



**LIFEBRANDZ LTD.**

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

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**UPDATE ON THE PROPOSED ACQUISITIONS OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF AUSPAC INVESTMENT MANAGEMENT PTE. LTD. AND AUSPAC FINANCIAL ADVISORY PTY. LTD.**

**- ENTRY INTO FRAMEWORK AGREEMENT**

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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**") refers to its announcement dated 23 May 2023 ("**Earlier Announcement**") in relation to the proposed acquisitions by its wholly-owned subsidiary, LifeBrandz Investment Management Pte. Ltd. (the "**Buyer**"), of the entire issued and paid-up share capital of:
- (a) Auspac Investment Management Pte. Ltd. ("**AIM**"); and
  - (b) Auspac Financial Advisory Pty. Ltd. ("**AFA**", together with AIM, the "**Targets**"), (collectively, the "**Proposed Acquisitions**").
- 1.2. Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the same meanings as set out in the Earlier Announcement.

**2. ENTRY INTO FRAMEWORK AGREEMENT**

- 2.1. The Board wishes to announce that the Company, the Buyer and the Vendor have entered into a binding framework agreement on 14 July 2023 (the "**Framework Agreement**") with Auspac Vision Holdings Pte. Ltd. ("**New Investor**") to carry out a series of transactions in relation to AIM.
- 2.2. Pursuant to the Framework Agreement, parties have agreed on the following matters:
- (a) the Company, the Buyer and the Vendor shall enter into two (2) deeds of amendment ("**Deeds of Amendment**") to amend the terms of the SPAs which shall, *inter alia*, state as follows:
    - (i) the Buyer shall acquire 51% of the AIM Shares for a consideration of S\$127,500, at the valuation of S\$250,000 for all AIM Shares, to be satisfied by the deposit of S\$40,000 paid by the Buyer to the Vendor on 23 May 2023 and the issuance of up to 35,000,000 Consideration Shares at the Issue Price of S\$0.0025 for the remaining S\$87,500; and
    - (ii) the Buyer shall acquire the entire issued and paid-up share capital of AFA for a consideration of S\$1,250,000, to be satisfied by the deposit of S\$160,000 paid by the Buyer to the Vendor on 23 May 2023, cash of S\$227,500, and the issuance of up to 345,000,000 Consideration Shares

at the Issue Price of S\$0.0025 for the remaining S\$862,500;

Accordingly, the aggregate purchase consideration for the Proposed Acquisitions will be reduced to S\$1,377,500.

- (b) the New Investor shall enter into a share purchase agreement with the Vendor to acquire 49% of the entire issued and paid-up share capital of AIM for an aggregate consideration of S\$171,500, based on a valuation of S\$350,000 for all AIM Shares ("**New Investor Acquisition**") and shall be satisfied by the New Investor in cash. For the avoidance of doubt, the terms of the New Investor Acquisition shall not be more favourable than those under the proposed acquisition of AIM by the Buyer;
  - (c) the New Investor shall enter into a share subscription agreement ("**SSA**") with AIM, pursuant to which the New Investor will invest an amount of S\$73,500 into AIM and AIM will issue and allot up to 1,627,915 new shares to the New Investor, such that the New Investor will hold 70% of the enlarged share capital of the AIM after the completion of the subscription ("**New Investor Subscription**"); and
  - (d) the New Investor, the Buyer and AIM shall enter into a shareholders' agreement ("**SHA**") to set out the shareholders' rights and obligations in relation to AIM.
- 2.3. The New Investor Subscription will be subject to the approval of the Shareholders at the EGM to be convened.
- 2.4. It is expected that the New Investor Acquisition will complete first. The Proposed Acquisitions and the New Investor Subscription will take place after receipt of the approval of the Shareholders at the EGM along with the Proposed Diversification.
- 2.5. The terms of the Deeds of Amendments, the New Investor Subscription and the SHA are currently being negotiated and the Company will make further announcement once the terms are finalised. Such further announcement will include, amongst others, the detailed terms of the Deeds of Amendments, the New Investor Acquisition, the SHA, the revised relative figures computed on the bases set out in Rules 1006(a) to 1006(e) of the Catalist Rules for the Proposed Acquisitions (as amended by the Deeds of Amendments) and the revised financial effects of the Proposed Acquisitions.

### **3. INFORMATION ON THE NEW INVESTOR**

The New Investor is a company incorporated in Singapore. As at the date of this announcement, Andrew Young Hao Pui ("**Andrew Young**") is the sole director and shareholder of the New Investor. Andrew Young is a lawyer by profession. He advises on all aspects of complex cross-border mergers and acquisitions and capital markets-related matters. He had previously led the legal function of a SGX mainboard listed healthcare group, as well as a Singapore based co-working unicorn, and is a consultant to various technology multinational corporation companies. He is also the director of a valuation firm and a fund administration service provider.

- 3.1. The New Investor has confirmed that the New Investor and Andrew Young are independent of the Company, its directors and controlling shareholders. As at the date of this announcement, the New Investor and Andrew Young have no shareholding interest in the Company or any member of the Group.

- 3.2. After the Earlier Announcement, the New Investor approached the Company and expressed interest to purchase 49% of the entire issued and paid-up share capital of AIM, based on a valuation of S\$350,000 and inject further funds into AIM for business expansion purposes.

#### **4. UPDATE ON INDEPENDENT VALUATION**

As stated in the Earlier Announcement, the Buyer had appointed Navi Corporate Advisory Pte. Ltd., an independent valuer ("**Independent Valuer**") to ascertain the value of the Targets. Based on the preliminary indicative range issued by the Independent Valuer, the indicative market value of the 100% equity interest in the capital of the Targets as at 31 March 2023 are as follows:

- (a) S\$281,000 to S\$311,000 in relation to AIM; and
- (b) S\$1.4 million to S\$1.7 million in relation to AFA.

The indicative range is based on cost approach with reference made to the market approach.

The Independent Valuer is in the process of finalising the valuation report. A summary of the valuation report will be included in the Circular to be released to Shareholders in due course.

#### **5. RATIONALE FOR THE ENTRY INTO THE FRAMEWORK AGREEMENT**

The decision to amend the SPAs and enter into the Framework Agreement was taken by the Board in light of the following considerations.

##### **5.1. Higher valuation attributed to AIM**

As stated above, the Independent Valuer has ascribed an indicative market value of between S\$281,000 to S\$311,000 in relation to AIM. The valuation for AIM offered by the New Investor (being S\$350,000, stated at paragraph 2.2 of this announcement) is higher than the indicative market value of AIM.

##### **5.2. Direct cash injection into AIM**

Pursuant to the New Investor Subscription, the New Investor will be investing S\$73,500 (based on the valuation of S\$350,000 for the enlarged share capital of AIM after the completion of the New Investor Subscription) into AIM. As AIM is in its growth stage, this cash injection will support AIM's operations and will assist AIM in growing its business. If the Group acquires 100% of AIM, the responsibility to provide further funding to AIM will be on the Company. The cash injection under the New Investor Subscription will minimise the Group's requirement to provide further funding to AIM and conserve cash and resources for other core activities.

##### **5.3 Future funding**

By divesting majority control of AIM, the Group will effectively minimise its capital investment in AIM during its growth stage. The New Investor, with majority holding, will be primarily responsible for the investment required by AIM. The Group, with its minority stake, will benefit from the growth of AIM without having to invest substantially into AIM.

#### 5.4 Participation by the New Investor in the business of AIM

As stated in paragraph 3 above, the New Investor is helmed by Andrew Young, who is a seasoned investor and has much experience with listed companies as well as other regulated entities. The participation by the New Investor in the business of AIM and providing additional funding to AIM, through the Framework Agreement will be beneficial in growing the Company's long-term interests in AIM.

#### 5.5 Directors' recommendation

In view of the foregoing, the Board is of the view that the entry into the Framework Agreement is in the best interests of the Company.

### **6. 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.

### **7. 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 transactions above, 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.

### **8. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection by the Shareholders at the registered office of the Company at 30 Cecil Street, #19-08, Prudential Tower, Singapore 049712 during normal business hours for three (3) months from the date of this announcement:

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

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

Mark Leong Kei Wei  
Executive Chairman  
14 July 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.*

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