



**LIFEBRANDZ LTD.**

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

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**(1) THE PROPOSED ACQUISITIONS OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF AUSPAC INVESTMENT MANAGEMENT PTE. LTD. AND AUSPAC FINANCIAL ADVISORY PTY. LTD.; AND**

**(2) THE PROPOSED DIVERSIFICATION OF BUSINESS.**

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**1. INTRODUCTION**

1.1. The Board of Directors (the "**Board**" or the "**Directors**") of LifeBrandz Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its wholly owned subsidiary, LifeBrandz Investment Management Pte. Ltd. (f.k.a. Takumi Holidays Pte. Ltd.) (the "**Buyer**") has on 22 May 2023 entered into two share purchase agreements (the "**SPAs**") with Auspac Financial Services Pty. Ltd. (the "**Vendor**"). Pursuant to the terms of respective SPAs, the Buyer has agreed to acquire, and the Vendor has agreed to sell to the Buyer:

- (i) an aggregate of 2,325,592 shares ("**AIM Shares**") in Auspac Investment Management Pte. Ltd. ("**AIM**"); and
- (ii) an aggregate of 5,259,126 shares ("**AFA Shares**", together with the AIM Shares, the "**Sale Shares**") in Auspac Financial Advisory Pty. Ltd. ("**AFA**", together with AIM, the "**Targets**"),

representing 100% of the total issued and paid-up share capital of AIM and AFA respectively (the "**Proposed Acquisitions**").

1.2. As at the date of this announcement, the Group does not own any shares in the Targets. If completion of the Proposed Acquisitions takes place, the Targets will become wholly owned subsidiaries of the Group.

1.3. On 30 August 2017, the shareholders of the Company ("**Shareholders**") approved, *inter alia*, the proposed diversification of the Group's business to include the business fund management (within the meaning of the Securities and Futures Act 2001 of Singapore). The Proposed Acquisitions marks the Group's first foray into the fund management business in Singapore as AIM is registered fund management company. The business of AFA involves corporate finance advisory, which falls outside of the Group's core business. As such, the Board wishes to announce that subject to Shareholders' approval, the Company intends to diversify its business and expand its core business to include corporate finance advisory (the "**Proposed Diversification**"). AFA also has the licence to involve in fund management business, but it has no operational fund as of the date of this announcement. Please refer to paragraph 3 of this Announcement for further information on the Targets.

- 1.4. The Proposed Acquisitions constitute a major transaction pursuant to Chapter 10 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"). Please refer to paragraph 5 of this announcement for information on the Proposed Acquisitions (including, *inter alia*, consideration for the Proposed Acquisitions and the manner of satisfaction). Considering that the Company intends to venture into a new business area, the Company will also be seeking Shareholders' approval for the Proposed Acquisitions.

## **2. RATIONALE FOR THE PROPOSED ACQUISITIONS AND THE PROPOSED DIVERSIFICATION**

- 2.1. The Group is a brand development and management Group with interests in sectors related to lifestyle and entertainment. Since 2017, the Group initiated its transformation and diversification into other services and multi-faced solutions including, *inter alia*, brand development and management, travel and food and beverages. Thereafter, the Group embarked on several corporate actions and successfully raised funds to strengthen its financial position, enabling the Group to search for and to evaluate potential deals that will generate revenue and growth to provide a viable sustainable business for the Group.
- 2.2. The Directors believe that the Proposed Acquisitions are part of the Group's strategy to diversify into other businesses. The Board has been on a search for new business opportunities. The Board has decided to pursue the Proposed Acquisitions as part of its ongoing strategy to expand into the fund management sector in Singapore. The Proposed Acquisitions will also mark the Group's initial expansion into the corporate finance advisory sector. Singapore's asset management industry has become a global hub for investors and managers and is central to the local financial services industry. The country's Assets Under Management ("**AUM**") grew to a record S\$4.7 trillion at the end of 2020, an 81.4% growth from S\$2.6 trillion in 2015, and a 17% rise year-on-year. In 2020, 78% of the total AUM was sourced outside of Singapore. More than half of these outside assets are from Asia-Pacific. Singapore introduced the variable capital company fund structure in 2020, enabling fund managers to establish corporate fund structure as opposed to unit trust structures.<sup>1</sup> The Directors believe that the Group would be well placed to tap on the booming fund management industry.
- 2.3. With the expected easing of interest-rate rises in 2023 (based on economist forecasts),<sup>2</sup> followed by a period interest-rate consolidation, the Group believes that these factors could aid equity market activity within Australia. As stated by the Australia Securities Exchange, the equity market listings pipeline has continued to build over the past year and various companies are prepared to take this opportunity to come to market once the IPO window reopens more broadly. Furthermore, given activity in private markets, an increasing number of unlisted companies are likely to consider an IPO to access capital and gain liquidity for early investors. IPO activity can change quickly when market conditions turn, therefore the Directors believe that this is an opportune moment to foray into the corporate finance advisory sector.
- 2.4. The Proposed Acquisitions and the Proposed Diversification represents an opportunity for additional streams of revenue which has the potential to enhance Shareholder value in the long-term. Furthermore, this can also reduce the Group's reliance on its existing core businesses for its revenue streams.

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<sup>1</sup> <https://www.pwc.com/sg/en/asset-management/assets/awm-market-entry.pdf>

<sup>2</sup> <https://www2.asx.com.au/blog/investor-update/2023/asx-capital-markets-2022-a-year-in-review>

- 2.5. Taking into account all of the above factors, the Directors are of the view that the Proposed Acquisitions and the Proposed Diversification are in the best interests of the Company and the Shareholders.

### **3. INFORMATION ON THE TARGETS**

#### **3.1. Information on AIM**

AIM was incorporated on 12 September 2018 in Singapore. AIM is engaged, *inter alia*, in the business of fund management in Singapore and is registered with the Monetary Authority of Singapore ("**MAS**") as a registered fund management company ("**RFMC**").

As at the date of this announcement, AIM has an issued and paid-up share capital of S\$2,325,592 comprising of 2,325,592 AIM Shares. The Vendor owns 100% of the AIM Shares. The directors of AIM are Yeo Shan Yuan and Mark Chow Chi Khong. AIM is the fund manager of I-Concept (defined below in **Appendix 2**), which is a controlling Shareholder of the Company.

Based on the audited financial statements of AIM for the financial year ended 30 June 2022, AIM recorded net asset of S\$337,613 and loss after tax of S\$1,070,900.

#### **3.2. Information on AFA**

AFA was incorporated on 18 Sep 2017 in Australia. AFA is engaged, *inter alia*, in the business of corporate finance advisory (including, *inter alia*, advising on IPO/RTTO on Australian Securities Exchange (ASX) or National Stock Exchange of Australia (NSX) and pre-IPO, IPO and secondary market fundraising) in Australia and is registered with the Australian Securities & Investment Commission ("**ASIC**") as an Australian Financial Services Licensee (Licence No: 506096) pursuant to Section 913B of the Corporations Act 2001. AFA also has the licence to involve in fund management business but it has no operational fund as of the date of this announcement.

As at the date of this announcement, AFA has an issued and paid-up share capital of A\$5,877,235.20 comprising of 5,259,126 AFA Shares. The Vendor owns 100% of the AFA Shares. The director of AFA is Daniel James McQuillan. Mark Leong Kei Wei (the Executive Chairman of the Company) was a non-executive director of AFA from 4 September 2021 to 23 March 2023.

Based on the audited financial statements of AFA for the financial year ended 30 June 2022, AFA recorded net asset of approximately A\$4,840,388 (equivalent to approximately S\$4,827,129) and loss after tax of A\$440,819 (equivalent to approximately S\$439,611).

### **4. INFORMATION RELATING TO THE VENDOR**

- 4.1. As stated above, the share capital of the Targets are wholly owned by the Vendor. The Vendor is a company incorporated under the laws of Australia. Its principal business is that of corporate financial services. Its director is Daniel James McQuillan. The Vendor is an investment holding company and does not have any current operational activities. In addition to the Targets, the Vendor owns three (3) other subsidiaries which are not involved in the same business nor same geographical location as the Targets.
- 4.2. As at the date of this announcement, the Vendor has an issued and paid-up share capital of S\$8,377,232.42 comprising of 5,917,022 shares. The shareholders of the Vendor are:

- (i) Daniel James McQuillan, holding 5,199,027 shares (approximately 87.87%) in the share capital of the Vendor;
  - (ii) Chin Wai Lan, holding 657,894 shares (approximately 11.12%) in the share capital of the Vendor; and
  - (iii) Mark Leong Kei Wei, the Executive Chairman of the Company, holding 60,101 shares (approximately 1.02%) in the share capital of the Vendor.
- 4.3. Mark Leong Kei Wei (the Executive Chairman of the Company) was a non-executive director of the Vendor from 3 June 2022 to 23 March 2023.
- 4.4. Chin Wai Lan is a substantial shareholder of Catalano Seafood Ltd while Mark Leong Kei Wei (the Executive Chairman of the Company) is a non-executive director of Catalano Seafood Ltd and Eugene Pong Sin Tee (a controlling Shareholder of the Company) is a substantial shareholder of Catalano Seafood Ltd.
- 4.5. Save as disclosed in this announcement, the Vendor is not, and shall procure that none of its directors, shareholders including ultimate shareholders and their respective directors and the Designated Holder(s) (defined below) and their respective directors and shareholders (as defined below), is any of the following persons:
- (i) the Company's Directors or substantial Shareholders;
  - (ii) immediate family members of the Directors or substantial Shareholders of the Company;
  - (iii) substantial shareholders, related companies (as defined under Section 6 of the Companies Act 1967 of Singapore), associated companies and sister companies of the Company's substantial Shareholders;
  - (iv) corporations in whose shares any of the Company's Directors or substantial Shareholders has/have an aggregate interest of at least 10%;
  - (v) a person falling within Rule 812 of the Catalist Rules;
  - (vi) associates (as from time to time defined in the Catalist Rules) of any of the foregoing; and
  - (vii) a person acting in concert with, or associated or related to, any of the Director or substantial Shareholder of the Company.
- 4.6. The Vendor is not an interested person as defined under Chapter 9 of the Catalist Rules. Although the Proposed Acquisitions are not interested persons transactions, for good corporate governance and considering, *inter alia*, that Mark Leong Kei Wei, the Executive Chairman of the Company, is a shareholder of the Vendor and his recent past relationships with AFA and the Vendor as disclosed above, the Company will be appointing an independent financial adviser ("**IFA**") in relation to the Proposed Acquisitions.
- 4.7. The IFA will advise, amongst other things, the independent Directors of the Board on whether the Proposed Acquisitions are on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders. The opinion of the IFA will be set out in the Circular (as defined below) to be made available to the Shareholders of the Company in due course.

## 5. PRINCIPAL TERMS OF THE PROPOSED ACQUISITIONS

The principal terms of the Proposed Acquisitions as set out in the SPAs, are set as follows:

### 5.1. Valuation and Purchase Consideration

The aggregate purchase consideration for the Proposed Acquisitions is S\$1,500,000 (the "**Purchase Consideration**") which consists of:

- (i) the purchase consideration for the AIM Shares of S\$350,000 (the "**AIM Purchase Consideration**"); and
- (ii) the purchase consideration for the AFA Shares of S\$1,150,000 (the "**AFA Purchase Consideration**").

The Buyer shall collectively pay to the Vendor:

- (i) a cash consideration of S\$550,000 ("**Cash Consideration**") (S\$150,000 as part of the AIM Purchase Consideration and S\$400,000 as part of the AFA Purchase Consideration); and
- (ii) S\$950,000 (S\$200,000 as part of the AIM Purchase Consideration and S\$750,000 as part of the AFA Purchase Consideration), by way of issuance and allotment of new shares in the capital of the Company ("**Consideration Shares**") at the issue price of S\$0.0025 ("**Issue Price**").

The aggregate Purchase Consideration was arrived at after arm's length negotiations between the Company, the Buyer and the Vendor on a willing-buyer willing-seller basis, taking into account, *inter alia*, the historical financial performance and position of the Targets and the regulatory registrations and licenses held by the Targets to engage in the business of fund management in Singapore and business of fund management and corporate finance advisory in Australia.

The Buyer has appointed an independent valuer to ascertain the valuation of the Sale Shares ("**Independent Valuation**") and a summary of the valuation report commissioned by the Company will be included in the Circular to be released to Shareholders in due course.

The Purchase Consideration is subject to the following adjustments:

- (i) If the Independent Valuation is less than the Purchase Consideration, the Purchase Consideration shall be reduced to the actual valuation of the Sale Shares under the Independent Valuation.
- (ii) If the Independent Valuation is more than the Purchase Consideration, there will be no corresponding change in the Purchase Consideration.
- (iii) For avoidance of doubt:
  - (a) as long as the Independent Valuation is equal to or more than the Purchase Consideration, the Purchase Consideration shall remain unchanged even if the actual value of the Sale Shares under the Independent Valuation is less than the Purchase Consideration; and

- (b) the division of the Purchase Consideration between the Cash Consideration and Consideration Shares shall be in the ratio of 3:4 (in relation to the AIM Purchase Consideration) and 8:15 (in relation to the AFA Purchase Consideration) respectively.

## 5.2. Method of payment

The Purchase Consideration shall be satisfied by the Buyer in the following manner:

- (i) the Cash Consideration shall be satisfied by way of cash, and includes the deposit of S\$200,000 (S\$40,000 as part of the AIM Purchase Consideration and S\$160,000 as part of the AFA Purchase Consideration) to be paid by the Buyer to the Vendor on or around 23 May 2023, and S\$350,000 (S\$110,000 as part of the AIM Purchase Consideration and S\$240,000 as part of the AFA Purchase Consideration) to be payable at the completion of the Proposed Acquisitions (the "**Completion**"); and
- (ii) the remaining consideration of S\$950,000 shall be satisfied by the Company by way of the issue and allotment of up to 380,000,000 Consideration Shares, which shall be allotted to the Vendor at the Completion.

The Cash Consideration will be funded using the proceeds from the rights cum warrants issue completed on 22 June 2021.

The Consideration Shares shall be allotted and issued to The Central Depository (Pte) Limited of Singapore ("**CDP**") for the Vendor's account and/or for the account of such person as the Vendor may direct (restricted to a nominee account or entity solely controlled by the Vendor) (the "**Designated Holders**"). The Vendor shall, no later than five (5) business days prior to Completion (or such other date as may be agreed between the Parties), (i) identify its Designated Holder(s), and notify the Buyer in writing of the particulars of such Designated Holder(s) and the number of Consideration Shares to be allotted to it and/or its Designated Holder(s), and (ii) notify the Buyer in writing of the details of its securities accounts and/or the details of the securities accounts of its Designated Holder(s).

## 5.3. Conditions Precedent

Pursuant to the terms of the SPAs, the completion of the Proposed Acquisitions is, *inter alia*, conditional upon the following conditions being satisfied (or waiver, as the case may be) (the "**Conditions Precedent**"):

- (i) the satisfactory completion of the legal, financial and business due diligence review (concerning the affairs of the Targets) ("**Due Diligence Review**") by the Buyer;
- (ii) no injunction, restraining order or other order or any other legal or regulatory restraint or prohibition having been issued or made by any court of competent jurisdiction or any other person which prevents the consummation of the transactions contemplated by the SPAs;
- (iii) no change, event or circumstance having occurred which has or which, in the reasonable opinion of the Buyer, is likely to have a material adverse effect on the business, assets, liabilities, condition (financial or otherwise), or operations of the Targets, or the registration by AIM (with the MAS to commence business as an RFMC), or the Australian Financial Services License issued to AFA (having the license number 506096) ("**AFSL**");

- (iv) the Vendor has provided evidence in a form satisfactory to the Buyer that there are no material outstanding indebtedness or obligations owed by the Targets to its shareholders, directors, their respective affiliates or any third parties;
- (v) the approval of the SGX-ST for the listing and quotation of the Consideration Shares on the Catalist having been obtained and not having been revoked or amended and, where approval is subject to conditions, such conditions being acceptable to the Vendor, the Company, and the Buyer and, to the extent that any conditions for the listing and quotation of the Consideration Shares on the Catalist are required to be fulfilled on or before the Completion, they are so fulfilled;
- (vi) the approval of the Company's Shareholders having been obtained for the transactions contemplated under the SPAs, including, the issuance of the Consideration Shares;
- (vii) all approvals, confirmations, authorisations, registrations, licences, waivers and/or consents, (whether governmental, corporate or otherwise or from financial institutions or any third parties) which are necessary to be obtained in respect of or in connection with the transfer of the Sale Shares being granted or obtained, and the same remaining in full force and effect and not being withdrawn or amended on or before Completion, and to the extent that such approvals, confirmations, authorisations, registrations, licences, waivers and/or consents are subject to any conditions required to be fulfilled before Completion, all such conditions having been duly so fulfilled;
- (viii) the Vendor, the Company, and the Buyer entering into a supplemental agreement to the SPAs to address any issues highlighted in the Due Diligence Review, in a form satisfactory to the Buyer;
- (ix) the Vendor, the Company and the Buyer having completed the acquisition of the Targets simultaneously on the completion date of the Proposed Acquisitions (i.e. three (3) business days after the last of the Conditions Precedent has been satisfied or waived, other than the Conditions Precedent that can only be satisfied at Completion) ("**Completion Date**");
- (x) the resolution of the board of directors of the Buyer and the Company having been obtained for the entry into and completion of, the transactions contemplated to be entered into in the respective SPAs;
- (xi) each of the representations, undertakings and warranties of the Vendor under the respective SPAs remaining true and not misleading in any respect as at Completion, as if repeated as at Completion and at all times between the date of the SPAs and as at Completion; and
- (xii) all of the issued capital of the subsidiary of AFA, namely iPivot Sdn. Bhd. (and its subsidiary, iPivot Nominee Sdn. Bhd.), which is in the business of equity crowdfunding in Malaysia, shall be transferred out of AFA prior to Completion.

#### 5.4. Long-Stop Date

If Completion does not take place within six (6) months from the date of the SPAs ("**Long-Stop Date**"), the Buyer shall be entitled to terminate the SPAs (without prejudice to any other remedies available to the Buyer). The Vendor shall refund the Deposit to the Buyer within three (3) business days after the Long-Stop Date, without any interest.

#### 5.5. Completion

Subject to the SPAs, Completion shall take place within three (3) business days after all the Conditions Precedent are fulfilled or waived (other than the Condition Precedents that by their nature can only be satisfied at Completion), as the case may be, or such other date as the Vendor, the Company and the Buyer may agree, but in any event such date shall not be later than the Long-Stop Date.

#### 5.6. Post-Completion Obligations

Upon Completion, the Vendor must (in relation to the AIM Shares), *inter alia*, procure that:

- (a) that AIM submits an application to the MAS ("**Submission**") as soon as practicable after the Completion Date, and in any event by no later than fourteen (14) days after the Completion Date, notifying the MAS of changes in particulars in AIM's notice of commencement lodged with MAS pursuant to the SFA with effect from Completion, subject to the Buyer having provided to AIM all information reasonably required to that effect (including all information required to complete the relevant MAS forms and all duly signed declarations required in connection with such forms);
- (b) that AIM shall not make the Submission to the MAS without first providing the Buyer with a copy of the Submission, and of all related written communications, and notification in writing as to the substance of related oral communications;
- (c) that AIM shall provide the Buyer with a reasonable opportunity to discuss the Submission before it is released to the MAS and shall consider all reasonable comments on the Submission made by the Buyer;
- (d) that AIM uses reasonable endeavours to respond to any of the comments, objections, requests for further information or enquiries raised by the MAS in connection with the Submission, to the extent that such requests relate to AIM or its business prior to Completion; and
- (e) that AIM provides such information, and assistance, as is reasonably necessary to enable the Buyer and/or AIM to make appropriate submissions to the MAS, and to respond to any of the comments, objections, requests for further information or enquiries raised by the MAS in connection with the Submission.



Upon Completion, the Vendor must (in relation to the AFA Shares), *inter alia*, procure that AFA lodges an Australian Securities & Investments Commission ("**ASIC**") Form 484 electronically with ASIC via the Company's officeholder portal as soon as practicable after the Completion Date, and in any event by no later than fourteen (14) days after the Completion Date, to notify ASIC of the changes to the Company's details as contemplated by this Agreement, subject to the Buyer having provided to the Company all information reasonably required to that effect (including all information required to complete the relevant ASIC form and all duly signed consents to act required in connection with such form).

## **6. ISSUE PRICE AND CONSIDERATION SHARES**

- 6.1. As stated above, the Issue Price of S\$0.0025 represents a premium of 250% to the volume-weighted average price ("**VWAP**") of S\$0.001 per Share for trades done on the SGX-ST on 19 May 2023, being the full market day on which ordinary shares in the capital of the Company ("**Shares**") were traded prior to the trading halt and the entry into the SPAs. The Issue Price was commercially agreed between the Company and the Vendor after arm's length negotiations and taking into account historical trading performance of the Company, prevailing market conditions and future prospects of the Group.
- 6.2. The Consideration Shares represent approximately 18.44% of the existing issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of the Company as at the date of this announcement and approximately 15.57% of the enlarged share capital (excluding treasury shares and subsidiary holdings) of the Company following the completion of the allotment and issuance of Consideration Shares.
- 6.3. The Consideration Shares shall, when issued and allotted, rank *pari passu* in all respects with the other Shares of the Company then in issue, save for any rights, benefits and entitlements the record date for which is before the date of issuance of the Consideration Shares.
- 6.4. The Company will apply to the SGX-ST through its sponsor, SAC Capital Private Limited ("**Sponsor**") for, *inter alia*, the dealing in, listing of and quotation for the Consideration Shares on the Catalist board of the SGX-ST (the "**Catalist**"). The Company will make the necessary announcements upon receipt of the listing and quotation notice from the SGX-ST.
- 6.5. The Consideration Shares, as partial satisfaction of the Purchase Consideration, will constitute a transfer of controlling interest in the Company pursuant to Rule 803 of the Catalist Rules and shall be allotted and issued pursuant to specific approval given by Shareholders at an extraordinary general meeting ("**EGM**") to be convened. For avoidance of doubt, while the Vendor would become a new controlling Shareholder of the Company upon the receipt of the Consideration Shares, there is no change in control arising from the Proposed Acquisition as I-Concept (defined below in **Appendix 2**) will remain as a controlling Shareholder of the Company after Completion.
- 6.6. The Consideration Shares will not be issued and allotted to any person who is a Director or a substantial Shareholder of the Company or any other person in the categories set out in Rule 812(1) of the Catalist Rules.

6.7. The Vendor have confirmed that its directors, shareholders including ultimate shareholders and their respective directors and Designated Holder(s) and their respective directors and shareholders are not an associate of and have no relationship (including any business relationship) with the Company, the Company's subsidiaries (save for the holding of Sale Shares in the Targets) and any directors, executive officers, substantial Shareholders or controlling Shareholders of the Company, that it and its Designated Holder(s) is not acting in concert with any party in relation to the issuance of the Consideration Shares and is not acting in accordance with any instruction of any party for the issuance of the Consideration Shares and that it and its Designated Holder(s) shall not hold the Consideration Shares in trust or as a nominee.

## 7. CHAPTER 10 OF THE CATALIST RULES

7.1. The relative figures of the Proposed Acquisitions computed on the bases set out in Rules 1006(a) to 1006(e) of the Catalist Rules are set out below for Shareholders' reference:

<b>Catalist Rule</b>	<b>Basis of Calculation</b>	<b>Relative Figure (%)</b>
1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable <sup>(1)</sup>
1006(b)	The net profits <sup>(2)</sup> attributable to the assets acquired or disposed of, compared with the Group's net profits.	46.60% <sup>(3)</sup>
1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares (excluding treasury shares).	72.80% <sup>(4)(5)</sup>
1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	18.44% <sup>(6)</sup>
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not applicable <sup>(7)</sup>

Notes:

- (1) Rule 1006(a) of the Catalist Rules is not applicable to the Proposed Acquisitions, being an acquisition of assets.
- (2) Under Rule 1002(3) of Catalist Rules, "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (3) Computed based on the latest unaudited net losses for the 6-month financial period from 1 August 2022 to 31 January 2023 ("**HY2023**") for the Group and the Targets. The Group's net loss for HY2023 is S\$822,000. The Targets recorded an aggregated net loss of S\$383,075 for

HY2023, which consists of net loss of S\$128,643 from AIM and net loss of AU\$273,546 (or equivalent to approximately S\$254,432) from AFA.

- (4) Under Rule 1002(5) of the Catalist Rules, "market capitalisation" is determined by multiplying the number of Shares in issue by the VWAP of such Shares transacted on the market day preceding the date of the SPAs. Accordingly, the market capitalisation of the Company is approximately S\$2,060,340 based on the VWAP of such Shares transacted on the market day preceding the trading halt and the date of the SPAs (i.e. 19 May 2023 of S\$0.001) and 2,060,340,492 Shares in issue.
- (5) Pursuant to Rule 1003(3) of the Catalist Rules, where the value of the consideration is in the form of shares, the value of the consideration shall be determined by reference either to the market value of such shares or the net asset value ("**NAV**") represented by such shares, whichever is higher. Pursuant to Rule 1002(3)(a), "net assets" means total assets less total liabilities. In this instance,
- (a) the aggregate Purchase Consideration in the SPAs is S\$1,500,000;
- (b) the sum of Cash Consideration of S\$550,000 and the market value of the Consideration Shares of S\$380,000 (computed based on the VWAP of S\$0.001 on 19 May 2023, being the full market day of trading of the Shares on the Catalist prior to the trading halt and the date of the entry of SPAs, multiplies by 380,000,000 Consideration Shares) is S\$930,000; and
- (c) the sum of Cash Consideration of S\$550,000 and the NAV represented by the Consideration Shares of S\$309,114 as at 31 January 2023 (computed based on the NAV per Share of the Group of S\$0.0008 as at 31 January 2023 multiplies by 380,000,000 Consideration Shares) is S\$859,114.

Based on the above, for the purpose of Rule 1006(c) of the Catalist Rules, the value of the Consideration Shares is deemed to be S\$1,500,000 (being the highest of (a) to (c) above).

- (6) Based on the number of new Shares to be issued by the Company as consideration for the Proposed Acquisition of 380,000,000 Consideration Shares and the 2,060,340,492 Shares in issue as at the date of this Announcement.
- (7) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company.
- 7.2. Rule 1007(1) of the Catalist Rules states, *inter alia*, that if any of the relative figures computed pursuant to Rule 1006 of the Catalist Rules involves a negative figure, Chapter 10 (specifically Practice Note 10A) of the Catalist Rules may still be applicable to the transaction in accordance with the applicable circumstances. As the figures used to compute the relative figure under Rule 1006(b) of the Catalist Rules are negative figures, Rule 1007(1) read with Practice Note 10A shall apply. The Proposed Acquisitions do not fall within all situations in paragraphs 4.3 and 4.4 of Practice Note 10A, in particular, paragraph 4.4(a) of Practice Note 10A as the net loss of the Targets exceeds 10% of the Group's consolidated net loss for HY2023. Accordingly, pursuant to paragraph 4.6 of Practice Note 10A, the Company will be seeking the approval of Shareholders for the Proposed Acquisitions as a "major transaction" under Chapter 10 of the Catalist Rules.

## **8. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITIONS**

### **8.1. Bases and Assumptions**

The following are presented for illustration purposes only and are not intended to reflect the actual future financial situation of the Group after Completion. The financial effects of the Proposed Acquisitions as set out below are based on the Group's latest audited financial statements for the financial year ended 31 July 2022 and the Targets' latest audited financial statements for the financial year ended 30 June 2022.

The figures presented below are computed based on the following assumptions:

- (i) all of the Consideration Shares are issued;
- (ii) the financial effects on the Group's net tangible assets ("**NTA**") attributable to the Shareholders and the NTA per Share have been computed assuming that Completion took place on 31 July 2022;
- (iii) the financial effects on the Group's loss attributable to the Shareholders and the loss per Share ("**LPS**") have been computed assuming that Completion took place on 1 August 2021; and
- (iv) the expenses incurred in connection with the Proposed Acquisitions amount to approximately S\$200,000.

## 8.2. Share Capital

	<b>Before the Proposed Acquisitions</b>	<b>After the Proposed Acquisitions</b>
Issued and paid-up share capital (S\$'000)	69,950	70,900
Number of Shares ('000)	2,060,340	2,440,340

## 8.3. NTA per Share

	<b>Before the Proposed Acquisitions</b>	<b>After the Proposed Acquisitions</b>
NTA attributable to equity holders of the Company (S\$'000)	2,480	3,430
Number of Shares ('000)	2,060,340	2,440,340
NTA per share (S\$ cents)	0.12	0.14

## 8.4. LPS

	<b>Before the Proposed Acquisitions</b>	<b>After the Proposed Acquisitions</b>
Net loss (S\$'000)	(1,052)	(2,763)
Weighted average number of Shares ('000)	2,060,340	2,440,340
LPS (S\$ cents)	(0.05)	(0.11)

## 9. **INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

9.1. Save as disclosed in this announcement, none of the Directors or substantial Shareholders of the Company, and their respective associates, has any interest, direct or indirect, in the Proposed Acquisitions and the Proposed Diversification (other than in his/her capacity as a Director or Shareholder of the Company).

9.2. The interests of Directors, substantial Shareholders and Vendor in the share capital of the Company are set out in **Appendix 1** of this announcement.

## **10. Extraordinary general meeting to be convened**

- 10.1. The Company will convene an EGM in due course to seek approval from Shareholders for:
- (i) the Proposed Diversification;
  - (ii) the Proposed Acquisitions; and
  - (iii) the proposed issue and allotment of the Consideration Shares as partial satisfaction of the Purchase Consideration which would also result in the transfer of controlling interest in the Company to the Vendor.
- 10.2. A circular which meets the disclosure requirements of the Catalist Rules ("**Circular**"), together with a notice of the EGM to be convened, will be despatched to Shareholders in due course.

## **11. DIRECTOR'S SERVICE CONTRACTS**

No person is proposed to be appointed as a Director of the Company in connection with the Proposed Acquisitions or the Proposed Diversification. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

## **12. CAUTION IN TRADING**

Shareholders are advised to exercise caution in trading their Shares. The Proposed Acquisitions and Proposed Diversification are subject to the certain conditions (including various condition precedents), and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisitions or the Proposed Diversification will be completed, or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments on the Proposed Acquisitions and the Proposed Diversification, and other matters contemplated by this announcement. Accordingly, Shareholders are advised to exercise caution before making any decision in respect of their dealings in the Shares of the Company. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

## **13. DIRECTORS' RESPONSIBILITY STATEMENT**

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

#### **14. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at the registered office of the Company at 30 Cecil Street, #19-08, Prudential Tower, Singapore 048712, for a period of three (3) months from the date of this announcement:

- (i) the annual report of the Company for FY2022; and
- (ii) the SPAs.

By Order of the Board  
**LifeBrandz Ltd.**

Mark Leong Kei Wei  
Executive Chairman  
23 May 2023

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

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

## **APPENDIX 2**

The table below sets out the breakdown of shareholding interests of the Directors, the substantial Shareholders of the Company and the Vendor:

- (i) prior to the completion of the Proposed Acquisitions; and
- (ii) after the completion of the Proposed Acquisitions assuming that the Consideration Shares are issued.

	<b>Prior to the Proposed Acquisitions</b>		<b>After the Proposed Acquisitions assuming that the Consideration Shares are issued</b>	
	<b>Number of Shares</b>	<b>%<sup>(1)</sup></b>	<b>Number of Shares</b>	<b>%<sup>(2)</sup></b>
<b>Directors</b>				
Mark Leong Kei Wei	-	-	-	-
Ang Puak Huen	-	-	-	-
Lim Yit Keong	-	-	-	-
Wang Xiaolan	-	-	-	-
<b>Substantial Shareholders (other than Directors)</b>				
I Concept Global Growth Fund <sup>(3)(4)</sup>	367,310,614	17.83	367,310,614	15.05
Pong Sin Tee Eugene <sup>(3)</sup>	367,310,614	17.83	367,310,614	15.05
<b>Vendor</b>				
Auspac Financial Services Pty. Ltd.	-	-	380,000,000	15.57

**Notes:**

- (1) Based on the issued and paid-up share capital of the Company of 2,060,340,492 Shares as at the date of this announcement.
- (2) Based on the issued and paid-up share capital of the Company of 2,440,340,492 Shares assuming that the Proposed Acquisitions is completed at the date of this announcement and that the Consideration Shares are issued.
- (3) 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 Mr. Pong Sin Tee Eugene. Accordingly, Mr. Pong Sin Tee Eugene is deemed to be interested in the 367,310,614 shares held through I-Concept.
- (4) I-Concept holds its Shares through DBS Nominees (Private) Limited.