



(Company Registration Number 200311348E)  
(Incorporated in the Republic of Singapore)

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**OUTCOME OF APPLICATION FOR WAIVER IN RELATION TO COMPLIANCE WITH RULE 705(2) OF THE LISTING MANUAL – SECTION B: RULES OF CATALIST OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”) (THE “CATALIST RULES”)**

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**Introduction**

The Board of Directors (the “**Board**” or “**Directors**”) of LifeBrandz Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had on 29 November 2022 sought a waiver from the Singapore Exchange Regulatory Pte Ltd (the “**SGX RegCo**”) in respect of compliance with Rule 705(2) of the Catalist Rules in relation to quarterly reporting of its financial statements (the “**Waiver Application**”).

**Qualified opinion for the financial year ended 30 July (“FY”) 2021 and 2022**

During FY2021, the Group disposed all its subsidiaries in Japan (“**disposed subsidiaries**”). The Independent Auditors were unable to obtain sufficient appropriate audit evidence about the profit from discontinued operations and the gain on disposal recorded in other operating income arising from the disposal of two of the disposed subsidiaries, namely SYNC Co., Ltd. and e-Holidays Co., Ltd., as the management was unable to provide the pertinent and relevant supporting records and documents for the Independent Auditors to perform audit on the aforementioned disposed subsidiaries. It was also noted that the management encountered significant difficulties in retrieving the records and documents subsequent to the disposal of these subsidiaries in Japan during FY2021. Consequently, the Independent Auditors were unable to determine whether any adjustments to these amounts in the Group financial statements were necessary nor ascertain the appropriateness and completeness of the corresponding disclosure notes for FY2021. Accordingly, the audit opinion for the FY2022 financial statement is qualified because of the possible effect of the disposed subsidiaries on the comparability of the FY2022’s figures and the corresponding FY2021’s figures.

**Reasons for the Waiver Application**

Pursuant to Rule 702(2) and Rule 702(2A) of the Catalist Rules, the Company is required to prepare its first full quarterly reporting for the third quarter ending 30 April 2023 after the one-year grace period started after 2 November 2021, being the date of the Independent Auditors’ report for FY2021. The Company is seeking a waiver from SGX RegCo to comply with Rule 705(2) and Rule 705(2A) of the Catalist Rules in relation to the audit issue stated in qualified opinion for FY2021 and FY2022 as elaborated below, and for the Company to continue performing half-yearly reporting on its financial statements.

The Company’s ground for the Waiver Application are as follows:

**a. Audit issue addressed**

On 9 February 2021, the Company announced, among others, that it had on 8 February 2021 entered into conditional share sale and purchase agreements to dispose, *inter alia*, the disposed subsidiaries. The disposals of SYNC Co., Ltd. and e-Holidays Co., Ltd. were completed on 10 March 2021 and 8 March 2021 respectively. According to the Response Paper to public consultation dated 9 January 2020, the intention of quarterly reporting is for the issuer to provide (a) updates on their efforts to resolve their audit issues and (b) a confirmation from their board that the impact of the audit issues on the financial statements

have been adequately disclosed. In addition, the SGX RegCo will generally require companies to perform quarterly reporting until such time that their regulatory or audit issuers are resolved. Following the completion of the disposals of the disposed subsidiaries, the audit issue highlighted in the Independent Auditors' basis for qualified opinion for FY2021 has been resolved in FY2021.

**b. Independent Auditor's basis of qualified opinion**

Except for the possible effects of the disposed subsidiaries on the comparability of the FY2022's figures and the corresponding FY2021's figures stated above, the basis for qualified opinion for FY2021 about the profit from discontinued operations and the gain on disposal recorded in other operating income no longer applies for the Group's financial statements for FY2022 as the Group had completed the disposal of the disposed subsidiaries in FY2021. The Independent Auditor had also confirmed that the basis for the qualified opinion for FY2022 will no longer be applicable for the Group's consolidated financial statements for FY2023.

**Approval from the SGX RegCo**

The SGX RegCo has on 6 January 2023 through SAC Capital Private Limited, the Company's Sponsor informed the Company that the SGX RegCo has no objection to the Waiver Application (the "**Waiver**"), subject to the following conditions:

- (i) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Rule 106 of the Catalist Rules and if the Waiver conditions have been satisfied. If the Waiver's conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (ii) confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company in relation to the waiver for Rule 705(2) of the Catalist Rules; and
- (iii) the Board of Directors' confirmation that the Waiver will not be in contravention of any laws and regulations governing the Company and its constitution (or the equivalent in the Company's country of incorporation).

The Board confirms that the aforementioned conditions have been met.

Notwithstanding the Waiver, in the event the Company's auditors issue a modified audit opinion or stated material uncertainty relating to going concern for FY2023, the Company will be required to perform quarterly reporting with immediate effect for the following quarter. In other words, the Company will not be able to avail itself to the one-year grace period to commence its quarterly reporting.

Notwithstanding the foregoing, the Board would like to assure Shareholders that the Company will comply with its continuing disclosure obligations to keep Shareholders updated as and when appropriate, should there be any material developments (financial or otherwise) relating to the Company or the Group.

**By Order of the Board**

Lam Siew Kee  
Executive Chairman and Chief Executive Officer  
9 January 2023

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

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