capital Square Co., Ltd.
- "Catalist"** : The sponsor-supervised listing platform of the SGX-ST
- "Catalist Rules"** : Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
- "CDP"** : The Central Depository (Pte) Limited
- "Circular"** : This circular to Shareholders dated 4 May 2021

DEFINITIONS

"Closing Price"	:	The closing price of S\$0.010 per Share on the Catalist on 10 March 2021, being the last full market day on which the Shares were traded on the Catalist immediately prior to the Company's trading halt on 11 March 2021 and prior to the date of the announcement of the Proposed Rights cum Warrant Issue on 15 March 2021
"Code"	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
"Companies Act"	:	Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
"Company"	:	LifeBrandz Ltd.
"Constitution"	:	The constitution of the Company, as amended, modified or supplemented from time to time
"Controlling Shareholder"	:	A person who: <ul style="list-style-type: none">(a) holds directly or indirectly 15% or more of the total voting rights in the Company. Notwithstanding, the SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or(b) in fact exercises control over the Company
"Deed Poll"	:	The deed poll to be executed by the Company for the purpose of constituting the Warrants (as the same may be amended, modified or supplemented from time to time) and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warrantholders
"Director"	:	A director of the Company
"Disposal"	:	The disposal of the Company's wholly-owned subsidiaries, SYNC Co., Ltd., LB KOH Co., Ltd., e-Holidays Co., Ltd., and the Company's 50%-owned subsidiary, LifeBrandz USA, Inc. to Capital Square
"Disposal and Subscription Circular"	:	The circular to shareholders dated 9 February 2021 in relation to, <i>inter alia</i> , the February 2021 Subscription and the Disposal
"EGM"	:	The extraordinary general meeting of the Company, to be held on 19 May 2021, the notice of which is set out on pages N-1 to N-5 of this Circular
"Entitled Depositors"	:	Has the meaning ascribed to it in Section 5.2 of this Circular
"Entitled Scripholders"	:	Has the meaning ascribed to it in Section 5.3 of this Circular
"Entitled Shareholders"	:	Entitled Depositors and Entitled Scripholders
"Exercise Period"	:	Any time during the period commencing on and including the date of issue of the Warrants and expiring at 5:00 p.m. on the day immediately preceding the third (3 rd) anniversary of such date of issue
"Exercise Price"	:	The price payable for each New Share upon the exercise of a Warrant which shall be S\$0.010, subject to certain adjustments in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll

DEFINITIONS

"Existing Share Capital"	:	The existing issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of the Company, being 1,030,170,246 Shares
"Expiry Date"	:	The expiry date of the Exercise Period
"February 2021 Subscription"	:	The subscription of 306,000,000 new Shares by the Subscribers at an issue price of S\$0.005 per Share
"FY2018"	:	The financial year ended 31 July 2018
"FY2019"	:	The financial year ended 31 July 2019
"FY2020"	:	The financial year ended 31 July 2020
"F&B"	:	Food and beverage
"Foreign Purchasers"	:	Has the meaning ascribed to it in Section 5.4 of this Circular
"Foreign Shareholders"	:	Has the meaning ascribed to it in Section 5.4 of this Circular
"Group"	:	The Company and its subsidiaries, collectively
"HY2020"	:	The 6-month financial period ended 31 January 2020
"HY2021"	:	The 6-month financial period ended 31 January 2021
"I Concept"	:	I Concept Global Growth Fund
"Irrevocable Undertaking"	:	The deed of undertaking dated 15 March 2021 given by the Undertaking Shareholders in favour of the Company
"Issue Price"	:	S\$0.005 per Rights Share
"Latest Practicable Date"	:	19 April 2021, being the latest practicable date prior to the date of this Circular
"LCY"	:	Ms. Liw Chai Yuk
"LPS"	:	Loss per Share
"LQN"	:	Listing and quotation notice from the SGX-ST for the dealing in, listing of and quotation for the Rights Shares, the Warrants and the New Shares on the Catalist
"Market Day"	:	A day on which the SGX-ST is open for securities trading
"Maximum Subscription Scenario"	:	Has the meaning ascribed to it in Section 3.2 of this Circular
"Minimum Subscription Scenario"	:	Has the meaning ascribed to it in Section 3.2 of this Circular
"Net Proceeds"	:	The net proceeds raised from the Proposed Rights cum Warrants Issue
"New Shares"	:	Up to 515,085,123 new Shares to be issued pursuant to the exercise of the Warrants, and each a "New Share"
"Notice of EGM"	:	The notice of the EGM which is set out on pages N-1 to N-5 of this Circular

DEFINITIONS

"NTL"	:	Net tangible liabilities
"Offer Information Statement"	:	The offer information statement to be issued by the Company in respect of the Proposed Rights cum Warrants Issue, and all other accompanying documents issued by the Company, including, where the context admits, any supplementary or replacement document which may be issued by the Company and lodged with the SGX-ST, acting as an agent on behalf of the Monetary Authority of Singapore in connection with the Proposed Rights cum Warrants Issue
"PAL"	:	The provisional allotment letter to be issued to Entitled Scripholders, setting out their provisional allotment of Rights Shares with Warrants under the Proposed Rights cum Warrants Issue
"Proposed Rights cum Warrants Issue"	:	The renounceable non-underwritten rights cum warrants issue of up to 1,030,170,246 Rights Shares, at the Issue Price with up to 515,085,123 free detachable and transferable Warrants, each Warrant carrying the right to subscribe for one (1) New Share at the Exercise Price for each New Share, on the basis of one (1) Rights Share for every one (1) existing Share held by the Entitled Shareholders as at the Record Date, with one (1) Warrant for every two (2) Rights Shares subscribed, fractional entitlements to be disregarded
"Proposed Shares Issue"	:	Has the meaning ascribed to it in Section 4.4 of this Circular
"Purchaser"	:	A purchaser of the provisional allotments of Rights Shares with Warrants traded on the SGX-ST through the book-entry (scripless) settlement system
"Record Date"	:	The date and time to be determined by the Directors for the purposes of determining the entitlements of the Entitled Shareholders under the Proposed Rights cum Warrants Issue
"Register of Members"	:	The register of members of the Company
"Register of Warrantholders"	:	The register of Warrantholders required to be maintained pursuant to the Deed Poll
"Rights Shares"	:	Up to 1,030,170,246 new Shares to be issued pursuant to the Proposed Rights cum Warrants Issue, and each a "Rights Share"
"Securities Account"	:	Securities account maintained by a Depositor with CDP but does not include a securities sub-account
"SFA"	:	Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
"SFRS(I)"	:	Singapore Financial Reporting Framework (International)
"SGX-ST"	:	The Singapore Exchange Securities Trading Limited
"Shareholders"	:	Persons (not being Depositors) who are registered as the holders of the Shares in the Register of Members of the Company and Depositors, who have Shares entered against their names in the Depository Register, except that where the registered holder is CDP, the term "Shareholders" , where the context admits, mean the Depositors whose Securities Accounts are credited with Shares

DEFINITIONS

"Share Registrar"	: The share registrar of the Company
"Shares"	: Ordinary shares in the capital of the Company, and each a "Share"
"Sponsor"	: SAC Capital Private Limited
"Subscribers"	: Franz Elieo Narcis, Irene Ng Ai Chen, Tan Lay Keim, Yu Wei Ting, Patrick John Lim Kuoh Weih, Tan Ou Seng, Ang Peng Khoon, Mohamad Shamin Bin Mohamad Sahafi, Grace How Pei Yen, and each a "Subscriber"
"Subscription Undertaking"	: The deed of undertaking dated 8 February 2021 given by Bounty Blue in favour of the Company
"Substantial Shareholder"	: A person (including a corporation) who has an interest or interests in one or more voting Shares in the Company, and the votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company
"TERP"	: The theoretical market price of each Share assuming the completion of the Proposed Rights cum Warrants Issue, and is calculated based on the Closing Price, and the number of Shares following completion of the Proposed Rights cum Warrants Issue and for avoidance of doubt, the TERP computation does not include the New Shares to be issued from the exercise of Warrants
"Undertaking Shareholders"	: I Concept and LCY, collectively
"Warrantholders"	: Registered holders of Warrants, except that where CDP is the registered holder, the term "Warrantholders" shall, in relation to those Warrants, mean the Depositors whose Securities Accounts are credited with such Warrants
"Warrant Agent"	: The warrant agent to be appointed, at the discretion of the Directors, in connection with the exercise of the Warrants in accordance with the terms and subject to the conditions of a warrant agency agreement to be executed by the Company
"Warrant Certificates"	: The certificates (in registered form) to be issued in respect of the Warrants, as from time to time modified in accordance with the provisions of the Deed Poll
"Warrants"	: Up to 515,085,123 free detachable and transferable warrants, in registered form to be issued by the Company pursuant to the Proposed Rights cum Warrants Issue, subject to the terms and conditions to be set out in the Deed Poll, each warrant carrying the right to subscribe for one (1) New Share at the Exercise Price
"Voting Undertaking"	: The deed of undertaking dated 8 February 2021 given by Capital Square in favour of the Company
"VWAP"	: The weighted average price of the Shares
<u>Currency, Units and Others</u>	
"S\$"	: Singapore Dollars, the lawful currency of the Republic of Singapore
"%"	: Percentage or per centum

The terms **"Depositor"** and **"Depository Register"** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

DEFINITIONS

The term "**treasury shares**" shall have the meaning ascribed to it in Section 4 of the Companies Act.

The terms "**subsidiaries**" shall have the meanings ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA or the Catalist Rules or any statutory or regulatory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA or the Catalist Rules or any modification thereof, as the case may be, unless otherwise provided.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in figures included in this Circular between the amounts listed and their totals are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

LIFEBRANDZ LTD.

(Company Registration Number: 200311348E)
(Incorporated in the Republic of Singapore on 7 November 2003)

Directors

Mr. Lam Siew Kee (Executive Chairman and Chief Executive Officer)
Ms. Ang Puak Huen (Executive Director and Chief Operating Officer)
Mr. Lim Yit Keong (Lead Independent Director)
Ms. Wang Xiaolan (Independent Director)

Registered Office

30 Cecil Street
#19-08
Prudential Tower
Singapore 049712

Date: 4 May 2021

To: The Shareholders of the Company

Dear Sir/Madam

- (A) PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE; AND**
(B) PROPOSED ISSUANCE OF SHARES TO I CONCEPT GLOBAL GROWTH FUND PURSUANT TO RULE 803 OF THE CATALIST RULES

1. INTRODUCTION

1.1. Extraordinary General Meeting

The Directors are convening an EGM to be held at 3:00 p.m. on 19 May 2021 by way of electronic means, to seek the Shareholders' approval for the Proposed Rights cum Warrants Issue, including the allotment and issue of the Rights Shares, the Warrants and the New Shares, and the Proposed Shares Issue.

1.2. Circular to Shareholders

The purpose of this Circular is to provide Shareholders with information relating to, *inter alia*, the Proposed Rights cum Warrants Issue and the Proposed Shares Issue, to ensure that Shareholders will be in a position to make an informed decision in respect of the above proposal at the EGM. The ordinary resolutions in relation to the Proposed Rights cum Warrants Issue and the Proposed Shares Issue to be tabled at the EGM are set out in the Notice of EGM on pages N-1 to N-5 of this Circular.

The SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.

The Company intends to table the following ordinary resolutions at the EGM:

- (a) Ordinary Resolution 1 relates to the approval of the allotment and issue of up to 1,030,170,246 Rights Shares at the Issue Price for each Rights Share, with up to 515,085,123 free detachable and transferable Warrants, each Warrant carrying the right to subscribe for one (1) New Share at the Exercise Price for each New Share, on the basis of one (1) Rights Share for every one (1) existing Share held by Entitled Shareholders as at the Record Date, with one (1) Warrant for every two (2) Rights Shares subscribed, fractional entitlements to be disregarded, pursuant to the Proposed Rights cum Warrants Issue; and
- (b) Ordinary Resolution 2 relates to the proposed issuance of Shares to I Concept pursuant to Rule 803 of the Catalist Rules, subject to and otherwise in accordance with the terms of the Irrevocable Undertaking provided by I Concept in favour of the Company.

Ordinary Resolution 1 and Ordinary Resolution 2 are not inter-conditional upon each other. However, Shareholders should note that Ordinary Resolution 2 is conditional upon the Shareholders' approval to Ordinary Resolution 1.

LETTER TO SHAREHOLDERS

1.3. Legal Adviser

Virtus Law LLP is the legal adviser to the Company as to Singapore law in relation to the Proposed Rights cum Warrants Issue and the Proposed Shares Issue.

2. THE PROPOSED RIGHTS CUM WARRANTS ISSUE

2.1. Overview of the Proposed Rights cum Warrants Issue

On 15 March 2021, the Company announced its intention to undertake a renounceable non-underwritten rights cum warrants issue of up to 1,030,170,246 Rights Shares at the Issue Price of S\$0.005 for each Rights Share, with up to 515,085,123 free detachable and transferable Warrants, each Warrant carrying the right to subscribe for one (1) New Share at an Exercise Price of S\$0.010 for each New Share, on the basis of one (1) Rights Share for every one (1) existing Share held by the Entitled Shareholders as at the Record Date, with one (1) Warrant for every two (2) Rights Shares subscribed, fractional entitlements to be disregarded.

2.2. Principal terms of the Proposed Rights cum Warrants Issue

Please refer to Section 3 of this Circular for further details on the principal terms of the Proposed Rights cum Warrants Issue.

2.3. Conditions of the Proposed Rights cum Warrants Issue

The Proposed Rights cum Warrants Issue is subject to and conditional upon, *inter alia*:

- (a) the approval of the Shareholders for the Proposed Rights cum Warrants Issue being obtained at the EGM;
- (b) the receipt of the LQN from the SGX-ST (and such LQN not having been withdrawn or revoked on or prior to the completion of the Proposed Rights cum Warrants Issue) for the dealing in, listing of and quotation for the Rights Shares, the Warrants and the New Shares on Catalist and, if such approval is granted subject to conditions, such conditions being acceptable to the Company;
- (c) the lodgement of the Offer Information Statement, together with all other necessary accompanying documents, in connection with the Proposed Rights cum Warrants Issue with the SGX-ST, acting as an agent on behalf of the Monetary Authority of Singapore; and
- (d) all other necessary approvals, consents and/or waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Proposed Rights cum Warrants Issue and to give effect to the Proposed Rights cum Warrants Issue, being obtained and not having been withdrawn or revoked before the completion of the Proposed Rights cum Warrants Issue.

The Company will be making an application to the SGX-ST through the Sponsor for the dealing in, listing and quotation of the Rights Shares, the Warrants and/or the New Shares on the Catalist. The Company will make the necessary announcement upon the receipt of the LQN from the SGX-ST.

3. PRINCIPAL TERMS OF THE PROPOSED RIGHTS CUM WARRANTS ISSUE

The terms and conditions of the Proposed Rights cum Warrants Issue are subject to such changes as the Directors may, in their absolute discretion, deem fit. The final terms and conditions of the Proposed Rights cum Warrants Issue will be contained in the Offer Information Statement and its accompanying documents to be despatched or disseminated by the Company to the Entitled Shareholders in due course. The principal terms of the Proposed Rights cum Warrants Issue are summarised below.

LETTER TO SHAREHOLDERS

3.1. Basis of Provisional Allotment

The Proposed Rights cum Warrants Issue will be made on a renounceable non-underwritten basis to all Entitled Shareholders on the basis of one (1) Rights Share for every one (1) existing Share held by Entitled Shareholders as at the Record Date, with one (1) free detachable Warrant for every two (2) Rights Shares subscribed, fractional entitlements to be disregarded.

3.2. Issue Size

As at the Latest Practicable Date, the Company has an Existing Share Capital of 1,030,170,246 Shares. As at the Latest Practicable Date, the Company does not have any share option or other share incentive schemes for its employees or any other convertible securities in issue.

Please refer to Appendix A for further information on, *inter alia*, the shareholding structure of the Company as at the Latest Practicable Date.

Assuming that there is no change in the Existing Share Capital before the Record Date, and the Proposed Rights cum Warrants Issue is fully subscribed ("**Maximum Subscription Scenario**"), 1,030,170,246 Rights Shares and 515,085,123 Warrants will be issued, and the enlarged share capital of the Company will increase to:

- (a) 2,060,340,492 Shares upon the allotment and issuance of such number of Rights Shares at completion of the Proposed Rights cum Warrants Issue but before the exercise of the Warrants, and the Rights Shares will represent approximately 100% and 50% respectively of the Existing Share Capital and the enlarged issued share capital of the Company; and
- (b) 2,575,425,615 Shares upon the exercise of such number of Warrants, and the aggregate of such number of Rights Shares and New Shares will represent approximately 150% and 60% respectively of the Existing Share Capital and the enlarged issued share capital of the Company.

Assuming that there is no change in the Existing Share Capital before the Record Date, and none of the Entitled Shareholders other than I Concept and LCY or Purchasers of the "nil-paid" rights during the "nil-paid" rights trading period subscribe and pay for the Rights Shares with Warrants in accordance with their respective Irrevocable Undertakings ("**Minimum Subscription Scenario**"), 278,500,000 Rights Shares and 139,250,000 Warrants will be issued, and the enlarged share capital of the Company will increase to:

- (a) 1,308,670,246 Shares upon the allotment and issuance of such number of Rights Shares at completion of the Proposed Rights cum Warrants Issue before the exercise of the Warrants, and the Rights Shares will represent approximately 27.03% and 21.28% respectively of the Existing Share Capital and the enlarged issued share capital of the Company; and
- (b) 1,447,920,246 Shares upon the exercise of such number of Warrants, and the aggregate of such number of Rights Shares and New Shares will represent approximately 40.55% and 28.85% respectively of the Existing Share Capital and the enlarged issued share capital of the Company.

Please refer to Appendix B to this Circular for further details of the potential impact of the Proposed Rights cum Warrants Issue on the shareholding structure of the Company under the Maximum Subscription Scenario and the Minimum Subscription Scenario.

3.3. Price

The Issue Price of S\$0.005 per Rights Share represents:

- (a) a discount of approximately 52.4% to the VWAP of S\$0.0105 per Share and a discount of approximately 50.0% to the Closing Price of S\$0.010 per Share; and

LETTER TO SHAREHOLDERS

- (b) a discount of approximately 33.3% to the TERP of S\$0.0075 per Share.

The Exercise Price of S\$0.010 per New Share represents:

- (a) a discount of approximately 4.8% to the VWAP of S\$0.0105 per Share and is equivalent to the Closing Price of S\$0.010; and
- (b) a premium of approximately 33.3% to the TERP of S\$0.0075 per Share.

In arriving at the discounts for the Issue Price and the Exercise Price, the Board took into consideration the following factors:

- (a) the prevailing market conditions and the discount rates of recent rights issue transactions on the Catalist for the past twelve (12) months;
- (b) the historical prices of the Company's Shares in the past twelve (12) months, the issue prices of the Company's placement exercises in the past twelve (12) months, and the discount rates and subscription rates of the Company's historical rights issue exercises;
- (c) the expected value of the nil-paid rights of S\$0.0025 based on the TERP;
- (d) the historical financial performance and position of the Group for FY2020 and for HY2021, and its current state of affairs as described in Section 6 of this Circular; and
- (e) the discussions with the Undertaking Shareholders.

3.4. Status and Ranking

The Rights Shares with Warrants will be payable in full upon acceptance and/or application, and when allotted and issued, the Rights Shares will rank *pari passu* in all respects with the then existing issued Shares, except that they will not rank for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls before the date of issue of the Rights Shares.

The New Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then existing issued Shares for any dividends, rights, allotments or other distributions, the record date of which falls on or after the date of issue of the New Shares, save as may be otherwise provided the Deed Poll.

For this purpose, "**record date**" means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the CDP) or the Company, as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

3.5. Summary of Principal Terms of the Rights Shares

Number of Rights Shares	:	Up to 1,030,170,246 Rights Shares (with up to 515,085,123 Warrants) to be issued. Further details are set out in Section 3.2 of this Circular.
Basis of provisional allotment	:	One (1) Rights Share for every one (1) existing Share held by the Entitled Shareholders, as the case may be, as at the Record Date.
Issue Price	:	S\$0.005 per Rights Share, payable in full on acceptance and/or application. Further details are set out in Section 3.3 of this Circular.
Status of the Rights Shares	:	Please refer to Section 3.4 of this Circular.
Eligibility to participate	:	Please refer to Section 5 of this Circular.

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Listing of the Rights Shares : The Company will be making an application to the SGX-ST through the Sponsor for the dealing in, listing and quotation of the Rights Shares on the Catalist. The Company will make the necessary announcement upon the receipt of the LQN from the SGX-ST.

Trading of the Rights Shares : Upon the successful listing and quotation of the Rights Shares on the Catalist, the Rights Shares will be traded on the Catalist under the book-entry (scripless) settlement system. For the purposes of trading on the Catalist, each board lot of Shares will comprise 100 Shares.

Acceptance, applications and procedures : Entitlements to subscribe for the Rights Shares will be renounceable and are expected to be tradeable on the Catalist over a period to be determined by the Directors in compliance with the Catalist Rules.

Entitled Shareholders will be at liberty to accept, decline, renounce or, in the case of entitled Depositors, trade on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST, in whole or in part, their provisional allotments of the Rights Shares and will be eligible to apply for Rights Shares in excess of their respective provisional allotments under the Proposed Rights cum Warrants Issue.

Provisional allotments which are not allotted or taken up for any reason, be aggregated and used to satisfy applications, if any, for excess Rights Shares or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Proposed Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and the allotment of excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of Right Shares and for the applications for excess Rights Shares, including the different modes of acceptance or application and payment, will be set out in the Offer Information Statement and the accompanying documents to be despatched or, as the case may be, disseminated by, the Company in due course.

Scaling down : Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares with Warrants and/or excess applications for the excess Rights Shares with Warrants by any Shareholder (if such Shareholder chooses to subscribe for its *pro rata* Rights Shares with Warrants entitlement and/or apply for excess Rights Shares with Warrants) to avoid placing the relevant Shareholder and parties acting in concert with him in the position of incurring

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a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares with Warrants entitlement fully; or to avoid the transfer of a controlling interest in the Company, which is prohibited the Catalist Rules, unless prior approval of Shareholders is obtained in a general meeting.

Non-underwritten : In view of the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees, the Irrevocable Undertakings provided by the Undertaking Shareholders and there being no minimum amount that must be raised from the Proposed Rights cum Warrants Issue, the Company has decided to proceed with the Proposed Rights cum Warrants Issue on a non-underwritten basis. The Proposed Rights cum Warrants Issue will not be withdrawn after commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Catalist Rules.

Governing law : Laws of the Republic of Singapore

3.6. Warrants

Number of Warrants and New Shares : Up to 515,085,123 Warrants and 515,085,123 New Shares to be issued. Further details are set out in Section 3.2 of this Circular.

Basis of provisional allotment : One (1) free detachable and transferable Warrant for every two (2) Rights Shares successfully subscribed for, fractional entitlements to be disregarded, with each Warrant carrying the right to subscribe for one (1) New Shares.

Status of the New Shares : Please refer to Section 3.4 of this Circular.

Form and subscription rights : The Warrants will be issued in registered form and will be constituted by the Deed Poll. Subject to the terms and conditions of the Warrants to be set out in the Deed Poll, each Warrant will entitle the holder to subscribe for a New Share at the Exercise Price during Exercise Period and Warrants that remain unexercised at the Expiry Date shall lapse and cease to be valid for any and all purposes, subject to the terms and conditions of the Warrants as set out in the Deed Poll.

Detachability and trading of the Warrants and the New Shares : The Warrants are immediately detachable from the Rights Shares upon issue, and will be issued in registered form and will be listed and traded separately on the Catalist under the book-entry (scripless) settlement system, subject to there being a sufficient spread of holdings of the Warrants to provide an orderly market for the Warrants. Each board lot of Warrants will consist of 100 Warrants or such other number as may be notified by the Company.

Listing of the Warrants and the New Shares : The Company will be making an application to the SGX-ST through the Sponsor for the dealing in, listing and quotation of the Warrants and the New Shares on the Catalist. The Company will make the necessary announcement upon the receipt of the LQN from the SGX-ST.

Under Rule 826 of the Catalist Rules, it is provided that as a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants for a sufficient spread of

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holdings of the warrants to provide for an orderly market in the trading of the warrants. In the event that permission is not granted by the SGX-ST for the listing of and quotation for the Warrants because such condition is not met for any reason in respect of any Warrants issued, Warranholders should note that they will not be able to trade their Warrants on the Catalist.

Exercise Price : S\$0.010 per New Share on the exercise of a Warrant, subject to adjustments under certain circumstances in accordance with the terms and conditions of the Warrants as set out in the Deed Poll. Further details are set out in Section 3.3 of this Circular.

Mode of payment for exercise of Warrants : Warranholders who exercise their Warrants must pay the Exercise Price by way of remittance in Singapore currency by banker's draft or cashier's order drawn on a bank in Singapore in favour of the Company for the full amount of the monies payable in respect of the Warrant(s) exercised.

Exercise Period : The period during which the Warrants may be exercised commencing on and including the date of issue of the Warrants and expiring at 5:00 p.m. (Singapore time) on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members and/or Register of Warranholders of the Company is/are closed or is not a Market Day, in which event the Warrants shall expire on the date prior to the closure of the Register of Members and/or Register of Warranholders of the Company or on the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of Warranholders may be closed pursuant to the terms and conditions of the Warrants to be set out in the Deed Poll.

The Deed Poll does not permit an extension of the Exercise Period. Unexercised Warrants after the Expiry Date shall lapse and cease to be valid for any purpose.

Notice of expiry of the Warrants shall be given to all Warranholders not later than one (1) month before the expiry date, and the Company shall announce the same on the SGXNET.

Adjustments to Exercise Price and/or the number of Warrants : The Exercise Price and/or the number of Warrants to be held by each Warranholder will, after their issue, be subject to adjustments under certain circumstances, which will be provided for in the terms and conditions of the Warrants to be set out in the Deed Poll. Such circumstances include:

(i) *Consolidation, subdivision, or reclassification*

Any consolidation, subdivision, or reclassification of the Shares; or

(ii) *Capitalisation issues*

An issue by the Company of Shares to Shareholders credited as fully paid, by way of capitalisation of profits or reserves (whether of a capital or income

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nature or not and including any capital redemption reserve fund) to its Shareholders (other than an issue of Shares in respect of which Shareholders may elect to receive Shares in lieu of cash or other dividend); or

(iii) *Capital distribution*

A capital distribution made by the Company to its Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or

(iv) *Rights issues*

An offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights; or

(v) *Issues at discount other than by way of rights*

An issue (otherwise than pursuant to: (a) a rights issue available to all Shareholders and requiring an adjustment under sub-section (iv) above; and (b) an issue of Shares in respect of which Shareholders may elect to receive Shares in lieu of cash or other dividend) by the Company of Shares if the total effective consideration for each Share is less than 90% of the average of the last dealt prices on the five (5) Market Days immediately preceding the date of announcement of the terms of such issue.

In any consolidation and reclassification of Shares, the Warrants will have to be replaced by new Warrants after such adjustment. Any additional warrants issued pursuant to such adjustments shall rank *pari passu* with the Warrants issued under the Proposed Rights cum Warrants Issue and will for all purposes form part of the same series. Any such adjustments shall be announced by the Company on SGXNET.

In the event that additional Shares are issued as a result of the aforementioned circumstances, the Company will make a separate application to the SGX-ST through the Sponsor for the dealing in, listing and quotation of the additional Shares on the Catalist. The Company will make the necessary announcement upon the receipt of the LQN from the SGX-ST.

Modification of rights of Warrantholders : The Company may, without the consent of the Warrantholders but in accordance with the terms of the Deed Poll, effect any modification to the terms of the Deed Poll including the terms and conditions of the Warrants which, in the opinion of the Company:

- (i) is not materially prejudicial to the interests of the Warrantholders;
- (ii) is of a formal, technical or minor nature;

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- (iii) is to correct a manifest error or to comply with mandatory provisions of Singapore law or the Catalist Rules; and/or
- (iv) is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of New Shares arising from the exercise of the Warrants or meetings of the Warrantholders in order to facilitate the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the Catalist.

Any such modification shall be binding on all Warrantholders and all persons having an interest in the Warrants and shall be notified to them in accordance with the terms and conditions of the Warrants as set out in the Deed Poll, as soon as practicable thereafter.

Without prejudice to any provision of the Deed Poll, any material alteration to the terms and conditions of the Warrants after the issue thereof to the advantage of the Warrantholders and prejudicial to Shareholders must be approved by Shareholders in general meeting, and if necessary, the SGX-ST, except where the alterations are made pursuant to the terms and conditions of the Warrants.

The Company will comply with Rules 830 and 831 of the Catalist Rules and unless permitted under the Deed Poll, the Company will not:

- (i) extend the Exercise Period;
- (ii) issue new warrants to replace the Warrants;
- (iii) change the Exercise Price of the Warrants; or
- (iv) change the exercise ratio of the Warrants.

The Deed Poll does not permit an extension of the Exercise Period and change of the exercise ratio of the Warrants.

Transfer and transmission : The Warrants shall be transferable in lots entitling the Warrantholders to subscribe for whole numbers of New Shares. A Warrant may only be transferred in the manner prescribed in the terms and conditions of the Warrants to be set out in the Deed Poll, including, among others, the following:

- (i) *Warrants not registered in the name of CDP*

A Warrantholder whose Warrants are registered otherwise than in the name of CDP (the "**Transferor**") shall lodge, during normal business hours on any Market Day at the specified office of the Warrant Agent, the Transferor's warrant certificate(s) together with a transfer form as prescribed by the Company from time to time (the

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"**Transfer Form**") duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty and accompanied by the fees and expenses as set out in the Deed Poll, provided always that the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to CDP. A Transferor shall be deemed to remain a Warranholder of the Warrants until the name of the transferee is entered in the Register of Warranholders by the Warrant Agent;

(ii) *Deceased Warranholder*

The executors or administrators of a deceased Warranholder whose Warrants are registered otherwise than in the name of CDP (not being one of several joint holders) or, if the registered holder of the Warrants is CDP, of a deceased Depositor (not being one of several joint holders) and, in the case of the death of one or more of several joint Warranholders, the survivor or survivors of such joint holders, shall be the only persons recognised by the Company and the Warrant Agent as having any title to the Warrants and shall be entitled to be registered as a holder of the Warrants and/or to make such transfer as the deceased Warranholder could have made, upon the production by such persons to the Company and the Warrant Agent of such evidence as may be required by the Warrant Agent to prove their title and on completion of a Transfer Form and the payment of such fees and expenses as set out in the Deed Poll; and

(iii) *Warrants registered in the name of CDP*

Where the Warrants are registered in the name of CDP and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by CDP by way of book-entry. A Depositor shall be deemed to remain a Warranholder of the Warrants until the name of the transferee is entered in the Depository Register by CDP, as the case may be.

Liquidation

- : Where there is a members' voluntary winding-up of the Company (other than a winding-up for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement approved by the Warranholders by way of a special resolution), the Warranholders may elect to be treated as if they had immediately prior to the commencement of such winding-up, exercised the Warrants and had on such date been the holders of the Shares to which they would have been entitled pursuant to such exercise, and the liquidator of the Company shall, if permitted by law, give effect to such election accordingly. The Company shall give notice to the Warranholders in accordance with the conditions of the Deed Poll of the passing of any such resolution within seven (7) days after

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the passing thereof. Where a Warrantholder has elected to be treated as if it had exercised its Warrants as aforesaid, it shall be liable to pay the Exercise Price in relation to such exercise.

Subject to the foregoing, if the Company is wound up for any other reason, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and cease to be valid for any purpose.

Further issues of securities : Subject to the terms and conditions of the Warrants to be set out in the Deed Poll, the Company shall be at liberty to issue Shares to Shareholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit but the Warrantholders shall not have any participating rights in such issue unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire Shares.

Governing law : Laws of the Republic of Singapore

4. VOTING, SUBSCRIPTION AND IRREVOCABLE UNDERTAKINGS

4.1. Voting Undertaking

As at the Latest Practicable Date, Capital Square holds an aggregate of 852,200 Shares representing approximately 0.08% of the Existing Share Capital. Based on the terms of the Proposed Rights cum Warrants Issue and its existing shareholding, Capital Square shall be entitled to subscribe for up to 852,200 Rights Shares with 426,100 Warrants.

The Company had previously informed Capital Square that the Company intends to undertake a rights cum warrants issue exercise on such terms and subject to such conditions as the Board may determine. Capital Square indicated that it will not be participating in the Proposed Rights cum Warrants Issue as it has other financial commitments and may sell its Shares in the open market. However, to demonstrate its support for the Proposed Rights cum Warrants Issue, Capital Square has agreed to give certain undertakings as set out in the Voting Undertaking.

Pursuant to the Voting Undertaking given by Capital Square:

- (a) from the date of the Voting Undertaking until the completion of the Proposed Rights cum Warrants Issue, Capital Square has undertaken to not, whether directly or indirectly (which for the avoidance of doubt, shall include without limitation, through related parties, including the related parties of its shareholders and directors, their respective associates, friends, family whether immediate or not or any corporation controlled by any of them (collectively, the "**Relevant Parties**")) acquire any further Shares in the capital of the Company;
- (b) from the date of the Voting Undertaking until the completion of the Proposed Rights cum Warrants Issue, Capital Square has undertaken not to (i) dispose of, sell, transact in any manner any Shares it holds in the capital of the Company, whether directly or indirectly, to or with a Relevant Party, or (ii) create encumbrance over any Shares it holds in the capital of the Company, whether directly or indirectly in favour of a Relevant Party;
- (c) if at the point of the EGM, Capital Square holds any Shares, Capital Square will vote and/or procure the voting of those Shares in favour of all resolutions relating to the Proposed Rights cum Warrants Issue at the EGM; and
- (d) Capital Square will not participate in the Rights cum Warrants Issue and, without prejudice to the generality of the foregoing, not subscribe for any of its provisional allotments of Rights

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Shares with Warrants under the Proposed Rights cum Warrants Issue.

4.2. Subscription Undertaking

As at the Latest Practicable Date, Bounty Blue holds 152,825,530 Shares, representing approximately 14.83% of the Existing Share Capital. Based on the terms of the Proposed Rights cum Warrants Issue and its existing shareholding, Bounty Blue shall be entitled to subscribe for up to 152,825,530 Rights Shares with 76,412,765 Warrants.

The Company had previously informed Bounty Blue that the Company intends to undertake a rights cum warrants issue exercise on such terms and subject to such conditions as the Board may determine. To demonstrate its support for the Proposed Rights cum Warrants Issue, Bounty Blue has agreed to give certain undertakings as set out in Subscription Undertaking.

Pursuant to the Subscription Undertaking given by Bounty Blue:

- (a) from the date of the Subscription Undertaking until the completion of the Proposed Rights cum Warrants Issue, Bounty Blue has undertaken to not, whether directly or indirectly (which for the avoidance of doubt, shall include without limitation, through Relevant Parties) acquire any further Shares in the capital of the Company;
- (b) if at the point of the EGM, Bounty Blue holds any Shares, Bounty Blue will vote and/or procure the voting of those Shares in favour of all resolutions relating to the Proposed Rights cum Warrants Issue at the EGM; and
- (c) if at the Record Date, Bounty Blue holds any Shares in the Company, Bounty Blue may subscribe for its *pro rata* entitlement of Rights Shares based on its shareholding in the Company as at the Record Date, provided always that the Company may scale down Bounty Blue's subscription and the resultant Rights Shares in such manner so that Bounty Blue's resultant shareholding in the Company does not exceed 15% of the enlarged issued and paid-up share capital of the Company following the completion of the Proposed Rights cum Warrants Issue.

4.3. Irrevocable Undertakings

As at the Latest Practicable Date:

- (a) I Concept holds 101,000,000 Shares representing approximately 9.80% of the Existing Share Capital. Based on the terms of the Proposed Rights cum Warrants Issue and its existing shareholding, I Concept shall be entitled to subscribe for up to 101,000,000 Rights Shares with 50,500,000 Warrants; and
- (b) LCY holds 12,500,000 Shares representing approximately 1.21% of the Existing Share Capital. Based on the terms of the Proposed Rights cum Warrants Issue and its existing shareholding, LCY shall be entitled to subscribe for up to 12,500,000 Rights Shares with 6,250,000 Warrants.

To demonstrate their confidence in the Proposed Rights cum Warrants Issue and their commitment and support to the Company, each of the Undertaking Shareholders has separately executed the Irrevocable Undertakings, pursuant to which:

- (a) each of the Undertaking Shareholders has undertaken to ensure that none of the Shares in which it currently has an interest (directly or indirectly), are (i) sold, transferred or otherwise disposed of from the date of the Irrevocable Undertakings until the Record Date, and (ii) subject to any encumbrances from the date of the Irrevocable Undertakings until the close of the Proposed Rights cum Warrants Issue;
- (b) the Undertaking Shareholders will vote and/or procure the voting of, all their shareholding, whether held directly or indirectly, in favour of the resolutions relating to the Proposed Rights cum Warrants Issue at the EGM;

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- (c) the Undertaking Shareholders shall subscribe and pay for (or procure the subscription and payment for) their respective *pro rata* entitlement of Rights Shares pursuant to the Proposed Rights cum Warrants Issue, as follows:

Undertaking Shareholders	Number of Rights Shares	Subscription Amount (S\$)
I Concept	101,000,000	505,000
LCY	12,500,000	62,500

- (d) I Concept shall subscribe and pay for (or procure the subscription and payment for) up to 165,000,000 additional Rights Shares (at an additional subscription amount of S\$825,000) in excess of its provisional allotments under the Proposed Rights cum Warrants Issue which remain unsubscribed for by other Entitled Shareholders or their renounees at the closing date of the Proposed Rights cum Warrants Issue after satisfying all applications and excess applications (if any) for the Rights Shares, on the basis that it will rank last in priority in the rounding of odd lots and allot of excess Rights Shares with Warrants which are not taken up by other Entitled Shareholders.

Separately, in addition to the abovementioned subscription undertakings to the Company provided for in its Irrevocable Undertaking, in demonstration of its faith in and support for the Company, I Concept has also expressed an intention to subscribe and pay for such number of additional Rights Shares in excess of its provisional allotments under the Proposed Rights cum Warrants Issue which remain unsubscribed for by other Entitled Shareholders or their renounees at the closing date of the Proposed Rights cum Warrants Issue after satisfying all applications and excess applications (if any) for the Rights Shares, on the basis that it will rank last in priority in the rounding of odd lots and allot of excess Rights Shares with Warrants which are not taken up by other Entitled Shareholders, provided always that if due to the subscription and payment by I Concept of such additional Rights Shares, I Concept is placed in a position of incurring a mandatory general offer obligation under Rule 14 of the Singapore Code of Take-overs and Mergers, the Company shall scale down the number of additional Rights Shares subscribed for in such a manner so as to avoid placing I Concept and its concert parties in such a position.

The Undertaking Shareholders have not been offered additional terms or benefits in connection with the giving of the Irrevocable Undertakings set out above.

To demonstrate that they have sufficient financial resources to fulfil the Irrevocable Undertakings, the Undertaking Shareholders have deposited the committed subscription sum pursuant to the Irrevocable Undertakings to the Company's bank account in advance.

4.4. Approvals and Conditions

The Irrevocable Undertakings are subject to and conditional upon, *inter alia*:

- (a) the approval of the Shareholders for the Proposed Rights cum Warrants Issue being obtained at the EGM;
- (b) the receipt of the listing and quotation notice from the SGX-ST (and such notice not having been withdrawn or revoked on or prior to the completion of the Proposed Rights cum Warrants Issue) for the dealing in, listing of and quotation for the Rights Shares, the Warrants and the New Shares on Catalist and, if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company;
- (c) the lodgement of the Offer Information Statement, together with all other necessary accompanying documents, in connection with the Proposed Rights cum Warrants Issue with the SGX-ST, acting as an agent on behalf of Monetary Authority of Singapore; and
- (d) all other necessary approvals, consents and/or waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all

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agreements applicable to the Company and/or applicable laws for the Proposed Rights cum Warrants Issue and to give effect to the Proposed Rights cum Warrants Issue, being obtained and not having been withdrawn or revoked before the completion of the Proposed Rights cum Warrants Issue.

As the subscription of *pro rata* entitlement of Rights Shares pursuant to the Proposed Rights cum Warrants Issue by I Concept under the Minimum Subscription Scenario and the proposed issuance of additional Rights Shares to I Concept in excess of its provisional allotments under the Proposed Rights cum Warrants Issue in accordance with the Irrevocable Undertaking (or otherwise) provided by I Concept may result in the transfer of a controlling interest in the Company to I Concept (the "**Proposed Shares Issue**"), the specific approval of the Shareholders is required under Rule 803 of the Catalist Rules. The Company will seek the approval of the Shareholders for the Proposed Shares Issue at the EGM to be convened for, *inter alia*, the Proposed Rights cum Warrants Issue. If Shareholders' approval is not obtained for the Proposed Shares Issue, the Company will scale down I Concept's subscription for the Rights Shares to avoid the transfer of a controlling interest in the Company. The total subscription sum from I Concept will be reduced accordingly. The Net Proceeds from the Minimum Subscription Scenario will also be reduced accordingly.

Please refer to Appendix B to this Circular for the possible dilution effect to existing holders of voting rights as a result of (i) the Undertaking Shareholders subscribing for their *pro rata* entitlement of the Rights Shares with Warrants pursuant to the Irrevocable Undertakings; (ii) I Concept subscribing for excess Rights Shares pursuant to its Irrevocable Undertaking; and (iii) the Undertaking Shareholders exercising their Warrants in respect of the Rights Shares with Warrants subscribed or applied for.

5. ELIGIBILITY TO PARTICIPATE IN THE PROPOSED RIGHTS CUM WARRANTS ISSUE

5.1. Eligibility of Shareholders to Participate in the Proposed Rights cum Warrants Issue

The Company proposes to provisionally allot the Rights Shares with Warrants to the Entitled Shareholders, comprising the Entitled Depositors and the Entitled Scripholders, on the basis of their shareholdings as at the Record Date. Entitled Shareholders will be entitled to participate in the Proposed Rights cum Warrants Issue and receive the Offer Information Statement together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of the CDP or the Share Registrar, as the case may be.

5.2. Entitled Depositors

Entitled Depositors are Shareholders with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Record Date or who have, no later than 5:00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents ("**Entitled Depositors**").

Entitled Depositors will be provisionally allotted the Rights Shares with Warrants on the basis of the number of Shares standing to the credit of their Securities Accounts as at 5:00 p.m. (Singapore time) on the Record Date.

5.3. Entitled Scripholders

Entitled Scripholders are Shareholders whose (i) share certificates are not deposited with CDP, (ii) Shares are registered in their own names, and (iii) registered addresses with the Share Registrar are in Singapore as at the Record Date or who have provided the Share Registrar with addresses in Singapore for the service of notices and documents not later than 5:00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date, and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date (the "**Entitled Scripholders**").

Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received

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up to 5:00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine provisional allotments of Rights Shares with Warrants.

5.4. Foreign Shareholders and Foreign Purchasers

The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities laws requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Offer Information Statement and its accompanying documents will NOT be despatched to Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Record Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents (the "**Foreign Shareholders**") and accordingly, the Rights Shares with Warrants will NOT be offered to Foreign Shareholders.

The Offer Information Statement and its accompanying documents will not be despatched, lodged, registered or filed in any jurisdiction other than Singapore. Accordingly, Foreign Shareholders will not be entitled to participate in the Proposed Rights cum Warrants Issue and no provisional allotment of Rights Shares with Warrants will be made to Foreign Shareholders. No purported acceptance thereof or application for any excess Rights Shares with Warrants therefor by any Foreign Shareholder will be valid.

The Offer Information Statement and its accompanying documents will also NOT be despatched to persons purchasing entitlements to Rights Shares with Warrants through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore ("**Foreign Purchasers**"). Foreign Purchasers may not accept any "nil-paid" rights credited to their Securities Account unless the Company and its counsel are satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Entitlements to Rights Shares with Warrants which would otherwise have been provisionally allotted to Foreign Shareholders will, if practicable to do so and at the absolute discretion of the Company, be sold "nil-paid" on the SGX-ST, as soon as practicable, after dealings in the provisional allotments of Rights Shares with Warrants commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the depository register maintained by CDP as at the Record Date and sent to them at their own risk by ordinary post. If the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall be dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Sponsor, the Share Registrar, or CDP and their respective officers in connection therewith.

Where the provisional allotments of Rights Shares with Warrants are sold "nil-paid" on the Catalist, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Sponsor, the Share Registrar, or CDP and their respective officers in connection therewith. If such provisional allotments of Rights Shares with Warrants cannot be sold or are not sold on the Catalist as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares with Warrants, the new Shares represented by such provisional allotments will be allotted and issued to satisfy applications for excess Rights Shares with Warrants or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Sponsor, the Share Registrar, or CDP and their respective officers in connection therewith.

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE PROPOSED RIGHTS CUM WARRANTS ISSUE SHOULD PROVIDE (I) CDP

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AT 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588 OR (II) THE SHARE REGISTRAR AT 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712, AS THE CASE MAY BE, IN WRITING, WITH ADDRESSES IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE RIGHTS RECORD DATE.

5.5. Provisional Allotments and Excess Applications

Entitled Shareholders will be at liberty to accept in full or in part, decline or otherwise renounce or, in the case of Entitled Depositors only, trade (during the "nil-paid" rights trading period prescribed by the SGX-ST) their provisional allotments of the Rights Shares with Warrants and will also be eligible to apply for Rights Shares with Warrants in excess of their provisional allotments under the Proposed Rights cum Warrants Issue.

Entitlements which are not allotted or taken up for any reason will be aggregated and issued to satisfy applications, if any, for excess Rights Shares with Warrants or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

In the allotment of excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Proposed Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares with Warrants.

The Company will also not make any allotment and issue of any Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares with Warrants and for the applications for excess Rights Shares with Warrants, including each different mode of acceptance or application and payment, will be contained in the Offer Information Statement and the relevant application forms.

5.6. Trading of Odd Lots

Shareholders who hold odd lots of the Rights Shares and the New Shares, and who wish to trade in odd lots on Catalist should note that they will be able to do so on the Unit Share Market.

6. RATIONALE

6.1. Industry Context and Background

As disclosed by the Company in its Disposal and Subscription Circular in respect of (i) the February 2021 Subscription; and (ii) the Disposal, due to the current ongoing COVID-19 crisis, the global economic outlook is uncertain, and with numerous travel bans, social distancing measures and dine-in restrictions in place, the Group faces heightened difficulties in sustaining its businesses and managing its costs in its operations. Please refer to the Disposal and Subscription Circular for further details on the difficulties faced by the Group in sustaining its businesses and managing its costs in its operations.

The Board expects the business and financial performance of the Group to continue to be adversely affected depending on the duration of the COVID-19 pandemic, when borders will re-open for general travel and also the lifting of social distancing measures to boost dining-in capacity and demand.

The Group has taken steps to right-size its resources in response to the business outlook and is working on restructuring its business and debts. The Group has also raised net proceeds of S\$1.53 million through the February 2021 Subscription. However, the Group's cash flow and financial flexibility continue to be impacted by the worsening market dynamics and outlook. The Group urgently needs to address liquidity requirements and strengthen its balance sheet.

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6.2. Strengthening Liquidity and Balance Sheet

Based on the unaudited consolidated financial statements of the Group for HY2021, the Group was in a net current liabilities position of S\$2.2 million and a net liabilities position of S\$2.1 million as at 31 January 2021. The February 2021 Subscription has helped the Group to reduce its liabilities substantially. However, more needs to be done to further strengthen the liquidity and balance sheet of the Group.

The Board has considered various financing options and believes that an equity rights issue at this point is critically needed to maintain sufficient liquidity to ride out the current industry downturn. The key aims of the Proposed Rights cum Warrants Issue are to strengthen the Group's balance sheet and improve its liquidity position raising additional cash to repay the Group's outstanding debts and liabilities, to support its working capital needs and to fund its business expansion. To ensure deal certainty, the Proposed Rights cum Warrants Issue is supported by the Undertaking Shareholders with the undertakings to subscribe for up to S\$1.39 million worth of rights entitlements.

In summary, if approved, the Proposed Rights cum Warrants Issue will reduce the Group's liabilities and strengthen its balance sheet, improve the Group's cash position, fund ongoing commitments, help its business expansion and ensure long-term viability and value to Shareholders.

6.3. Strategic Business Plans

As disclosed in the Company's financial results announcement dated 29 December 2020, the Company is performing a strategic review of its businesses to try to remove the underperforming entities/businesses within its business portfolio, looking for new business opportunities within its current scope of business and realign its cost base.

As part of this strategic review, the Company announced on 10 March 2021 the completion of the February 2021 Subscription and the Disposal.

As disclosed in the Disposal and Subscription Circular, the Group has identified certain business opportunities and is in discussion with potential third-party business partners for its F&B business expansion or investment plans in Singapore, as well as performing feasibility studies on other F&B related opportunities for its medium to long term business plans. In addition, the Company is also on the lookout for other business or investment opportunities available with a view of building long-term value to Shareholders. These opportunities, as and when materialised, will require significant capital investment on the part of the Group.

There is no certainty or assurance as at the Latest Practicable Date that these opportunities will be materialised. The Company will make the necessary announcements as and when required.

6.4. Other Considerations

The Board is of the view that the Issue Price of the Rights Shares is priced at a sufficiently attractive rate to encourage the subscription of the Rights Shares by the Entitled Shareholders, after taking into account the factors set out in Section 3.3 of this Circular. Given the theoretical ex-rights price of S\$0.0075, the expected value of the nil-paid rights is S\$0.0025. Even if Shareholders do not take up their entitlements, they will be able to realize value by monetizing their nil-paid rights.

In addition to the proceeds to be received upon the completion of the Proposed Rights cum Warrants Issue, the Company will also receive further proceeds as and when the Warrants are exercised, and the Group's financial position will be improved. The offering of free Warrants will also help the Company to save costs for conducting additional round of fundraising if the exercise rate is high.

Furthermore, the Undertaking Shareholders, in demonstrating their support for the Company, have agreed to provide the Irrevocable Undertakings respectively for the purposes of the Proposed Rights cum Warrants Issue. In providing the Irrevocable Undertakings, the Undertaking Shareholders respectively have demonstrated faith and trust in the Group and its future prospects.

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7. USE OF PROCEEDS

The Company intends to utilize the proceeds from the Proposed Rights cum Warrants Issue, for the repayment of debts and liabilities, general working capital purposes and business expansion purposes. The amount and percentage allocation of the use of proceeds for these purposes will depend on the level of subscription of the Proposed Rights cum Warrants Issue.

7.1. Maximum Subscription Scenario

In the Maximum Subscription Scenario, where all Entitled Shareholders subscribe for their respective *pro rata* entitlement of Rights Shares with Warrants (i.e. assuming no change in shareholdings for all Entitled Shareholders following the completion of the Proposed Rights cum Warrants Issue), the estimated Net Proceeds (after deducting estimated expenses of approximately S\$0.18 million) is S\$4.97 million. For avoidance of doubt, the Net Proceeds do not include the proceeds from exercise of Warrants.

The Company intends to use the Net Proceeds raised from the Proposed Rights cum Warrants Issue based on the Maximum Subscription Scenario in the following manner and in this order of priority:

Use of Net Proceeds	Allocation of the Net Proceeds (S\$' million)	Approximate Allocation of the Net Proceeds (%)
Repayment of the Group's existing and outstanding liabilities to external creditors	0.93	18.7
General working capital purposes	2.11	42.5
Business expansion	1.93	38.8
Total	4.97	100.0

7.2. Minimum Subscription Scenario

In the Minimum Subscription Scenario, where only the Undertaking Shareholders subscribe for the Rights Shares with Warrants in accordance with the Irrevocable Undertakings, the estimated Net Proceeds from the Proposed Rights cum Warrants Issue (after deducting estimated expenses of approximately S\$0.18 million) are S\$1.21 million. For avoidance of doubt, the Net Proceeds do not include the proceeds from exercise of Warrants.

The Company intends to use the Net Proceeds raised from the Proposed Rights cum Warrants Issue based on the Minimum Subscription Scenario in the following manner and in this order of priority:

Use of Net Proceeds	Allocation of the Net Proceeds (S\$' million)	Approximate Allocation of the Net Proceeds (%)
Repayment of the Group's existing and outstanding liabilities to external creditors	0.93	76.9
General working capital purposes	0.28	23.1
Total	1.21	100.0

In relation to the Net Proceeds to be utilized for general working capital purposes, it includes but not limited to, payments of operating costs, continuing listing expenses, staff salaries and other administrative expenses.

The Company has some funds from the February 2021 Subscription for working capital purposes. In addition, the Company is expecting additional funding from the exercise of Warrants in the future and its operating cash flows. The Company is also committed to continue sourcing other financing alternatives as and when required.

Pending deployment of the Net Proceeds for the purposes stated, the Net Proceeds will be deposited with banks and/or financial institutions, invested in short-term money markets or marketable securities

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or used for other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Group.

The Company will make periodic announcements on the utilization of Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds as stated in the Offer Information Statement, and provide a status report on the use of the Net Proceeds in the Company's annual reports until such time the Net Proceeds have been fully utilised. Where the proceeds have been used for general corporate and/or working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds in the announcements and status reports. Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.

8. WORKING CAPITAL CONFIRMATIONS

The Directors are of the opinion that after taking into consideration the operating cash flows of the Group and its current cash and bank balances, the working capital available to the Group is not sufficient to meet its present requirements for the next twelve (12) months.

The Directors are of the opinion that after taking into consideration the operating cash flows of the Group, its current cash and bank balances and the Net Proceeds from the Proposed Rights cum Warrants Issue under the Maximum Subscription Scenario, the working capital available to the Group is sufficient to meet its present requirements for the next twelve (12) months.

The Directors are also of the opinion that after taking into consideration the operating cash flows of the Group, its current cash and bank balances, the Irrevocable Undertakings and the Net Proceeds from the Proposed Rights cum Warrants Issue under the Minimum Subscription Scenario, the working capital available to the Group may not be sufficient to meet its present requirements for the next twelve (12) months, unless the Warrants are exercised immediately after the completion of the Proposed Rights cum Warrants Issue. Notwithstanding, the Board is of the view that the Proposed Rights cum Warrants Issue is crucial in paying off the Group's existing debts and liabilities in order to put the Group in a better position for future growth. If necessary, the Group will continue to explore other financing options and alternative corporate actions, such as placement exercise, to ensure that it is able to meet its ongoing working capital requirements and to explore new business opportunities.

9. FUNDRAISING EXERCISES UNDERTAKEN IN THE PAST TWENTY-FOUR (24) MONTHS

The Company announced four (4) fundraising exercises in the past twenty-four (24) months, the details of which are set out below:

(a) Subscription of Shares by Capital Square

The Company had on 20 January 2020 announced a proposed subscription by Capital Square (the "**CS Subscription**") of 75,000,000 new Shares at an issue price of S\$0.006 per Share. The CS Subscription was completed on 31 January 2020 and 75,000,000 new Shares were issued and allotted to Capital Square.

The gross and net proceeds of the CS Subscription were S\$0.45 million and S\$0.42 million respectively. The Company had on 5 February 2020 announced that the net proceeds have been fully utilized for general working capital purposes.

(b) Uncompleted Proposed Share Consolidation cum Rights Issue

On 31 January 2020, the Company announced a proposed consolidation of every fifty (50) existing Shares into one (1) ordinary share in the capital of the Company ("**Consolidated Share**") and a renounceable non-underwritten rights issue of up to 305,835,100 new Shares on the basis of twenty-five (25) rights shares for every one (1) Consolidated Share ("**Proposed Share Consolidation and Rights Issue**"). The Company decided not to continue with the Proposed Share Consolidation and Rights Issue in view of volatility of the Company's share

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price and in consideration of the ongoing strategic review of its business portfolio, and no proceeds were raised in the exercise.

(c) November 2020 Subscription

The Company had on 27 November 2020 announced a proposed subscription by I Concept and LCY (the "**November 2020 Subscription**") at an issue price of S\$0.004 per Share. The November 2020 Subscription was completed on 10 December 2020 and 100,000,000 and 12,500,000 new Shares were issued and allotted to I Concept and LCY, respectively.

The gross and net proceeds of the November 2020 Subscription were S\$0.45 million and S\$0.41 million respectively. The net proceeds have been fully used to repay the Group's existing and outstanding liabilities to external creditors as disclosed in the Company's financial results announcement dated 29 December 2020.

(d) February 2021 Subscription

The Company had on 9 February 2021 announced the February 2021 Subscription. The February 2021 Subscription was completed on 9 March 2021 and an aggregate of 306,000,000 new Shares were issued to the Subscribers.

The gross and net proceeds of the February 2021 Subscription was S\$1.53 million. The net proceeds have been partially offset against the bridging loan amounts and used to repay the remaining settlement sum to Bounty Blue. Please refer to the Company's announcement dated 15 March 2021 for the latest status update on the use of proceeds from the February 2021 Subscription.

10. FINANCIAL EFFECTS OF THE PROPOSED RIGHTS CUM WARRANTS ISSUE

10.1. Bases and Assumptions

The financial effects of the Proposed Rights cum Warrants Issue on (a) the share capital of the Company, (b) the consolidated NTL per Share, (c) the consolidated LPS of the Group, and (d) the gearing ratio of the Group, have been prepared based on the audited consolidated financial statements of the Group for FY2020. The *pro forma* financial effects of the Proposed Rights cum Warrants Issue are for illustration only and do not reflect the actual financial effects or the future financial performance and condition of the Group.

The *pro forma* financial effects are based on the following assumptions:

- (a) the financial effects of the Proposed Rights cum Warrants Issue on the share capital of the Company, NTL per Share of the Group and gearing ratio of the Group are computed based on the assumption that the Proposed Rights cum Warrants Issue was completed on 31 July 2020;
- (b) the financial effect of the Proposed Rights cum Warrants Issue on the LPS is computed based on the assumption that the Proposed Rights cum Warrants Issue were completed on 1 August 2019; and
- (c) the expenses incurred in connection with the Proposed Rights cum Warrants Issue are approximately S\$0.18 million in both Maximum Subscription Scenario and Minimum Subscription Scenario.

For avoidance of doubt, the financial effects of the Proposed Rights cum Warrants Issue do not take into account (i) any other corporate actions announced and undertaken by the Group; and (ii) any issuance of new Shares, on or after 1 August 2020.

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10.2. Share Capital

The illustrative financial effects of the Proposed Rights cum Warrants Issue on the share capital of the Company as at 31 July 2020 are as follows:

	Before the Proposed Rights cum Warrants Issue	After the completion of the Proposed Rights cum Warrants Issue but before the Exercise of the Warrants		After the completion of the Proposed Rights cum Warrants Issue and after the Exercise of Warrants	
		Minimum Subscription Scenario	Maximum Subscription Scenario	Minimum Subscription Scenario	Maximum Subscription Scenario
Issued and paid-up share capital (S\$'000)	63,074	64,287	68,045	65,679	73,196
Total number of issued Shares (excluding treasury shares) ⁽¹⁾ ('000)	611,670	890,170	1,641,840	1,029,420	2,156,926

Note:

(1) The Company does not hold any treasury shares as at 31 July 2020.

10.3. NTL per Share

The illustrative financial effects of the Proposed Rights cum Warrants Issue on the NTL per Share of the Group as at 31 July 2020 are as follows:

	Before the Proposed Rights cum Warrants Issue	After the completion of the Proposed Rights cum Warrants Issue but before the Exercise of the Warrants		After the completion of the Proposed Rights cum Warrants Issue and after the Exercise of Warrants	
		Minimum Subscription Scenario	Maximum Subscription Scenario	Minimum Subscription Scenario	Maximum Subscription Scenario
NTL attributable to the owners of the Company ⁽¹⁾ (S\$'000)	(5,275)	(4,063)	(304)	(2,670)	4,847
Total number of issued Shares (excluding treasury	611,670	890,170	1,641,840	1,029,420	2,156,926

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	Before the Proposed Rights cum Warrants Issue	After the completion of the Proposed Rights cum Warrants Issue but before the Exercise of the Warrants		After the completion of the Proposed Rights cum Warrants Issue and after the Exercise of Warrants	
		Minimum Subscription Scenario	Maximum Subscription Scenario	Minimum Subscription Scenario	Maximum Subscription Scenario
shares) ⁽²⁾ ('000)					
(NTL)/NTA per Share (S\$ cents)	(0.86)	(0.46)	(0.02)	(0.26)	0.22

Notes:

- (1) NTL attributable to the owners of the Company means total assets less the sum of total liabilities, non-controlling interests and intangible assets.
- (2) The Company does not hold any treasury shares as at 31 July 2020.

10.4. LPS

The illustrative financial effects of the Proposed Rights cum Warrants Issue on the LPS of the Group for FY2020 are as follows:

	Before the Proposed Rights cum Warrants Issue	After the Proposed Rights cum Warrants Issue but before the Exercise of the Warrants		After the completion of the Proposed Rights cum Warrants Issue and after the Exercise of Warrants	
		Minimum Subscription Scenario	Maximum Subscription Scenario	Minimum Subscription Scenario	Maximum Subscription Scenario
Loss for the financial year (S\$'000)	(8,625)	(8,625)	(8,625)	(8,625)	(8,625)
Net loss attributable to owners of the Company (S\$'000)	(5,844)	(5,844)	(5,844)	(5,844)	(5,844)
Weighted average number of Shares ('000)	577,039	726,495	1,130,132	801,270	1,406,725
LPS (S\$ cents)	(1.01)	(0.80)	(0.52)	(0.73)	(0.42)

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10.5. Financial Information of the Group

The audited consolidated financial statements of the Group (the consolidated income statements, consolidated balance sheets, working capital position and consolidated cash flow statements of the Group) for the last three (3) financial years, being FY2020, FY2019 and FY2018, and the unaudited consolidated financial statements of the Group for HY2021, as well as the review thereof are set out in Appendix C to this Circular.

11. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date are as set out in Appendix A to this Circular.

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company, as well as their respective Associates, have any interests, direct or indirect, in the Proposed Rights cum Warrants Issue (other than through their respective shareholdings in the Company, if any).

12. RECORD DATE

The Record Date for the purposes of determining the Shareholders' entitlements under the Proposed Rights cum Warrants Issue is subject to, *inter alia*, the approval of Shareholders for the Proposed Rights cum Warrants Issue being obtained at the EGM and will be announced at a later date. No Record Date will be fixed until the SGX-ST has issued the LQN for the dealing in, listing of and quotation for the Rights Shares, the Warrants and the New Shares on Catalist.

13. OFFER INFORMATION STATEMENT

An Offer Information Statement will be despatched to the Entitled Shareholders subject to, *inter alia*, the approval of Shareholders for the Proposed Rights cum Warrants Issue being obtained at the EGM. Acceptances and applications under the Proposed Rights cum Warrants Issue can only be made on the following:

- (a) the PAL, in the case of Entitled Scripholders;
- (b) the ARE, in the case of Entitled Depositors;
- (c) the ARS, in the case of Purchasers whose registered addresses with CDP are in Singapore; and
- (d) the ATMs of the Participating Banks, in the case of Entitled Depositors or their renounees or Purchasers.

The PAL, ARE and ARS will form part of the Offer Information Statement.

The procedures for, and the terms and conditions applicable to, the acceptances, renunciations and/or sales of the provisional allotments of Rights Shares with Warrants and for the excess applications for the Rights Shares with Warrants pursuant to the Proposed Rights cum Warrants Issue, including the different modes of acceptance or application and payment, will be set out in the Offer Information Statement.

14. DIRECTORS' RECOMMENDATIONS

14.1. Ordinary Resolution 1: The Proposed Rights cum Warrants Issue

Having fully considered, *inter alia*, the terms, rationale and benefits of the Proposed Rights cum Warrants Issue as set out in Sections 3 and 6 of this Circular, the Directors are of the opinion that the

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Proposed Rights cum Warrants Issue is in the best interests of the Company and accordingly, the Directors recommend that the Shareholders vote in favour of Ordinary Resolution 1 relating thereto at the EGM to be convened.

14.2. Ordinary Resolution 2: The Proposed Shares Issue

Having full considered, *inter alia*, the terms, rationale and benefits of the Proposed Shares Issue as set out in Section 4.3 of this Circular, the Directors are of the opinion that the Proposed Shares Issue to I Concept is in the best interests of the Company and accordingly the Directors recommend that the Shareholders vote in favour of Ordinary Resolution 2 relating thereto at the EGM to be convened.

In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, or other professional adviser(s).

15. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-5 of this Circular, will be held on 19 May 2021 at 3:00 p.m. by way of electronic means, for the purpose of considering, and if thought fit, passing with or without any modifications, the ordinary resolutions set out in the aforementioned notice.

16. ABSTENTION FROM VOTING

I Concept shall, and shall procure that its associates shall, abstain from voting on Ordinary Resolution 2 in relation to the Proposed Shares Issue and not accept nominations to act as proxy/proxies to vote at the EGM in respect of Ordinary Resolution 2 for other Shareholders unless the Shareholders concerned have given specific instructions as to the manner in which his/her/its votes are to be cast at the EGM. The Company will disregard any votes cast on Ordinary Resolution 2 by I Concept and/or its associates who have abstained from voting on Ordinary Resolution 2.

17. ACTIONS TO BE TAKEN BY SHAREHOLDERS

17.1. No Attendance at EGM

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be able to attend the EGM in person.

17.2. Alternative Arrangements

Alternative arrangements have been put in place to allow Shareholders to participate at the EGM. The EGM is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) Act 2020 (the “**Temporary Measures Act**”) which was passed by Parliament on 7 April 2020 and the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the “**Meetings Orders**”).

(a) Live EGM Webcast and Live EGM Audio Feed

The proceedings of the EGM will be broadcast through live audio-visual webcast and live audio-only stream (“**Live EGM Webcast**” and “**Live EGM Audio Feed**”, respectively) on 19 May 2021 at 3:00 p.m.

Shareholders will be able to watch or listen to the EGM proceedings through the Live EGM

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Webcast or the Live EGM Audio Feed via mobile phone, tablet, computer or any such electronic device. In order to do so, Shareholders must pre-register online at the URL <https://conveneagm.com/sg/lifebrandz> by 3:00 p.m. on 17 May 2021 (the “**Registration Deadline**”), being not less than 48 hours before the time appointed for holding the EGM, to enable the Company to verify their Shareholders’ status. Please refer to the Notice of EGM for further details on the Live EGM Webcast and the Live EGM Audio Feed, including registration details.

(b) Submission of Proxy Forms to Vote

Shareholders will not be able to vote through the Live EGM Webcast or the Live EGM Audio Feed on the ordinary resolutions to be tabled for approval at the EGM.

A Shareholder (whether individual or corporate) who wishes to exercise his/her/its voting rights at the EGM must submit a Proxy Form to appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. Shareholders who wish to appoint the Chairman of the EGM as proxy to vote at the EGM on their behalf will find a Proxy Form attached to this Circular which they should complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company by post, or submitted by email to invest@lifebrandz.com, or submitted via the Shareholder’s account following registration at the URL <https://conveneagm.com/sg/lifebrandz>, in each case not less than 48 hours before the time appointed for holding the EGM, i.e. by 3:00 p.m. on 17 May 2021.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, Shareholders are strongly encouraged to submit the completed and signed Proxy Forms electronically via email.

Persons who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), including investors who buy shares using SRS monies, who wish to exercise their votes by appointing the Chairman of the EGM as his/her/its proxy should approach their respective relevant intermediaries (which would include SRS Operators) through which they hold such Shares, to submit their votes at least seven (7) working days before the date of the EGM, i.e. by 5:00 p.m. on 6 May 2021.

(c) Submission of Questions in Advance

To ensure orderly proceedings during the Live EGM Webcast and the Live EGM Audio Feed, Shareholders should submit questions relating to the resolutions set out in the Notice of the EGM in advance at (i) the URL <https://conveneagm.com/sg/lifebrandz>, (ii) by post to the registered office of the Company at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712, or (iii) via email to invest@lifebrandz.com by 16 May 2021, at 3:00 p.m. (being 72 hours before the time appointed for the holding of the EGM). Please note that Shareholders will not be able to raise questions during the Live EGM Webcast and the Live EGM Audio Feed.

A shareholder who wishes to submit his/her/its questions by post or by email is required to indicate his/her/its full name (for individuals)/company name (for corporates), NRIC/passport number/company registration number, contact number, shareholding type and number of shares held together with his/her/its submission of questions, to the office address or email address provided. The Company will endeavour to address the substantial and relevant questions before or during the EGM. The responses to questions from Shareholders will be posted on the SGXNET soonest possible before the EGM, or if answered during the EGM, to be included in the minutes of the EGM which will be published on the SGXNET within one (1) month after the date of the EGM.

(d) Notice of EGM and Circular

Printed copies of the Notice of EGM and the Circular (including Proxy Form) will not be despatched to Shareholders. Instead, these documents will be made available on the

LETTER TO SHAREHOLDERS

SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

Due to the evolving COVID-19 situation in Singapore, the Company may change the EGM arrangements at short notice. The Company will announce any changes to the holding or conduct of the EGM via the SGXNET. Shareholders are advised to check the SGXNET regularly for updates on the EGM.

17.3. Depositors

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to vote thereat unless his name appears on the Depository Register as certified by CDP at least 72 hours before the time appointed for holding the EGM.

18. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Rights cum Warrants Issue, the Proposed Shares Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular 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 Circular in its proper form and context.

19. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents will be made available for inspection during normal business hours from 9:00 a.m. to 5:00 p.m. at the Company's registered office at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712 from the date of the Circular up to and including the date of the EGM:

- (e) the Voting Undertaking given by Capital Square in favour of the Company;
- (f) the Subscription Undertaking given by Bounty Blue in favour of the Company;
- (g) the Irrevocable Undertakings given by the Undertaking Shareholders in favour of the Company;
- (h) the draft Deed Poll;
- (i) the annual report of the Company for FY2020; and
- (j) the Constitution.

Yours faithfully
For and on behalf of the Board of
LIFEBRANDZ LTD.

Mr. Lam Siew Kee
Executive Chairman and Chief Executive Officer

APPENDIX A

Interests of Directors and Substantial Shareholders as at the Latest Practicable Date

	Number of Shares			Total Percentage Interest (%) ⁽¹⁾
	Direct	Deemed	Total	
Directors				
Mr. Lam Siew Kee	-	-	-	-
Ms. Ang Puak Huen	-	-	-	-
Mr. Lim Yit Keong	-	-	-	-
Ms. Wang Xiaolan	-	-	-	-
Substantial shareholders (other than Directors)				
Bounty Blue Capital Ltd ⁽²⁾⁽³⁾	152,825,530	-	152,825,530	14.83
Rockwills Trustee Ltd ⁽²⁾	-	152,825,530	152,825,530	14.83
Blue Bay Trust ⁽²⁾	-	152,825,530	152,825,530	14.83
Saito Hiroyuki ⁽²⁾	-	152,825,530	152,825,530	14.83
Franz Elioe Narcis	106,000,000	-	106,000,000	10.29
I Concept Global Growth Fund ⁽⁴⁾⁽⁵⁾	101,000,000	-	101,000,000	9.80
Michael Marcus Liew ⁽⁴⁾	-	101,000,000	101,000,000	9.80
Other public shareholders			670,344,716	65.08

Notes:-

- (1) The percentage of shareholdings is computed based on the Existing Share Capital comprising 1,030,170,246 Shares.
- (2) Bounty Blue Capital Ltd ("**Bounty Blue**") is wholly owned by Rockwills Trustee Ltd, being the trustee of Blue Bay Trust ("**BB Trust**"). The beneficiary and settlor of BB Trust is Mr. Saito Hiroyuki.
- (3) Bounty Blue holds all its Shares through UOB Kay Hian Private Limited.
- (4) I Concept Global Growth Fund ("**I Concept**") is made up of two non-participating voting shares of par value US\$1.00 in the capital of I Concept ("**Management Shares**") and 4,999,800 participating non-voting shares of par value US\$0.01 in the capital of I Concept ("**Participating Shares**"). The two Management Shares are held by Michael Marcus Liew.
- (5) I Concept holds all its Shares through DBS Nominees (Private) Limited.

APPENDIX B

Impact of the Proposed Rights cum Warrants Issue to the shareholding structure of the Company under the Maximum Subscription Scenario

	After the Proposed Rights cum Warrants Issue but before the Exercise of Warrants		After the Proposed Rights cum Warrants Issue and after the Exercise of Warrants	
	Total Number of Shares (Direct & Deemed Interests)	Total Percentage Interest (%) ⁽¹⁾	Total Number of Shares (Direct & Deemed Interests)	Total Percentage Interest (%) ⁽²⁾
Directors				
Mr. Lam Siew Kee	-	-	-	-
Ms. Ang Puak Huen	-	-	-	-
Mr. Lim Yit Keong	-	-	-	-
Ms. Wang Xiaolan	-	-	-	-
Substantial shareholders (other than Directors)				
Bounty Blue Capital Ltd ⁽³⁾⁽⁴⁾	305,651,060	14.83	382,063,825	14.83
Rockwills Trustee Ltd ⁽³⁾	305,651,060	14.83	382,063,825	14.83
Blue Bay Trust ⁽³⁾	305,651,060	14.83	382,063,825	14.83
Saito Hiroyuki ⁽³⁾	305,651,060	14.83	382,063,825	14.83
Franz Elioe Narcis	212,000,000	10.29	265,000,000	10.29
I Concept Global Growth Fund ⁽⁵⁾⁽⁶⁾	202,000,000	9.80	252,500,000	9.80
Michael Marcus Liew ⁽⁵⁾	202,000,000	9.80	252,500,000	9.80
Other public shareholders	1,340,689,432	65.08	1,675,861,790	65.08

Notes:-

- (1) The percentage of shareholdings is computed based on the enlarged share capital of the Company comprising 2,060,340,492 Shares under the Maximum Subscription Scenario before the exercise of 515,085,123 Warrants.
- (2) The percentage of shareholdings is computed based on the enlarged share capital of the Company comprising 2,575,425,615 Shares under the Maximum Subscription Scenario, assuming that all 515,085,123 Warrants have been exercised.
- (3) Bounty Blue Capital Ltd ("**Bounty Blue**") is wholly owned by Rockwills Trustee Ltd, being the trustee of Blue Bay Trust ("**BB Trust**"). The beneficiary and settlor of BB Trust is Mr. Saito Hiroyuki.
- (4) Bounty Blue holds all its Shares through UOB Kay Hian Private Limited.
- (5) I Concept Global Growth Fund ("**I Concept**") is made up of two non-participating voting shares of par value US\$1.00 in the capital of I Concept ("**Management Shares**") and 4,999,800 participating non-voting shares of par value US\$0.01 in the capital of I Concept ("**Participating Shares**"). The two Management Shares are held by Michael Marcus Liew.
- (6) I Concept holds all its Shares through DBS Nominees (Private) Limited.

APPENDIX B

Impact of the Proposed Rights cum Warrants Issue to the shareholding structure of the Company under the Minimum Subscription Scenario

	After the Proposed Rights cum Warrants Issue but before the Exercise of Warrants		After the Proposed Rights cum Warrants Issue and after the Exercise of Warrants	
	Total Number of Shares (Direct & Deemed Interests)	Total Percentage Interest (%) ⁽¹⁾	Total Number of Shares (Direct & Deemed Interests)	Total Percentage Interest (%) ⁽²⁾
Directors				
Mr. Lam Siew Kee	-	-	-	-
Ms. Ang Puak Huen	-	-	-	-
Mr. Lim Yit Keong	-	-	-	-
Ms. Wang Xiaolan	-	-	-	-
Substantial shareholders (other than Directors)				
Bounty Blue Capital Ltd ⁽³⁾⁽⁴⁾	152,825,530	11.68	152,825,530	10.55
Rockwills Trustee Ltd ⁽³⁾	152,825,530	11.68	152,825,530	10.55
Blue Bay Trust ⁽³⁾	152,825,530	11.68	152,825,530	10.55
Saito Hiroyuki ⁽³⁾	152,825,530	11.68	152,825,530	10.55
Franz Elioe Narcis	106,000,000	8.10	106,000,000	7.32
I Concept Global Growth Fund ⁽⁵⁾⁽⁶⁾⁽⁷⁾	367,000,000	28.04	500,000,000	34.53
Michael Marcus Liew ⁽⁵⁾⁽⁷⁾	367,000,000	28.04	500,000,000	34.53
Other public shareholders	682,844,716	52.18	689,094,716	47.60

Notes:-

- (1) The percentage of shareholdings is computed based on the enlarged share capital of the Company comprising 1,308,670,246 Shares under the Maximum Subscription Scenario before the exercise of 139,250,000 Warrants.
- (2) The percentage of shareholdings is computed based on the enlarged share capital of the Company comprising 1,447,920,246 Shares under the Minimum Subscription Scenario, assuming that all 139,250,000 Warrants have been exercised by the Undertaking Shareholders.
- (3) Bounty Blue Capital Ltd ("**Bounty Blue**") is wholly owned by Rockwills Trustee Ltd, being the trustee of Blue Bay Trust ("**BB Trust**"). The beneficiary and settlor of BB Trust is Mr. Saito Hiroyuki.
- (4) Bounty Blue holds all its Shares through UOB Kay Hian Private Limited.
- (5) I Concept Global Growth Fund ("**I Concept**") is made up of two non-participating voting shares of par value US\$1.00 in the capital of I Concept ("**Management Shares**") and 4,999,800 participating non-voting shares of par value US\$0.01 in the capital of I Concept ("**Participating Shares**"). The two Management Shares are held by Michael Marcus Liew.
- (6) I Concept holds all its Shares through DBS Nominees (Private) Limited.
- (7) I Concept undertakes that it will comply with the Code in exercising the Warrants.

APPENDIX C

Certain financial information extracted from the audited consolidated financial statements of the Group for FY2018, FY2019 and FY2020 and the unaudited consolidated financial statements of the Group for HY2020 and HY2021 are set out below.

1. Consolidated Statements of Comprehensive Income

The audited consolidated statements of comprehensive income of the Group for FY2018, FY2019 and FY2020 and the unaudited consolidated statements of comprehensive income of the Group for HY2020 and HY2021 are set out below.

Group	FY2018 S\$'000 (Audited)	FY2019 S\$'000 (Audited)	FY2020 S\$'000 (Audited)	HY2020 S\$'000 (Unaudited)	HY2021 S\$'000 (Unaudited)
Continuing Operations					
Revenue	2,957	5,573	3,342	1,499	19
Other Operating Income	33	129	667	10	2,545
	<u>2,990</u>	<u>5,702</u>	<u>4,009</u>	<u>1,509</u>	<u>2,564</u>
Expenses					
- Inventories and consumables used	(258)	(1,171)	(993)	(510)	(5)
- Travel booking services costs	(1,880)	(2,005)	(683)	-	-
- Amortisation and depreciation	(88)	(515)	(1,636)	(500)	(6)
- Employee benefits	(2,376)	(2,725)	(2,506)	(793)	(400)
- Finance cost	(2)	(1)	(203)	(93)	(2)
- Advertising, media and entertainment	(154)	(280)	(101)	(30)	(6)
- Lease expenses	(324)	(788)	(136)	(116)	(28)
- Transportation	(21)	(25)	(9)	(5)	(1)
- Legal and professional fees	(480)	(557)	(327)	(161)	(271)
- Other operating expenses	(286)	(1,102)	(6,098)	(222)	(112)
- Changes in inventories of finished goods	(9)	22	*	-	-
(Loss)/profit before income tax from continuing operations	(2,888)	(3,445)	(8,623)	(921)	1,733
Income tax expense	(3)	(1)	(24)	-	-
(Loss)/profit from continuing operations	(2,891)	(3,446)	(8,647)	(921)	1,733
(Loss)/profit from discontinued operations, net of tax	-	-	-	(607)	3,467
(Loss)/profit for the financial period	(2,891)	(3,446)	(8,647)	(1,528)	5,200
Other comprehensive (loss)/income:					
<i>Item that may be reclassified subsequently to profit or loss, net of taxation</i>					
Exchange differences on translating foreign operations	(7)	(188)	126	(17)	4
Total comprehensive (loss)/income for the financial period	(2,898)	(3,634)	(8,521)	(1,545)	5,204

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Group	FY2018 S\$'000 (Audited)	FY2019 S\$'000 (Audited)	FY2020 S\$'000 (Audited)	HY2020 S\$'000 (Unaudited)	HY2021 S\$'000 (Unaudited)
(Loss)/profit for the financial period attributable to:					
Owners of the Company	(2,891)	(3,094)	(5,844)	(1,282)	3,122
Non-controlling interest	-	(352)	(2,803)	(246)	2,078
	(2,891)	(3,446)	(8,647)	(1,528)	5,200
Total comprehensive (loss)/income for the financial period attributable to:					
Owners of the Company	(2,898)	(3,282)	(5,771)	(1,299)	3,126
Non-controlling interest	-	(352)	(2,750)	(246)	2,078
	(2,898)	(3,634)	(8,521)	(1,545)	5,204

* Denotes amount less than S\$1,000

A summary of review of the operations, business and financial performance of the Group is set out below.

FY2019 vs FY2018

Revenue

The Group achieved a revenue of S\$5.6 million for FY2019, which saw an increase of S\$2.6 million compared to FY2018.

The increase in revenue was mainly due to increase in F&B revenue of S\$2.8 million, partially offset by decrease in travel booking service revenue of S\$0.2 million.

The increase in F&B revenue was mainly due to the revenue contribution of S\$2.6 million from Hashida Sushi in Singapore which was newly opened in first quarter of FY2019. The remaining revenue of S\$0.3 million was contributed by the high-end sushi restaurant in San Francisco, namely Sushi Nagai which was soft launched in May 2019. Revenue contributed by Mulligans Pattaya in Thailand dropped by S\$0.1 million due to more competitive environment. Our F&B division has been continuously rolling out new marketing and promotion activities to attract customers.

The decrease in travel booking service revenue was mainly due to slowdown of the travel business industry and more competitive environment in Japan.

Costs and expenses

Inventories and consumables used expenses saw an increase of S\$0.9 million, consistent with the increase in the Group's revenue, mainly contributed by the increased sales activities of Hashida Sushi and Sushi Nagai in FY2019.

Travel booking services cost saw an increase of S\$0.1 million, mainly due to high cost to arrange booking packages from vendor in FY2019.

Advertising, media and entertainment expenses increased by S\$0.1 million mainly due to the increased advertising activities and promotion to attract more customers.

Employee benefits increased by S\$0.3 million mainly due to additional staff hired as the Group geared up for F&B expansion in FY2019.

The increase in amortisation and depreciation charges of S\$0.4 million was mainly due to the depreciation of additional fixed assets purchased for Hashida Sushi and Sushi Nagai, and the

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amortisation of intangible asset arising from the acquisition of e-Holidays Co., Ltd.

Operating lease expenses increased by S\$0.5 million mainly due to the increased office rental expenses from the new subsidiaries, Cloud Eight Pte. Ltd. and LifeBrandz USA Inc. (f.k.a. Cloud Eight Inc.), which operated Hashida Sushi and Sushi Nagai, respectively.

Legal and professional fees saw an increase of S\$0.1 million mainly due to the professional and legal fees incurred for Fintech business and F&B business expansion.

Other operating expenses in FY2019 saw an increase of S\$0.8 million mainly incurred by the two newly setup of high-end sushi restaurant in Singapore and San Francisco, such as utility expenses, cleaning expenses and kitchen supplies.

The Group registered a net loss of S\$3.4 million in FY2019 as compared to a net loss of S\$2.9 million in FY2018 as a result of higher operating costs and related employee expenses, which is directly attributed to higher sales activities and business expansion.

FY2020 vs FY2019

Revenue

Business uncertainties have adversely affected the Group's financial performance with reduced revenue for FY2020 of S\$3.3 million, a decrease of 40% as compared to S\$5.6 million for FY2019.

The decrease in F&B revenue was mainly due to ceased operations of Hashida Sushi and Sushi Nagai in April and May 2020, respectively.

The decrease in travel booking service revenue was mainly due to border control of countries and social distancing measures taken by the local government in controlling the spread of the COVID-19.

Other operating income increased by S\$0.5 million due mainly to government grant and renovation grant received.

Costs and expenses

Travel booking services costs saw a decrease of S\$1.3 million, consistent with the decrease in revenue of FY2020.

Amortisation and depreciation charges increased by S\$1.1 million was mainly due to the recognition of depreciation charge for right-of-use ("ROU") assets of Hashida Sushi and Sushi Nagai arising from the adoption of the new SFRS(I) 16 in FY2020 and the amortisation of intangible asset arising from the acquisition of e-Holidays Co., Ltd.

Lease expenses decreased by S\$0.7 million mainly due to ceasing operation of the F&B outlets.

Other operating expenses saw an increase of S\$5.0 million mainly due to the impairment of ROU assets and written off of fixed assets as result of ceased operation of Hashida Sushi and Sushi Nagai.

The Group registered a net loss of S\$8.6 million in FY2020 as compared to a net loss of S\$3.4 million in FY2019 as a result of loss of revenue due to COVID-19 pandemic, impairment of ROU assets and written off of fixed assets.

HY2021 vs HY2020

Continuing operations

Revenue

The Group recorded approximately S\$19,000 from F&B revenue for HY2021, a decrease of S\$1.5 million compared to HY2020.

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The decrease in F&B revenue was mainly due to ceased operations of Hashida Sushi in April 2020.

Increase in other operating income of S\$2.5 million is mainly due to (i) waiver of loans from shareholders, namely Bounty Blue and Capital Square amounting to S\$2.1 million in HY2021; (ii) a gain on derecognition of lease liabilities of S\$0.3 million due to ceasing operation of Hashida Sushi; and (iii) reversal of reinstatement cost of S\$0.1 million in relation to the reinstatement of premise rented for Hashida Sushi.

Costs and expenses

Inventories and consumables used decreased by S\$0.5 million which is consistent with the decrease in the Group's revenue, mainly contributed by the loss of business of Hashida Sushi.

Employee benefits decreased by S\$0.4 million mainly due to the loss of business of Hashida Sushi.

The decrease of S\$0.5 million in amortisation and depreciation charges to approximately S\$6,000 in HY2021 was mainly due to full impairment of the right-of-use assets arising from ceasing operation of Hashida Sushi.

The decrease of S\$0.1 million in finance cost incurred to approximately S\$2,000 in HY2021 was due to right-of-use assets being fully impaired.

Operating lease expense decreased by S\$0.1 million to approximately S\$28,000 in HY2021 due to change of Singapore registered office with a lower monthly rental rate.

Legal and professional fees saw an increase of S\$0.1 million mainly due to increase in corporate exercises undertaken in HY2021.

Other operating expenses in HY2021 saw a decrease of S\$0.1 million mainly due to ceasing operation of Hashida Sushi.

Discontinued operations

On 8 February 2021, the Company's wholly-owned subsidiaries, LB F&B Pte. Ltd. and Takumi Holidays Pte. Ltd., each entered into two separate conditional share sale and purchase agreements with Capital Square in relation to the Disposal.

Overall, discontinued operations recorded a profit of S\$3.5 million in HY2021 as compared to a loss of S\$0.6 million in HY2020 due mainly to gain on derecognition of lease liabilities of Sushi Nagai of S\$3.1 million.

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2. Statements of Financial Position

The audited statements of financial position of the Group as at 31 July 2018, 31 July 2019 and 31 July 2020, and the unaudited statement of financial position as at 31 January 2021 are set out below.

Group	As at 31 July 2018 S\$'000 (Audited)	As at 31 July 2019 S\$'000 (Audited)	As at 31 July 2020 S\$'000 (Audited)	As at 31 January 2021 S\$'000 (Unaudited)
ASSETS				
<u>Non-Current Assets</u>				
Property, plant and equipment	431	2,051	27	11
Goodwill	194	194	-	-
Intangible asset	163	89	-	-
Guarantee deposit	172	177	183	183
	960	2,511	210	194
<u>Current Assets</u>				
Inventories	3	25	6	11
Trade and other receivables	1,544	905	540	357
Cash and cash equivalents	1,760	320	105	16
	3,307	1,250	651	384
Total Assets	4,267	3,761	861	578
LIABILITIES				
<u>Current Liabilities</u>				
Bank borrowings	33	9	27	19
Provision for reinstatement	-	216	242	-
Trade and other payables	1,257	3,122	4,890	2,611
Lease liabilities	-	-	557	-
Income tax liabilities	-	-	3	3
	1,290	3,347	5,719	2,633
<u>Non-Current Liabilities</u>				
Bank borrowings	8	-	-	-
Lease liabilities	-	-	2,825	-
	8	-	2,825	-
Total Liabilities	1,298	3,347	8,544	2,633
EQUITY				
Share capital	62,265	62,650	63,074	63,498
Foreign currency translation reserve	(49)	(237)	(164)	(160)
Accumulated losses	(59,247)	(62,341)	(68,185)	(65,063)
Equity attributable owners of the Company	2,969	72	(5,275)	(1,725)
Non-controlling interest	-	342	(2,408)	(330)
Total Equity	2,969	414	(7,683)	(2,055)
Total Equity & Liabilities	4,267	3,761	861	578

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3. Working Capital

The working capital of the Group as at 31 July 2018, 31 July 2019, 31 July 2020 and 31 January 2021 are set out below.

Group	As at 31 July 2018 S\$'000 (Audited)	As at 31 July 2019 S\$'000 (Audited)	As at 31 July 2020 S\$'000 (Audited)	As at 31 January 2021 S\$'000 (Unaudited)
Current Assets	3,307	1,250	651	384
Current Liabilities	1,290	3,347	5,719	2,633
Net Current Assets/(Liabilities)	2,017	(2,097)	(5,068)	(2,249)

A summary of review of the financial position and working capital of the Group is set out below.

31 July 2019 vs 31 July 2018

The Group's non-current assets increased by S\$1.5 million, from S\$1.0 million as at 31 July 2018 to S\$2.5 million as at 31 July 2019. This was mainly due to the purchase of new plant and equipment of S\$2.0 million relating to the expansion of new F&B outlets, partially offset by the depreciation charge of S\$0.4 million and amortisation charge of S\$0.1 million.

The Group's current assets decreased by S\$2.0 million, from S\$3.3 million as at 31 July 2018 to S\$1.3 million as at 31 July 2019. This was mainly a result of the decrease in cash and cash equivalents of S\$1.4 million. Trade and other receivables decreased by S\$0.6 million due mainly to decrease in advances paid to suppliers of travel business.

The Group's total current liabilities increased by S\$2.0 million, from S\$1.3 million as at 31 July 2018 to S\$3.3 million as at 31 July 2019 mainly due to an increase in trade and other payables of S\$1.9 million as a result of the increased business activities. The existing bank borrowings amounted to approximately S\$9,000 is attributed to the travel business.

As a result of the above, the Group was in a net current liabilities position of S\$2.0 million as at 31 July 2019 as compared to a net current assets position of S\$2.0 million as at 31 July 2018.

31 July 2020 vs 31 July 2019

The Group's non-current assets decreased by S\$2.3 million, from S\$2.5 million as at 31 July 2019 to S\$0.2 million as at 31 July 2020. This was mainly due to impairment of ROU assets and written off of fixed assets for Hashida Sushi and Sushi Nagai which have ceased operation in April and May 2020, respectively.

The Group's current assets decreased by S\$0.6 million, from S\$1.3 million as at 31 July 2019 to S\$0.7 million as at 31 July 2020. This was mainly due to the decrease in cash and cash equivalents of S\$0.2 million, and the decrease in trade and other receivables of S\$0.4 million.

The Group recorded non-current lease liabilities of S\$2.8 million arising from the property lease in the United States as a result of the adoption of the new SFRS(I) 16.

The Group's current liabilities increased by S\$2.4 million, from S\$3.3 million as at 31 July 2019 to S\$5.7 million as at 31 July 2020 mainly due to an increase in trade and other payables of S\$1.8 million, which consist of increase of S\$0.9 million loan from Bounty Blue and Capital Square, and trade payable balance owing to vendors and suppliers incurred from business activities of F&B and travel business segments. The Group recorded current lease liabilities of S\$0.6 million arising from the property lease in the United States as a result of the adoption of the new SFRS(I) 16.

As a result of the above, the Group was in a net current liabilities position of S\$5.1 million and a net liabilities position of S\$7.7 million as at 31 July 2020.

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31 January 2021 vs 31 July 2020

The Group's non-current assets decreased by approximately S\$16,000 due to the depreciation of plant and equipment.

The Group's current assets decreased by S\$0.3 million, from S\$0.7 million as at 31 July 2020 to S\$0.4 million as at 31 January 2021. This was mainly due to (i) the decrease of trade and other receivables of S\$0.2 million as a result of the decrease in advances paid to suppliers of travel business; and (ii) the decrease in cash and cash equivalent of S\$0.1 million.

There are no non-current liabilities for the Group as at 31 January 2021 due to derecognition of lease liabilities.

The Group's total current liabilities decreased by S\$3.1 million, from S\$5.7 million as at 31 July 2020 to S\$2.6 million as at 31 January 2021 mainly due to (i) waiver of loans from shareholders, Bounty Blue and Capital Square in total of S\$2.1 million; (ii) derecognition of lease liabilities of S\$0.6 million; and (iii) reversal of provision for reinstatement of \$0.2 million.

As a results of the above, the Group was in a net current liabilities position of S\$2.2 million and a net liabilities position of S\$2.1 million as at 31 January 2021.

4. Consolidated Statements of Cash Flow

The consolidated statements of cash flow of the Group for FY2018, FY2019, FY2020 and HY2021 are set out below.

Group	FY2018 S\$'000 (Audited)	FY2019 S\$'000 (Audited)	FY2020 S\$'000 (Audited)	HY2021 S\$'000 (Unaudited)
Net cash used in operating activities	(3,056)	(1,899)	(1,320)	(509)
Net cash (used in)/generated from investing activities	(1,121)	(2,250)	(64)	4
Net cash generated from financing activities	3,724	2,709	1,169	416
Net change in cash and cash equivalents	(453)	(1,440)	(215)	(89)
Cash and cash equivalents at the beginning of the financial period	2,213	1,760	320	105
Cash and cash equivalents at end of the financial period	<u>1,760</u>	<u>320</u>	<u>105</u>	<u>16</u>

A summary of the review of the cash flow position of the Group is set out below.

Review of cash flow for FY2018

The Group's net cash used in operating activities in FY2018 was S\$3.1 million, mainly due to operating cash flows before working capital of S\$2.8 million and working capital outflow of S\$0.3 million. This is mainly due to the Group being in the business expansion phase.

The Group's net cash used in investing activities in FY2018 was S\$1.1 million, mainly due to acquisition of a subsidiary of S\$0.8 million and purchase of plant and equipment of S\$0.3 million.

The cash flow from financing activities in FY2018 was S\$3.7 million, mainly due to the proceeds from

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the rights issue amounting to S\$3.9 million.

Cash and cash equivalents stood at S\$1.8 million at the end of FY2018 mainly due to cash proceeds from the right issue.

Review of cash flow for FY2019

The Group's net cash flows used in operating activities in FY2019 was S\$1.9 million, mainly due to negative operating cash flows before working capital of S\$2.9 million, partially offset by working capital inflow of S\$1.0 million. This is mainly due to the Group being in the business expansion phase.

The Group's net cash flows used in investing activities in FY2019 was S\$2.3 million, mainly due to the purchase of plant and equipment for the setup of new restaurants in Singapore and San Francisco of S\$2.1 million and exchange realignment of S\$0.2 million.

The net cash flows generated from financing activities in FY2019 was S\$2.7 million, mainly due to the interest free loan of S\$1.7 million from Bounty Blue, the net proceeds from the issuance of news shares of S\$0.4 million and proceeds from incorporation of non-wholly owned subsidiary S\$0.7 million.

As a result, cash and cash equivalents stood at S\$0.3 million as at 31 July 2019.

Review of cash flow for FY2020

The Group's net cash flows used in operating activities in FY2020 was S\$1.3 million, mainly due to negative operating cash flows before working capital of S\$1.5 million, partially offset by working capital inflow of S\$0.2 million.

The Group's net cash flows used in investing activities in FY2020 was S\$0.1 million.

The Group's net cash flows generated from financing activities in FY2020 was S\$1.2 million, mainly due to advances from Bounty Blue of S\$1.5 million, the proceeds of S\$0.5 million from the placement completed in January 2020, partially offset by repayment of lease liabilities of S\$0.8 million.

As a result, cash and cash equivalents stood at approximately S\$105,000 as at 31 July 2020.

Review of cash flow for HY2021

The Group's net cash flows used in operating activities in HY2021 was S\$0.5 million, mainly due to net working capital outflow of S\$2.1 million, partially offset by positive operating cash flows before changes in working capital of S\$1.6 million.

The Group's net cash flows generated from investing activities in HY2021 was approximately S\$4,000 due to exchange realignment.

The net cash flows generated from financing activities in HY2021 was S\$0.4 million, mainly due to the net proceeds of S\$0.4 million from the placement completed in December 2020.

As a result, cash and cash equivalents stood at approximately S\$16,000 as at 31 January 2021.

NOTICE OF EXTRAORDINARY GENERAL MEETING

LIFEBRANDZ LTD.

(Company Registration Number: 200311348E)
(Incorporated in the Republic of Singapore on 7 November 2003)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of LifeBrandz Ltd. (the "**Company**") will be held by way of electronic means on 19 May 2021 at 3:00 p.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following ordinary resolutions as set out below.

*Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular to the Shareholders of the Company dated 4 May 2021 (the "**Circular**").*

ORDINARY RESOLUTION 1 – THE PROPOSED RIGHTS CUM WARRANTS ISSUE

RESOLVED THAT:

- (1) A renounceable non-underwritten rights cum warrants issue ("**Proposed Rights cum Warrants Issue**") of up to 1,030,170,246 new ordinary shares in the share capital of the Company (the "**Rights Shares**") at the issue price of S\$0.005 ("**Issue Price**") for each Rights Share, with up to 515,085,123 free detachable and transferable warrants (the "**Warrants**"), each Warrant carrying the right to subscribe for one (1) new ordinary share in the share capital of the Company ("**New Share**") at an exercise price of S\$0.010 for each New Share (the "**Exercise Price**"), on the basis of one (1) Rights Share for every one (1) existing ordinary share in the share capital of the Company ("**Share**") held by the shareholders of the Company ("**Shareholders**") who are eligible to participate in the Proposed Rights cum Warrants Issue ("**Entitled Shareholders**") as at a date and time to be determined by the Directors for the purposes of determining the entitlements of the Entitled Shareholders under the Proposed Rights cum Warrants Issue ("**Record Date**"), with one (1) Warrant for every two (2) Rights Shares subscribed, fractional entitlements to be disregarded, be and is hereby approved and authority be and is hereby given to the Directors or any of them to:
- (a) create and issue:
- (i) such number of Rights Shares as the Directors may determine, up to a maximum of 1,030,170,246 Rights Shares at the Issue Price of S\$0.005 per Rights Share;
- (ii) such number of free detachable and transferable Warrants as the Directors may determine, up to a maximum of 515,085,123 free Warrants to be issued together with the Rights Shares, each Warrant carrying the right to subscribe for one (1) New Share at the Exercise Price of S\$0.010 for each New Share during the period commencing on and including the date of issue of the Warrants and expiring at 5:00 p.m. (Singapore time) on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, subject to the terms and conditions of the deed poll constituting the Warrants ("**Deed Poll**") to be executed by the Company on such terms and conditions as the Directors may deem fit; and
- (iii) such further Warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Deed Poll (any such further Warrants to rank *pari passu* with the Warrants and for all purposes to form part of the same series, save as may otherwise be provided in the terms and conditions of the Deed Poll);
- (b) provisionally allot and issue up to 1,030,170,246 Rights Shares with up to 515,085,123 free detachable and transferable Warrants, on the basis of one (1) Rights Share for every one (1) existing Share held by Entitled Shareholders as at the Record Date with registered addresses in Singapore or who have, not later than 5:00 p.m. (Singapore time) on the date being three (3) Market Days prior to the Record Date, provided to the Central Depository (Pte) Limited ("**CDP**") or the share registrar of the Company ("**Share Registrar**"), as the case may be, addresses in Singapore for the services of notices and documents, on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may think fit:

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (i) the provisional allotments of the Rights Shares with Warrants under the Proposed Rights cum Warrants Issue shall be made on a renounceable non-underwritten basis to the Entitled Shareholders;
 - (ii) no provisional allotment of the Rights Shares with Warrants shall be made in favour of, and no application form or other documents in respect thereof shall be issued or sent to Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three (3) Market Days prior thereto, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**");
 - (iii) the entitlements to the Rights Shares with Warrants which would otherwise have been provisionally allotted to Foreign Shareholders shall be disposed of or dealt with by the Company in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit, including without limitation to be sold "nil-paid" on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and to pool and thereafter distribute the net proceeds thereof, if any (after deducting all expenses), proportionately among such Foreign Shareholders in accordance with their respective shareholdings as at the Record Date provided that if the amount to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall instead be dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
 - (iv) provisional allotments of the Rights Shares with Warrants not taken up or cannot be sold or are not sold on the SGX-ST for any reason shall be used to satisfy applications for excess Rights Shares with Warrants or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
 - (v) the Rights Shares when issued and fully paid-up will rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls on or after the date of issue of the Rights Shares; and
 - (vi) the New Shares to be issued on exercise of the Warrants will rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls on or after the date of issue of the New Shares;
- (c) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:
- (i) a maximum of 515,085,123 New Shares on the exercise of the Warrants, credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Deed Poll, such New Shares (when issued and paid) to rank *pari passu* in all respects with the then existing Shares (save as may otherwise be provided in the terms and conditions of the Deed Poll) for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls on or after the date of issue of the New Shares; and
 - (ii) on the same basis of paragraph (c)(i) above, such further New Shares as may be required to be allotted and issued on the exercise of any of the Warrants referred to in paragraph (a) above.
- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ORDINARY RESOLUTION 2 – THE PROPOSED SHARES ISSUE

Subject to and conditional upon the passing of Ordinary Resolution 1,

RESOLVED THAT:

- (1) Pursuant to Rule 803 of the Catalist Rules, approval be and is hereby given for the transfer of a controlling interest to I Concept in connection with the subscription of *pro rata* entitlement of Rights Shares pursuant to the Proposed Rights cum Warrants Issue by I Concept under the Minimum Subscription Scenario and the subscription and payment by I Concept for such number of additional Rights Shares in excess of its provisional allotments under the Proposed Rights cum Warrants Issue, whether pursuant to the terms and conditions of the Irrevocable Undertaking provided by I Concept in favour of the Company or otherwise, which remain unsubscribed for by other Entitled Shareholders and/or their renounees at the closing date of the Proposed Rights cum Warrants Issue after satisfying all applications and excess applications (if any) for the Rights Shares, on the basis that it will rank last in priority in the rounding of odd lots and allotment of excess Rights Shares with Warrants which are not taken up by other Entitled Shareholders, PROVIDED ALWAYS that if due to the subscription and payment by I Concept of such additional Rights Shares, I Concept is placed in a position of incurring a mandatory general offer obligation under Rule 14 of the Singapore Code of Take-overs and Mergers, the Company shall scale down the number of additional Rights Shares subscribed for in such a manner so as to avoid placing I Concept and its concert parties in such a position.

- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

Note to Ordinary Resolution 2:

I Concept shall, and shall procure that its associates shall, abstain from voting on Ordinary Resolution 2 in relation to the Proposed Shares Issue and not accept nominations to act as proxy/proxies to vote at the EGM in respect of Ordinary Resolution 2 for other Shareholders unless the Shareholders concerned have given specific instructions as to the manner in which his/her/its votes are to be cast at the EGM.

BY ORDER OF THE BOARD
LIFEBRANDZ LTD.

Mr. Lam Siew Kee
Executive Chairman and Chief Executive Officer
4 May 2021

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

On 3 April 2020, the Singapore Government announced the implementation of "circuit breaker" measures (enhanced safe distancing measures and closure of non-essential workplace premises) to curb the further spread of COVID-19. The COVID-19 (Temporary Measures) Act 2020 (the "**Temporary Measures Act**") was passed by Parliament on 7 April 2020 and the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Meetings Orders**") was issued by the Minister for Law on 13 April 2020 which provide, among others, legal certainty to enable issuers to make alternative arrangements to hold general meetings where personal attendance is required under written law or legal instruments (such as a company's constitution).

Printed copies of this notice and the accompanying Circular and Proxy Form will NOT be sent to members. Instead, these documents will be made available on the SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

Alternative arrangements relating to members' participation at the EGM are:

- (a) observing and/or listening to the EGM proceedings contemporaneously via a live webcast and live audio feed of the EGM proceedings ("**Live EGM Webcast**" and "**Live EGM Audio Feed**", respectively);
- (b) submitting questions in advance in relation of the resolutions set out in the Notice of EGM; and
- (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM.

Members will be able to participate in the EGM in following manner set out in the paragraphs below.

Live EGM Webcast and Live EGM Audio Feed:

In light of the above developments, the Company is arranging for the Live EGM Webcast and the Live EGM Audio Feed which will take place on 19 May 2021 at 3:00 p.m. in place of the physical EGM. Members will be able to watch or listen to the EGM proceedings through the Live EGM Webcast or the Live EGM Audio Feed via mobile phone, tablet, computer or any such electronic device. The Company will not accept any physical attendance by members. Any member seeking to attend the EGM physically in person will be turned away.

In order to do so, members must pre-register online at the URL <https://conveneagm.com/sg/lifebrandz> by 3:00 p.m. on 17 May 2021 (the "**Registration Deadline**"), being not less than 48 hours before the time appointed for holding the EGM, to enable the Company to verify their members' status.

Following the verification and upon the closure of pre-registration, authenticated members will receive email instructions to access the Live EGM Webcast and the Live EGM Audio Feed of the EGM proceedings by 3:00 p.m. on 18 May 2021 (being 24 hours before the time appointed for the holding of the EGM).

Members are reminded that the EGM proceedings are private. Accordingly, members must not forward the abovementioned email instructions to other persons who are not members and who are not entitled to attend the EGM. This is also to avoid any technical disruptions or overload to the Live EGM Webcast and the Live EGM Audio Feed.

Members who register by the Registration Deadline but do not receive the abovementioned email instructions by 3:00 p.m. on 18 May 2021 may contact the Company's technical support by email at invest@lifebrandz.com for assistance.

Persons who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act), including investors who buy shares using SRS monies ("**SRS Investors**"), and who wish to participate in the EGM should, in addition to pre-registering online, contact their respective relevant intermediaries (which would include SRS Operators) through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the EGM.

Submission of Questions in Advance:

Please note that members will not be able to raise questions at the EGM during the Live EGM Webcast or the Live EGM Audio Feed, and therefore it is important for members to pre-register their participation in order to be able to submit their questions in advance of the EGM.

Members may submit questions relating to the items on the resolutions set out in the Notice of EGM in advance: (a) by post to at the registered office of the Company at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; (b) by email to invest@lifebrandz.com; or (c) via such member's account following registration at the URL <https://conveneagm.com/sg/lifebrandz>. All questions must be submitted by 3:00 p.m. on 16 May 2021 (being 72 hours before the time appointed for the holding of the EGM).

A member who wishes to submit his/her/its questions by post or by email is required to indicate his/her/its full name (for individuals)/company name (for corporates), NRIC/passport number/company registration number, contact number, shareholding type and number of shares held together with his/her/its submission of questions, to the office address or email address provided.

Persons who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act), including SRS Investors, can also submit their questions related to the resolutions to be tabled for approval at the EGM based on the abovementioned instructions.

The Company will endeavour to address the substantial and relevant questions before or during the EGM. The responses to questions from members will be posted on the SGXNET soonest possible before the EGM, or if answered during the EGM, to be included in the minutes of the EGM which will be published on the SGXNET within one (1) month after the date of the EGM.

Submission of Proxy Forms to Vote:

Members will not be able to vote online or through the Live EGM Webcast or the Live EGM Audio Feed on the Resolutions to be tabled for approval at the EGM. Members who wish to exercise their votes must submit a Proxy Form to appoint the Chairman of the EGM to cast votes on their behalf.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Members (whether individual or corporate) appointing the Chairman of the EGM as proxy must give specific instructions as to his manner of voting, or abstentions from voting, in the Proxy Form, failing which the appointment will be treated as invalid.

The Chairman of the EGM, as proxy, need not be a member of the Company.

The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.

The Proxy Form, duly executed together with the power of attorney or other authority, if any, under which the instrument of proxy is signed or a notarially certified copy of that power of attorney or other authority (failing previous registration with the Company), must be submitted:

- (a) by post to the registered office of the Company at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712;
- (b) by email to invest@lifebrandz.com; or
- (c) via the Shareholder's account following registration at the URL <https://conveneagm.com/sg/lifebrandz>,

in each case, not less than 48 hours before the time appointed for holding the EGM, i.e. by 3:00 p.m. on 17 May 2021. A member who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation, members are strongly encouraged to submit completed Proxy Forms electronically via email.

Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act), including SRS Investors, who wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their respective relevant intermediaries (which would include SRS Operators) through which they hold such shares in order to submit their voting instructions at least seven (7) working days before the EGM (i.e. by 5:00 p.m. on 6 May 2021) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the EGM to vote on their behalf by 3:00 p.m. on 17 May 2021.

The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy (such as in the case where the appointor submits more than one instrument of proxy).

A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time appointed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.

IMPORTANT NOTICE: Due to the evolving COVID-19 situation in Singapore, the Company may change the EGM arrangements at short notice. The Company will announce any changes to the holding or conduct of the EGM via the SGXNET. Members are advised to check the SGXNET regularly for updates on the EGM.

The Company wishes to thank all shareholders for their patience and co-operation in enabling the Company to hold the EGM with the optimum safe distancing measures amidst the current COVID-19 pandemic.

Personal Data Privacy:

By (a) submitting a form appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the EGM via the Live EGM Webcast or the Live EGM Audio Feed, or (c) submitting any question prior to the EGM in accordance with this notice, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes: (i) processing and administration by the Company (or its agents or service providers) of the appointment of the Chairman of the EGM as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof); (ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to observe the proceedings of the EGM and providing them with any technical assistance where necessary; (iii) addressing relevant and substantial questions from members received before the EGM and if necessary, following up with the relevant members in relation to such questions; and (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines by the relevant authorities. The member's personal data and its proxy's and/or representative's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the abovementioned purposes, and retained for such period as may be necessary for the Company's verification and record purposes.

This Notice has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor"). This Notice has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this Notice, including the correctness of any of the statements or opinions made or reports contained in this Notice.

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.

PROXY FORM

LIFEBRANDZ LTD.

(Company Registration Number: 200311348E)
(Incorporated in the Republic of Singapore on 7 November 2003)

PROXY FORM - EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Form)

This form of proxy has been made available on SGXNET and may be accessed at the URL <https://www.sgx.com/securities/company-announcements>. A printed copy of this form will NOT be despatched to members.

IMPORTANT:

1. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.
2. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via live webcast or live audio feed), submission of questions in advance of the EGM, addressing of substantial and relevant questions before or at the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the Notice of EGM dated 4 May 2021.
3. SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective SRS Operators to submit their votes by 5:00 p.m. on 6 May 2021 (being seven (7) working days before the EGM).

*I/We, _____ (Name), *NRIC/Passport/Company Registration Number _____

of _____ (Address),

being a member/members of **LIFEBRANDZ LTD.** (the "**Company**"), hereby appoint the Chairman of the Extraordinary General Meeting ("**EGM**") as my/our proxy to attend, speak and to vote for me/us on my/our behalf at the EGM of the Company to be held by way of electronic means on 19 May 2021 at 3:00 p.m. and at any adjournment thereof.

I/We direct the Chairman of the EGM as my/our proxy to vote for or against the Resolutions, or to abstain from voting on the Resolutions, to be proposed at the EGM as indicated hereunder. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.**

No.	Ordinary Resolutions	For	Against	Abstain
1.	To approve the Proposed Rights cum Warrants Issue			
2.	To approve the Proposed Shares Issue			

If you wish to exercise all your votes "For" or "Against" the relevant resolution or to "Abstain" from voting on the resolution in respect of all your votes, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise some and not all of your votes "For" and/or "Against" the relevant resolution and/or to "Abstain" from voting in respect of the resolution, please indicate the number of shares in the boxes provided.

Dated this _____ day of _____ 2021

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s)
or Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ THE NOTES OVERLEAF

PROXY FORM

Notes:

1. If the member has shares entered against his name in the Depository Register, he should insert that number of shares. If the member has shares registered in his name in the Register of Members, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this instrument of proxy will be deemed to relate to all the shares held by the member.
2. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. Where a member (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.
3. The Chairman of the EGM, being a proxy, need not be a member of the Company.
4. This instrument appointing a proxy or proxies, duly executed, must be submitted (a) by post to at the registered office of the Company at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; (b) by email to invest@lifebrandz.com; or (c) via such member's account following registration at the URL <https://conveneagm.com/sg/lifebrandz>, not less than 48 hours before the time appointed for holding the EGM. In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.
5. This instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.
6. Where this instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney or a notarially certified copy thereof (failing previous registration with the Company) must be lodged with this instrument of proxy, failing which this instrument of proxy may be treated as invalid.
7. A corporation which is a member may authorise by a resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM in accordance with Section 179 of the Companies Act (Chapter 50) of Singapore.
8. Investors who hold shares through relevant intermediaries as defined in Section 181 of the Companies Act (Chapter 50) of Singapore, including investors under the Supplementary Retirement Scheme ("**SRS Investors**"), who wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their respective relevant intermediaries, including SRS Operators, to submit their voting instructions at least seven (7) working days before the EGM (i.e. by 5:00 p.m. on 6 May 2021) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by the cut-off date.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing a proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 4 May 2021.