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

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 JANUARY 2024

*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 ("**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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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group Six months ended 31-Jan-24 ("HY FY24") S$'000	 31-Jan-23 ("HY FY23") S$'000	 Inc/ (Dec) %
Revenue	4	**737**	575	28%
Other operating income		**180**	62	>100%
Expenses				
- Inventories and consumables used		**(232)**	(185)	25%
- Depreciation		**(161)**	(158)	2%
- Employee benefits		**(688)**	(650)	6%
- Finance cost		**(4)**	(5)	(20%)
- Advertising, media and entertainment		**(11)**	(14)	(21%)
- Lease expenses		**(106)**	(46)	>100%
- Transportation		**(16)**	(17)	(6%)
- Legal and professional fees		**(300)**	(152)	97%
- Other operating expenses		**(222)**	(232)	4%
Total expenses		**(1,740)**	(1,459)	19%
Loss before income tax	6	**(823)**	(822)	N.M.
- Income tax expenses		**-**	-	-
Net loss for the period		**(823)**	(822)	N.M.
Attributable to:				
Owners of the Company		**(701)**	(707)	(1%)
Non-controlling interest		**(122)**	(115)	6%
		(823)	(822)	N.M.
Other comprehensive income:				
Exchange differences on translating foreign operations		**19**	15	27%
Total comprehensive loss for the financial period		**(804)**	(807)	N.M.
Total comprehensive loss for the financial period attributable to:				
Owners of the Company		**(682)**	(692)	(1%)
Non-controlling interest		**(122)**	(115)	6%
		(804)	(807)	N.M.
Loss per share attributable to owners of the Company (cents) – basic and diluted	9	**(0.03)**	(0.03)	

N.M. - not meaningful

B. Condensed interim statements of financial position

	Note	The Group 31-Jan-24 $'000	The Group 31-Jul-23 (Audited) $'000	The Company 31-Jan-24 $'000	The Company 31-Jul-23 (Audited) $'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	**885**	680	**1**	1
Goodwill		**19**	19	**-**	-
Investments in subsidiaries	12	**-**	-	*****	*
Investments in associate		**128**	-	**-**	-
Convertible loans receivable	13	**-**	-	**830**	686
Total non-current assets		**1,032**	699	**831**	687
Current assets					
Inventories		**8**	8	**-**	-
Trade and other receivables		**2,517**	448	**1,401**	553
Cash and cash equivalents		**279**	645	**48**	500
Total current assets		**2,804**	1,101	**1,449**	1,053
Total assets		**3,836**	1,800	**2,280**	1,740
EQUITY AND LIABILITIES					
Equity					
Share capital	14	**70,710**	69,950	**70,710**	69,950
Equity reserves		**1,056**	-	**-**	-
Foreign currency translation reserve		**(28)**	(47)	**-**	-
Accumulated losses		**(69,714)**	(69,013)	**(68,924)**	(68,624)
Equity attributable to owners of the Company		**2,024**	890	**1,786**	1,326
Non-controlling interest		**(355)**	(233)	**-**	-
Total equity		**1,669**	657	**1,786**	1,326
Non-current liability					
Lease liabilities		**362**	224	**-**	-
Current liabilities					
Trade and other payables		**1,511**	729	**494**	414
Lease liabilities		**294**	190	**-**	-
Total current liabilities		**1,805**	919	**494**	414
Total liabilities		**2,167**	1,143	**494**	414
Total equity and liabilities		**3,836**	1,800	**2,280**	1,740

* - amount less than S$1,000

C. Condensed interim statements of changes in equity

(i) **Group**

	Share Capital S$'000	Equity Reserve S$'000	Foreign Currency Translation Reserve S$'000	Accumulated Losses S$'000	Non-controlling Interest S$'000	Total S$'000
Balance at 1 August 2023	**69,950**	**-**	**(47)**	**(69,013)**	**(233)**	**657**
Issuance of shares	**760**	**-**	**-**	**-**	**-**	**760**
Effect of acquiring interest in a subsidiary	**-**	**1,056**	**-**	**-**	**-**	**1,056**
Loss for the financial period	**-**	**-**	**-**	**(701)**	**(122)**	**(823)**
Exchange differences on translating foreign operations	**-**	**-**	**19**	**-**	**-**	**19**
Balance at 31 January 2024	**70,710**	**1,056**	**(28)**	**(69,714)**	**(355)**	**1,669**
Balance at 1 August 2022	69,950	-	(77)	(67,393)	2	2,482
Loss for the financial period	-	-	-	(707)	(115)	(822)
Exchange differences on translating foreign operations	-	-	16	-	-	16
Balance at 31 January 2023	69,950	-	(61)	(68,100)	(113)	1,676

(ii) **Company**

	Share Capital S$'000	Accumulated Losses S$'000	Total S$'000
Balance at 1 August 2023	**69,950**	**(68,624)**	**1,326**
Issuance of shares	**760**	**-**	**760**
Loss for the financial period	**-**	**(300)**	**(300)**
Balance at 31 January 2024	**70,710**	**(68,924)**	**1,786**
Balance at 1 August 2022	69,950	(67,485)	2,465
Loss for the financial period	-	(237)	(237)
Balance at 31 January 2023	69,950	(67,722)	2,228

D. Condensed interim consolidated statement of cash flows

	HY FY24	HY FY23
	S$'000	S$'000
Cash flows from operating activities		
Loss before income tax	**(823)**	(822)
Adjustments for:		
Depreciation of plant and equipment	**161**	158
Interest expense	**4**	5
Interest income	**-**	(4)
Operating cash flows before changes in working capital	**(658)**	(663)
Changes in working capital		
Inventories	**-**	2
Trade and other receivables	**308**	18
Trade and other payables	**380**	28
Cash flows generated from / (used in) operations	**30**	(615)
Income tax paid	-	-
Net cash flows generated from / (used in) operating activities	**30**	(615)
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	**(133)**	-
Acquisition of investment in an associate	**(128)**	-
Purchase of plant and equipment	**-**	(338)
Interest received	**-**	4
Net cash flows generated used in investing activities	**(261)**	(334)
Cash flows from financing activities		
Interest paid	**(4)**	(5)
Repayment of lease liabilities	**(150)**	(106)
Exchange realignment	**19**	15
Net cash flows used in financing activities	**(135)**	(96)
Net change in cash and cash equivalents	**(366)**	(1,045)
Cash and cash equivalents at beginning of the financial period	**645**	2,872
Cash and cash equivalents at end of the financial period	**279**	1,827

E. Notes to the condensed interim consolidated financial statements

1. Corporate Information

LifeBrandz Ltd. (the "**Company**") (Registration Number 200311348E) is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The registered office of the Company is located at 30 Cecil Street #19-08 Prudential Tower, Singapore 049712. These condensed interim consolidated financial statements as at 31 January 2024 and for the half year then ended comprise the Company and its subsidiaries (collectively, the "**Group**").

The principal activity of the Company is that of investment holding and management consultancy to its subsidiaries. The principal activities of the respective subsidiaries are those of food and beverage businesses and corporate finance advisory services.

2. Basis of preparation

The condensed interim financial statements for the half year ended 31 January 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the last audited financial statements for the financial year ended 31 July 2023. The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)s**"), except for the adoption of new and amended standards as set out in Note 2.1. The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

The Group incurred net losses of S$823,000 and net operating cash inflow of S$30,000 during the six months ended 31 January 2024.

The directors of the Company are of the view that, based on the Group's forecasted operational cashflows and undertaking of controlling shareholder to provide continuing support, whilst continuously exploring other opportunities to grow its business as well as fundraising opportunities to strengthen the Group's financial position, the use of going concern basis in preparation of the Group's financial statements is appropriate.

2.1. New and amended standards adopted by the Group

A number of amendments to SFRS(I)s have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 July 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are as follows:

- Assessment of impairment of investment in subsidiaries and amount due from subsidiaries (including convertible loans receivable)
- Assessment of impairment of goodwill
- Assessment of impairment of trade and other receivables
- Assessment of depreciation of property, plant and equipment
- Assessment of impairment of property, plant and equipment

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group's operations are substantially in food and beverage and has recently forayed into the corporate finance advisory business. All of its operations are in Singapore, except for two subsidiaries – Mulligan's Co., Ltd., LB F&B Sdn. Bhd. and Auspac Financial Advisory Pty. Ltd. which are located in Thailand, Malaysia and Australia, respectively. For management purposes, the Group is organised into business units based on their geographical locations.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

	Singapore		Thailand		Malaysia		Australia		Total	
	HY FY24	HY FY23	HY FY24	HY FY23	HY FY24	HY FY23	HY FY24	HY FY23	HY FY24	HY FY23
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue:										
Sales to external customers	**737**	466	**-**	109	**-**	-	**-**	-	**737**	575
Results:										
Depreciation	**161**	158	**-**	-	**-**	-	**-**	-	**161**	158
Segment loss for the period	**(681)**	(686)	**(15)**	(53)	**(104)**	(83)	**(23)**	-	**(823)**	(822)
Assets/(Liabilities):										
Property, plant and equipment	**711**	817	**2**	3	**1**	1	**171**	-	**885**	821
Segment assets	**762**	2,833	**13**	46	**20**	44	**3,041**	-	**3,836**	2,923
Segment liabilities	**(1, 576)**	(1,196)	**(26)**	(48)	**(25)**	(3)	**(540)**	-	**(2,167)**	(1,247)

5. Financial assets and financial liabilities

Set out of below is an overview of the financial assets and financial liabilities of the Group as at 31 January 2024 and 31 July 2023:

	Group		Company	
	31-Jan-24	31-Jul-23	31-Jan-24	31-Jul-23
	S$'000	S$'000	S$'000	S$'000
Financial assets at amortised cost				
Trade and other receivables	**2,517**	448	**1,401**	553
Less: Prepayments	**(191)**	(71)	**(41)**	(49)
	2,326	377	**1,360**	504
Cash and cash equivalents	**279**	645	**48**	500
Total	**2,605**	1,022	**1,408**	1,004
Financial liabilities at amortised cost				
Trade and other payables	**1,511**	729	**494**	414
Lease liabilities	**656**	414	**-**	-
Total	**2,167**	1,143	**494**	414

6. Loss before income tax

Significant items

	HY FY24	HY FY23
	S$'000	S$'000
Depreciation of plant and equipment	**161**	158
Interest expense	**4**	5
Net foreign exchange gain	**(22)**	-
Interest income	**-**	(4)
Government grant	**(10)**	(49)
Payables written off	**(148)**	-

7. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

8. Dividends

No dividend has been declared for HY FY24 and HY FY23.

Please refer to Notes 5 and 6 in Section F - Other information required by Catalist Rules Appendix 7C for further details.

9. Loss per share

	HY FY24 S$'000	HY FY23 S$'000
Loss per share ("**LPS**") for the financial period attributable to the owners of the Company	**(905)**	(707)
Weighted average number of ordinary share ('000)	**2,128,493**	2,060,340
Based on the weighted average number of ordinary shares		
- Basic & Diluted (cents)	**(0.04)**	(0.03)

Diluted LPS is the same as basic LPS as the outstanding warrants have not been included in the calculation given that they are anti-dilutive.

10. Net asset value

	Group		Company	
	31/1/2024	**31/7/2023**	**31/1/2024**	**31/7/2023**
Number of ordinary shares ('000)	**2,440,340**	2,060,340	**2,440,340**	2,060,340
Net assets value (attributable to the owners of the Company) per ordinary share based on existing issued share capital (excluding treasury shares) as at the end of the period reported on (cents)	**0.08**	0.04	**0.07**	0.06

11. Plant and equipment

During HY FY24, the Group acquired plant and equipment for an amount of S$231,000 (HY FY23: S$338,000).

12. Investment in subsidiaries

The Company has, via its wholly-owned subsidiary, LifeBrandz Investment Management Pte. Ltd., completed the acquisition of 100% of the total issued and paid-up share capital of Auspac Financial Advisory Pty. Ltd. on 29 December 2023. As of the date of this announcement, the initial accounting for the business combination remains incomplete as the Management has not yet appointed a valuer to perform the purchase price allocations ("**PPA**") exercise. Accordingly, the Group has yet to ascertain or account for any potential goodwill or gain on bargain purchase arising from the acquisition. The Company expects to complete the PPA exercise before the release of the Company's results for the full year ending 31 July 2024. This is in compliance with SFRS(I) 3 Business Combinations, which allows the Group to complete the assessment of PPA within a year from the date of acquisition.

13. Convertible loans receivable

	Company	
	31-Jan-2024 S$'000	31-Jul-2023 S$'000
At fair value through profit or loss		
Convertible loans receivable	**830**	686

On 18 April 2022, the Company entered into an agreement with its subsidiary, Superfood Kitchen by way of grant of a convertible loan of amount up to S$650,000 and with maturity date on five (5) years from the drawdown date (the "**1st Loan**"). The subsidiary bears a fixed interest rate for the convertible loan of 5% per annum on each amount outstanding under convertible loan, on each anniversary of the completion date until the loan principal is fully repaid. The Company is entitled to convert the convertible loan into converted

shares at a conversion price of S$0.065 per Superfood Kitchen's share in the event of any payment that is due but not made on or before the interest payment date(s) or the repayment date; or upon the occurrence of an event of default. SFK has fully drawn down the 1st Loan of S$650,000 on 20 May 2022, 7 July 2022 and 27 February 2023 respectively.

On 10 March 2023, the Company entered into a new shareholder's loan agreement with Superfood Kitchen to drawdown a further loan of up to S$160,000, at a fixed interest rate of 7.5% per annum on each amount outstanding, calculated on the basis of the actual number of days elapsed in a 365-day year (the "**2nd Loan**"). In the event that the Company shall subscribe for any securities in the Superfood Kitchen, the Company shall be entitled (but not obliged) in their sole and absolute discretion, to set off all or any part of this new shareholder's Loan against any subscription monies payable for such securities. On 30 June 2023, SFK has also fully drawn down the 2nd Loan of S$160,000.

The fair value of the convertible loans receivable was determined based on discounted cashflows for an equivalent financial instrument. Consequently, the fair value loss on the convertible loans receivable amounted to S$69,000 was recognised in the Company's statement of profit or loss and other comprehensive income in the financial year ended 31 July 2023.

The Company has classified the convertible loans receivable as financial assets at fair value through profit or loss at initial recognition and at the end of the reporting period. The Company has determined the fair value of the convertible loans receivable based on the valuation performed by an external professional valuer using the discounted cash flow method during the financial year ended 31 July 2023. The key inputs to the discounted cash flow method mainly include the discount rate, time to maturity, required rate of return and probability of conversion. Management considered the appropriateness of the valuation technique and assumptions applied by the external valuer. The fair value of the convertible loans receivable are categorised at Level 3 of the fair value hierarchy.

No external professional valuer was engaged to conduct fair value valuation on the convertible loan receivable during the HY FY24. The fair value of the convertible loan receivable was determined based on discounted cashflows for an equivalent financial instrument.

14. Share capital

	Group and Company	
	No. of shares	Amount
	'000	S$'000
Issued and paid-up share capital as at 1 August 2023	2,060,340	69,950
Issuance of ordinary shares on 29 December 2023	380,000	760
Issued and paid-up share capital as at 31 January 2024	2,440,340	70,710

During the financial period under review, 380,000,000 ordinary shares of the Company were issued as partial consideration for the acquisition of 51% of the total issued and paid-up share capital of Auspac Investment Management Pte. Ltd. ("**AIM**") and 100% of the total issued and paid-up share capital of Auspac Financial Advisory Pty. Ltd ("**AFA**") (collectively, "**Auspac**"). Please refer to the Company's announcement dated 29 December 2023 for more information.

There were no other outstanding convertibles, treasury shares and subsidiary holdings held or issued as at 31 January 2024, 31 July 2023 and 31 January 2023.

15. Subsequent events

There are no known subsequent events which led to adjustments to this set of interim financial statements.

F. Other information required by Catalist Rules Appendix 7C

1. Review

The condensed consolidated statement of financial position of LifeBrandz Ltd. and its subsidiaries as at 31 January 2024 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six months then ended and certain explanatory notes have not been audited or reviewed. There is no auditors' report issued (including any modifications or emphasis of matter).

2. Review of performance of the Group

Review of Income Statement

Revenue

	Group				
	HY FY24	**Contribution**	**HY FY23**	**Contribution**	**Increase / (Decrease)**
	S$'000	**%**	**S$'000**	**%**	**%**
Food and beverage revenue					
- Singapore	737	100%	466	81%	58%
- Thailand	-	N.M.	109	19%	N.M.
	737	100%	575	100%	28%

The Group recorded approximately S$0.74 million from food and beverage ("**F&B**") revenue for HY FY24, an increase of S$0.16 million compared to HY FY23.

The increase in F&B revenue from Singapore of S$0.27 million in HY FY24 was mainly due to the higher revenue generated in current period from the Group's The Green Bar ("**TGB**") and Superfood Kitchen outlets. The decrease in F&B revenue from Thailand of S$0.11 million was due the cessation of Mulligan's operation effective 30 April 2023.

Other operating income

Increase in other operating income by S$0.12 million was mainly due to (i) a one-off write-off of payables of S$0.15 million in HY FY24 following final settlement with a creditor; and (ii) net foreign exchange gain of S$0.02 million. This was however partially offset by a decrease in government grants, interest income and rental rebate received totalling to S$0.05 million.

Costs & expenses

Inventories and consumables used increased by S$0.05 million to S$0.23 million in HY FY24 which is in tandem with the increase in the Group's revenue.

Employee benefits increased by S$0.04 million to S$0.69 million in HY FY24 mainly due to additional employee salaries and benefits arising from increase in operational activities in Superfood Kitchen outlets.

Lease expenses increased by S$0.06 million to S$0.11 million in HY FY24 is mainly attributable to the recognition of short-term leases of Superfood Kitchen outlets for the full 6-month period in HY FY24, as compared to 4-5 months of leases in HY FY23, as well as 1 month's lease expense contributed by AFA following the acquisition.

Legal and professional fees increased by S$0.15 million to S$0.30 million in HY FY24 due to professional fees incurred for, *inter alia,* legal, valuation and due diligence performed for the acquisition of AIM and AFA, which was completed in HY FY24.

As a result of the factors mentioned above, the Group recorded an increase in total expenses of S$0.28 million to S$1.74 million in HY FY24.

Loss before income tax

Overall, the Group recorded a loss of S$0.82 million in HY FY24 which is comparable to the loss recorded in HY FY23 for the reasons stated above.

Review of Statement of Financial Position

Current assets

The Group's current assets increased by S$1.70 million to S$2.80 million as at 31 January 2024, from S$1.10 million as at 31 July 2023. The increase in trade and other receivables of S$2.07 million mainly arose from the consolidation of AFA, which became a wholly-owned subsidiary of the Group following the completion of acquisition on 29 December 2023. However, this was partially offset by the decrease in cash and cash equivalent of S$0.37 million which has been utilised for working capital purposes including, *inter alia,* payment of professional fees and payroll related expenses.

Non-current assets

Non-current assets increased by S$0.33 million to S$1.03 million as at 31 January 2024, from S$0.70 million as at 31 July 2023. The increase is mainly attributed to the net increase of S$0.29 million right-of-use assets arising from lease renewal of TGB outlet and the investment in associated company, AIM, of S$0.13 million following the completion of acquisition on 29 December 2023. The increase is partially offset by the decrease in property, plant and equipment of S$0.09 million.

Current liabilities

The Group's current liabilities increased by S$0.89 million to S$1.81 million as at 31 January 2024, from S$0.92 million as at 31 July 2023 mainly due to (i) increase in payables resulting from the Auspac acquisition; and (ii) increase in lease liabilities arising from lease renewal of TGB outlet.

Non-current liabilities

This relates to the non-current portion of the lease liabilities on both TGB and SFK. The increase in lease liabilities of S$0.14 million is arising from lease renewal of TGB outlet.

Equity

Equity attributable to owners of the Company amounted to S$2.02 million as at 31 January 2024, increased by S$1.13 million from S$0.89 million as at 31 July 2023. The increase was mainly due to (i) the issuance of shares as partial consideration for the acquisition of Auspac of S$0.76 million; (ii) effect of acquiring a wholly-owned subsidiary, AFA, during the period of S$1.06 million; and (iii) increase in foreign currency translation reserve of S$0.02 million. This was partially offset by a decrease due to a net loss attributable to owners of the Company of S$0.70 million recognised in HY FY24.

Review of Statement of Cash Flows

The Group's net cash flows generated from operating activities in HY FY24 was S$0.03 million, mainly due to net operating cash outflow before changes in working capital of S$0.66 million and net working capital inflow of S$0.69 million.

The net cash flows used in investing activities in HY FY24 was S$0.26 million, mainly due to the acquisition of AFA and AIM.

The net cash flows used in financing activities in HY FY24 was S$0.14 million, mainly for the repayment of lease liabilities.

As a result, cash and cash equivalents stood at S$0.28 million as at 31 January 2024.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast or prospect statement has been previously disclosed to shareholders.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

F&B Business in Singapore
The Group experienced an increase in revenue during the HY FY24 as compared to HY FY23, due mainly to gain in brand awareness from the marketing initiatives by the Group. However, due to intense competition, increasing labour and higher operational costs in Singapore, the operating environment will remain challenging to the Group. The Group is mindful of the rising costs for operating our outlets and will intensify our efforts to manage outlets' expenses while constantly conceiving new and compelling menu that will appeal to customers. Even though Singapore and the rest of the world are recovering from the COVID-19 pandemic, global economics uncertainties remain due to ongoing geopolitical tensions, and potential recession following tightening by central banks around the world to combat inflationary pressure, may dampened consumer confidence and business sentiments. The Group will continue to exercise due care and diligence in cost management and utilisation of resources, and its effort to optimize its business operations amidst this challenging time.

Fund management business in Singapore and corporate finance advisory business in Australia
The Company has been on a search for new business opportunities to enhance shareholders' value in the long-term and has acquired AIM and AFA as part of its ongoing strategy to diversify into other businesses. The Company has on 29 December 2023 completed the acquisition of AFA and AIM.

Singapore's asset management industry has become a global hub for investors and managers and is central to the local financial services industry. Despite the challenging market environment, Singapore's net inflow of funds in 2022 held relatively steady, similar to the net inflows in 2021, at S$435 billion. Singapore saw continued interest from global and regional asset managers seeking to establish offices here to tap regional opportunities. The number of licensed and registered fund management companies in Singapore increased from 1,108 as at December 2021 to 1,194 as at December 2022. Interest from global asset managers and sophisticated asset owners seeking to set up an office in Singapore remains strong, given the asset management eco-system. Monetary Authority of Singapore ("**MAS**") will continue to intermediate international capital flows to support Asia's growth and net-zero transitional financing needs[(1)].

Given the strong track record of enabling listings and capital raisings on the Australia Securities Exchange ("**ASX**"), even in a challenging global macroeconomic environment, ASX continues to be an attractive destination for both domestic and foreign companies seeking to access Australia's substantial and growing superannuation fund pool, which now boasts an impressive A$3.5 trillion in investable assets, according to the Australian Prudential Regulation Authority. This growth in assets will continue to support demand for IPOs as market conditions become more favourable. Notwithstanding continuing macroeconomic and geopolitical risks, the current listings pipeline points to an increase in ASX IPO activity in 2024[(2)].

The Group is of the view that foray into the fund management business in Singapore (via AIM) and corporate finance advisory business in Australia (via AFA) intended for the Group's sustainable growth in the long term, require time and resources to build.

(1) Extracted from Singapore Asset Management Survey 2022 issued by MAS (https://www.mas.gov.sg/-/media/mas/news-and-publications/surveys/asset-management/asset-management-survey-report-2022_version-finalised.pdf)

(2) Extracted from ASX capital markets: 2023 year in review and 2024 outlook (https://www.asx.com.au/blog/listed-at-asx/asx-capital-markets-2023-year-in-review-and-2024-outlook)

5. Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

6. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision

No dividend has been declared/recommended for the period under review in view of the negative earnings.

7. Interested person transactions ("IPT")

The Group has not obtained any IPT mandate from the shareholders. There is no IPT which amounted to more than S$100,000 entered during the six months ended 31 January 2024.

8. Confirmation pursuant to Rule 720(1) of the Catalist Rules

The Company has received undertaking from all its Directors and Executive Officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

9. Use of Proceeds

The Rights cum Warrants Issue

The Company has on 22 June 2021 completed the renounceable non-underwritten rights cum warrants issue of 1,030,170,246 new ordinary shares ("**Rights Shares**") at the issue price of S$0.005 for each Rights Share, with 515,085,123 free detachable and transferable warrants ("**Warrants**"), each Warrant carrying the right to subscribe for one (1) new ordinary share ("**New Share**") at the 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 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" ("**Rights cum Warrants Issue**"). The Company has raised net proceeds of approximately S$4.97 million (after deducting estimated expenses of approximately S$0.19 million) from the Rights cum Warrants Issue (the "**Net Proceeds**"). Please refer to the Company's Offer Information Statement dated 28 May 2021 and announcements dated 15 March 2021, 7 May 2021, 18 May 2021, 19 May 2021, 28 May 2021, 18 June 2021 and 23 June 2021 for further information on the Rights cum Warrants Issue.

The following table summarises the utilisation of Net Proceeds raised from the Rights cum Warrants Issue as at the date of this announcement:

Intended use of RI Net Proceeds	Allocation of the RI Net Proceeds after 27 September 2023 re-allocation (S$' million)	Amount utilised as at 9 November 2023 (S$' million)	Further amount utilised as at date of this announcement (S$' million)	Balance as at the date of this announcement (S$' million)
Repayment of the Group's existing and outstanding liabilities to external creditors	0.80	(0.76)	(0.04)	-
General working capital purposes	2.92	(2.88)(1)	(0.04)(1)	-
Business expansion	1.25	(1.02)(2)	(0.23)(2)	-
Total	**4.97**	**(4.66)**	**(0.31)**	**-**

Notes:

(1) A breakdown of the use of Net Proceeds for general working capital purposes of the Group is as follows:

	Amount utilised as at 9 November 2023 S$'000	Further amount utilised as at date of this announcement S$'000
Professional fees	723	-
Payroll related expenses	1,523	4
Working capital support for overseas subsidiary (Thailand)	86	-
Other operating expenses	547	-
Total	**2,879**	**4**

(2) A breakdown of the use of Net Proceeds for business expansion purposes of the Group is as follows:

	Amount utilised as at 9 November 2023 S$'000	Further amount utilised as at date of this announcement S$'000
Professional fees in relation to the acquisition of TGB	68	-
Working capital and other operating expenses for SFK and TGB	700	230
Professional fees in relation to the Auspac acquisition	50	-
Deposit paid in relation to the proposed acquisition	200	-
Total	**1,018**	**230**

10. Disclosure pursuant to Rule 706A of the Catalist Rules

The Company has on 27 September 2023 obtained approval from the shareholders of the Company in respect of the proposed acquisition of 51% of the total issued and paid-up share capital of AIM and 100% the total issued and paid-up share capital of AFA. Subsequent to the completion of the acquisition of Auspac and the new investor subscription in AIM, the Company's shareholdings (held through its wholly-owned subsidiary, LifeBrandz Investment Management Pte. Ltd.) in AIM has diluted from 51% to 30%, while AFA became a 100%-owned subsidiary of the Company. Accordingly, AIM is an associated company of the Company. Please refer to the Company's announcements dated 23 May 2023, 14 July 2023, 30 August 2023, 21 November 2023, 7 December 2023 and 29 December 2023, as well as the Company's circular dated 12 September 2023 for more details.

Save as disclosed above, there were no acquisition or realisation of shares thereby resulting (i) in a change in the shareholding percentage in any of the subsidiary or associated company of the Group or (ii) an entity becoming or ceasing to be (as the case may be) a subsidiary or associated company of the Group during HY FY24. Neither was there any incorporation or striking off of subsidiary or associated company by the Group during HY FY24.

11. Statement pursuant to Rule 705(5) of the Catalist Rules

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial results for the HY FY24 to be false or misleading in any material aspect.

By Order of the Board

Lee Elaine
Executive Chairman and Chief Executive Officer
14 March 2024