

CIRCULAR DATED 13 APRIL 2023

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

If you are in any doubt as to the contents of this Circular or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisor immediately.

Capitalised terms appearing on the cover of this Circular shall have the same meanings as defined herein. If you have sold or transferred all your shares in the capital of Medi Lifestyle Limited (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting ("**EGM**") and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee.

This Circular does not constitute or form a part of any offer to purchase, a solicitation of an offer to purchase, an offer to sell or invitation or solicitation of an offer to sell, issue or subscribe for, securities in Singapore or any other jurisdiction.

Nothing in this Circular constitutes, or shall be construed as legal, business, financial or tax advice. You should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately if you are in any doubt as to the contents of this Circular or the action you should take.

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

The contact person for the Sponsor is Ms Charmian Lim, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone: (65) 6232 3210.

This Circular has been made available on SGXNet (www.sgx.com). A printed copy of this Circular will NOT be despatched to Shareholders.

Please refer to Section 10 of this Circular for further information, including the steps to be taken by Shareholders to participate at the EGM.



MEDI LIFESTYLE LIMITED

(Company Registration No. 201117734D)

(Incorporated in the Republic of Singapore on 26 July 2011)

CIRCULAR TO SHAREHOLDERS

in relation to

- (1) **THE PROPOSED SHARE CONSOLIDATION OF EVERY TEN (10) EXISTING ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE RECORD DATE INTO ONE (1) CONSOLIDATED SHARE (FRACTIONAL ENTITLEMENTS TO BE DISREGARDED) ("PROPOSED SHARE CONSOLIDATION");**
- (2) **THE PROPOSED ISSUANCE OF CONVERTIBLE BONDS OF AN AGGREGATE PRINCIPAL AMOUNT OF UP TO S\$30,000,000 ("PROPOSED CB ISSUANCE"); AND**
- (3) **THE PROPOSED ISSUANCE OF UP TO 27,583,058 ADJUSTMENT SHARES AS A RESULT OF THE PROPOSED TRANSACTIONS ("PROPOSED ADJUSTMENT SHARES ISSUANCE").**

IMPORTANT DATES AND TIMES:

- Last date and time for lodgement of Proxy Form : 26 April 2023 at 10:30 a.m.
- Date and time of Extraordinary General Meeting : 28 April 2023 at 10:30 a.m. (or immediately after the conclusion or adjournment of the AGM (as defined herein) to be convened at 10.00 a.m. on the same day)
- Place of Extraordinary General Meeting : The EGM will be held by electronic means

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SUMMARY SHEET

Capitalised terms in this summary sheet shall have the same meaning as defined in the "Definitions" section unless otherwise defined.

The following is a summary of information in relation to the Proposed CB Issuance:

1. Minimum Conversion Price and maximum potential number of Conversion Shares arising from the Proposed CB Issuance for an aggregate principal amount of up to S\$30,000,000 (in relation to the Minimum Scenario and the Maximum Scenario)

Minimum Scenario: On the basis that only the Relevant Sub-Tranches are subscribed by the Subscriber and the Relevant Sub-Tranches are converted at the Minimum Conversion Price (assuming no adjustment to the Minimum Conversion Price of S\$0.02), approximately 100,000,000 Conversion Shares will be issued representing approximately 16.8% of the Company's Existing Share Capital and 62.6% of the enlarged share capital (after completion of the Proposed Share Consolidation and issuance of the Conversion Shares pursuant to the Minimum Scenario).

Maximum Scenario: On the basis that all of the Bonds are subscribed by the Subscriber and the Bonds are converted at the Minimum Conversion Price (assuming no adjustment to the Minimum Conversion Price of S\$0.02), approximately 1,500,000,000 Conversion Shares will be issued representing approximately 251.2% of the Existing Share Capital and 96.2% of the enlarged share capital (after completion of the Proposed Share Consolidation and issuance of the Conversion Shares pursuant to the Maximum Scenario).

2. Key Risks and Mitigating Measures

	Key risks of Bonds with a "floating" conversion price	Features of the Bonds to mitigate such risks
a.	The ability to convert bonds to shares at a "floating" price means that the lower the Share price of the Company at time of conversion, the more Shares will have to be issued by the Company to the Subscriber on conversion. With more Shares outstanding after conversion, EPS and NTA per Share will become lower and the Share price will correspondingly decrease. All other Shareholders will correspondingly have a lesser share of the Company in terms of dividends and other distribution (if any).	The Bonds allows the Subscriber to convert the Bonds to Conversion Shares at the Conversion Price, which shall be the higher of: (a) 80% of the average closing price per Share for any three (3) consecutive days where Shares are traded on the SGX-ST (for the avoidance of doubt, may include one or more intervening days on which there are no trades in the Shares), determined at the sole and absolute discretion of the holders of the Bonds, on which trades are done during the 45 business days immediately preceding the relevant conversion date of the Bonds; or
b.	The Proposed CB Issuance can cause a spiral that accelerates the fall in Share price. As Share price falls, the more Conversion Shares the Company will have to issue pursuant to the conversion of the Bonds, and thus the greater the dilution to the Shareholders. The increased number of Shares available for sale in the market, and the added selling pressure is likely to cause a downward spiral in a declining market. If the Subscriber, who gets a discount to the market price at time of conversion, was to sell the Conversion Shares soon after conversion in order to lock in profits, this will drive down the price of the Shares further, thereby leading to a downward spiral. This can potentially cause a huge or sharp decline of the price of the Shares over a short space of time.	(b) the Minimum Conversion Price of S\$0.02 per Share.

c.	As the Conversion Shares are always issued at a discount to market price at all times, the Subscriber will be able to dispose of its Conversion Shares even where the Share prices are trending downwards. There is a potential risk that this can cause the Share prices to fall further, leading to a downward spiral.	To mitigate the risks of the "floating" price, the Bonds have a Minimum Conversion price of S\$0.02 per Share. This represents a maximum of 100,000,000 Conversion Shares that will be issued (representing approximately 16.8% of the Company's Existing Share Capital) in the Minimum Scenario and a maximum of 1,500,000,000 Conversion Shares that will be issued (representing approximately 251.2% of the Existing Share Capital) in the Maximum Scenario, regardless of whether the Share price falls below S\$0.02.
d.	Where Share price is in a prolonged decline, the Subscriber may be inclined to continue selling the Shares received upon each exercise. Each round of conversion and Share sale may therefore cause a further accelerated decline or downward spiral in Share price.	The Subscriber can only exercise its Conversion Right either at the Mandatory Conversion Date or after the occurrence of an Extension Event.

The Company will also have to bear all costs and expenses reasonably incurred in relation to the issue and allotment of the Bonds and the Conversion Shares. The aggregate amount of such costs and expenses is estimated to be approximately S\$248,000 in the Minimum Scenario and S\$1,928,000 in the Maximum Scenario. This includes an initial administrative fee of S\$33,000 which has been paid by the Company prior to the entry of the SSA.

3. Key Features of the Proposed CB Issuance

The key features of the Proposed CB Issuance are as follows:

(a) Principal Amount

An aggregate principal amount of up to S\$30,000,000 comprising of the Tranche 1 Bonds, Tranche 2 Bonds and Tranche 3 Bonds (as the case may be).

Each of the Tranche 1 Bonds, Tranche 2 Bonds and Tranche 3 Bonds shall comprise equal sub-tranches of S\$1,000,000 each.

(b) Issue Price

100% of the face value of the Bonds.

(c) Interest

The Bonds are non-interest bearing.

(d) Status of Bonds

The Bonds constitute direct, unconditional, unsubordinated and unsecured (subject to the conditions of the Negative Pledge) obligations of the Company, ranking *pari passu* and rateably without any preference among themselves and save as otherwise provided under any applicable laws or regulations, equally with all other unsecured obligations (other than subordinated obligations, if any) of the Company from time to time outstanding.

(e) Conversion Price

Shall be the higher of : (i) 80% of the average closing price per Share for any three (3) consecutive days where Shares are traded on the SGX-ST (for the avoidance of doubt, may include one or more intervening days on which there are no trades in the Shares), determined at the sole and absolute discretion of the holders of the Bonds, on which trades are done during the 45 business days immediately preceding the relevant conversion date of the Bonds; or (ii) the Minimum Conversion Price of S\$0.02 per Share.

The Minimum Conversion Price was determined on a "willing-buyer willing-seller" basis, after taking into consideration the following factors: (i) the effect of the Proposed Share Consolidation; (ii) the historical trading and liquidity of the Company's shares; and (iii) the financial performance of the Group.

(f) Transferability

Subject to the terms and conditions of the Bonds and the provisions of the SSA, the Bond(s) may be transferred in whole (but not in part) to any third party and the Company irrevocably consents to such transfer unless the transferee is a person that falls within the categories of persons set out in Rule 812 of the Catalist Rules. However, no bondholder may require the transfer of a bond to be registered after the certificate in respect of such bonds has been deposited for conversion pursuant to the SSA.

(g) No Redemption

The Company has no obligation to repay the principal amount of the Bonds outstanding at any time and the holder of the Bonds are obligated to exercise their Conversion Rights.

(h) Mandatory Conversion

The Bonds are mandatorily converted on the Mandatory Conversion Date. Please refer to Section 3.3 of this Circular for more information relating to Mandatory Conversion.

(i) Occurrence of Extension Events

Upon the occurrence of any of an Extension Event, holders of the Bonds may, by notice in writing any time: exercise the Conversion Right in respect of some or all of the outstanding Bonds pursuant to the conditions of the Bonds; and/or extend the Conversion Period and Mandatory Conversion Date to such new dates as set out in the notices, subject always to the applicable laws. Please refer to Section 3.3 of this Circular for more information relating to Extension Events.

(j) Alteration to terms of the Bonds

Any modification by the Company of the Bonds or any waiver or authorisation of any breach or proposed breach by the Company of the Bonds requires the written approval of holders of 51% or more of the aggregate principal amount of Bonds then outstanding. Any material modification to the terms of the Bonds after issue to the advantage of the holders of the Bonds shall be approved by Shareholders, except where such alterations are made pursuant to the terms and conditions of the Bonds.

(k) Further Fund Raising by the Company

The Company shall not, and shall procure that each of its Subsidiaries shall not, engage in any transaction to raise funds and execute any agreement to issue new shares, convertible securities and/or to undertake further debt obligations (in any other manner or form) during the subsistence of the SSA without prior notification to the Subscriber of the full details of any such transaction, and the Company undertakes to notify the Subscriber immediately upon the finalisation of the key terms of any such transaction. The Subscriber undertakes to the Company, and undertakes to the Company to procure that each of its subsidiaries and any person under the control thereof has not been, is not and will not be at any time engaged in "insider trading" or any other form of conduct prohibited under Part XII of the SFA in connection with the issue and delivery of the Bonds and the related transactions entered into or to be entered into pursuant to the SSA.

(l) Fees

In respect of each sub-tranche of the Bonds, which is subscribed for and issued in accordance with the SSA, an administration fee of 6.0% of the aggregate principal amount of the Bonds for such sub-tranche is payable by the Company to the Subscriber. The Company has paid an initial administration fee of S\$33,000 to the Subscriber in respect of the entry into the SSA.

The Company may during the Availability Period, terminate the SSA with immediate effect by giving written notice of such intention to the Subscriber, and shall make payment of an amount equivalent to 3.0% of the aggregate amount of the unsubscribed Bonds in respect of that particular tranche (i.e. Tranche 1 Bonds, Tranche 2 Bonds or Tranche 3 Bonds) where the tranche as at the date of the Company's written notice given is not completed.

4. **Rationale for the Proposed CB Issuance and Use of Proceeds**

Due to the current financial position of the Group, the Group has encountered difficulties obtaining funds from traditional financial institutions and has been raising funds via the secondary markets. The Proposed CB Issuance will provide available funds to support the Company and the Group and inject sufficient working capital for the Company and the Group to operate as a going concern as well as to expand its business.

The Board has considered at length, the terms of the Proposed CB Issuance, including the discount of the Conversion Price and the dilutive impact of the Bonds and are of the view that the terms of the Proposed CB Issuance are reasonable due to the following reasons:

- (i) The Bonds are interest-free;
- (ii) The Bonds are mandatorily converted after 12 months removing the need for repayment of the principal amount of the Bonds by the Group;
- (iii) The dilutive impact is mitigated by the Minimum Conversion Price and while the Proposed CB Issuance is up to S\$30,000,000, the Bonds will be issued in three equal tranches where each subsequent tranche can only be subscribed upon full subscription of the earlier tranche. Further, the Subscriber can only subscribe for the Tranche 2 Bonds if the Company exercises the Tranche 2 Option. This allows the Board the flexibility to decide, based on, *inter alia*, the funding needs of the Group and market condition, whether to exercise the Tranche 2 Option;
- (iv) The Subscriber has not requested any Board and management representation, is investing solely for financial purposes, and has undertaken not to hold 15% or more of the voting rights in the Company; and
- (v) The Proposed Share Consolidation will be completed prior to the Proposed CB Issuance to reduce volatility of the Company's Shares.

Accordingly, the Company intends to use the net proceeds of the Proposed CB Issuance to, *inter alia*, repay its convertible loans and fund the expansion of its healthcare business. Please refer to Section 3.7 of this Circular for more information.

Additional details of the Proposed CB Issuance are set out at Section 3 of this Circular.

CONTENTS

	Page
CORPORATE INFORMATION	2
DEFINITIONS	3
LETTER TO SHAREHOLDERS	9
1. INTRODUCTION	9
2. PROPOSED SHARE CONSOLIDATION.....	11
3. PROPOSED CB ISSUANCE	15
4. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS	25
5. PROPOSED ADJUSTMENT SHARES ISSUANCE.....	28
6. OTHER INFORMATION	30
7. RECORD DATE	31
8. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS.....	31
9. EXTRAORDINARY GENERAL MEETING	31
10. ACTION TO BE TAKEN BY SHAREHOLDERS	31
11. DIRECTORS' RECOMMENDATION.....	32
12. DIRECTORS' RESPONSIBILITY STATEMENT	33
13. DOCUMENTS AVAILABLE FOR INSPECTION	33
APPENDIX I – CHANGES IN SHAREHOLDING INTERESTS.....	34
NOTICE OF EXTRAORDINARY GENERAL MEETING	36
EXTRAORDINARY GENERAL MEETING PROXY FORM.....	40

CORPORATE INFORMATION

Directors of the Company	:	Low Koon Poh (<i>Executive Chairman and CEO</i>) Ng Weng Sui Harry (<i>Lead Independent Director</i>) Kesavan Nair (<i>Independent Director</i>) Ng Yau Kuen Carmen (<i>Independent Director</i>) Ahmad bin Mohd Don (<i>Independent Director</i>)
Registered Office of the Company	:	80 Robinson Road #02-00 Singapore 068898
Legal Adviser to the Company in respect of the Proposed Transactions and the Proposed Adjustment Shares Issuance (as defined herein)	:	Virtus Law LLP 8 Marina Boulevard #29-01 Marina Bay Financial Centre Singapore 018981
Share Registrar	:	Boardroom Corporate & Advisory Services Pte. Ltd. 1 Harbourfront Avenue Keppel Bay Tower #14-07 Singapore 098632

DEFINITIONS

The following definitions shall apply throughout unless otherwise stated in this Circular:

"14 October 2022 CLN"	:	Two (2) non-redeemable convertible loan notes entered into by the Company with each of Tejvinder Singh and Great Pyramid Sdn Bhd dated 14 October 2022
"18 October 2022 CLN"	:	Two (2) non-redeemable convertible loan notes entered into by the Company, one with Ng Boon Leng and the other with Ting Choong Sing and Fong Nyuk Moi dated 18 October 2022
"31 October 2022 CLN"	:	A non-redeemable convertible loan note entered into by the Company with Saw Siew Lan dated 31 October 2022
"17 February 2023 CLN"	:	A non-redeemable convertible loan note entered into by the Company with Ng Boon Leng dated 17 February 2023
"Act"	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
"Adjustment Shares"	:	New Shares to be issued pursuant to the adjustments to the Outstanding Convertible Securities. Please refer to in Section 5.5 of this Circular for further information in this regard
"AGM"	:	The annual general meeting of the Company to be held by way of electronic means on 28 April 2023 at 10.00 a.m.
"Availability Period"	:	The period of three (3) years beginning on the Closing Date of the first and second sub-tranche of Tranche 1 Bonds
"Benchmark Date"	:	14 March 2023, which is the full Market Day for which trades were done immediately preceding the signing of the SSA
"Board"	:	The board of Directors of the Company as at the date of this Circular
"Bonds" or "Bond"	:	The convertible bonds of an aggregate principal amount of up to S\$30,000,000 to be issued by the Company, and to be subscribed by the Subscriber, pursuant to and in accordance with the SSA
"Bonds Issue"	:	The Proposed CB Issuance to the Subscriber
"Business Day"	:	A day (excluding Saturday, Sunday and gazetted public holidays) on which commercial banks are open for business in Singapore
"CDP"	:	The Central Depository (Pte) Limited
"Catalist"	:	The Catalist board of the SGX-ST

"Catalist Rules"	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
"Circular"	:	This circular to Shareholders dated 13 April 2023 in respect of the Proposed CB Issuance, the Proposed Share Consolidation and the Proposed Adjustment Shares Issuance
"Closing Date"	:	In respect of each sub-tranche of the Bonds, the date on which such sub-tranche of the Bonds is subscribed for and issued pursuant to the SSA
"CLN Adjusted Conversion Price"	:	The adjusted conversion price of the Outstanding Convertible Securities as a result of the Proposed Transactions. Please refer to Section 5 of this Circular for further information in this regard
"CLN Current Market Price"	:	In respect of a Share at a particular time on a particular date, the average of the closing prices quoted by the SGX-ST for one Share (being a Share carrying full entitlement to dividend) for the twenty (20) consecutive Market Days ending on the Market Day immediately preceding such date
"CLN Conversion Price"	:	The conversion price of the Outstanding Convertible Securities. Please refer to in Section 5 of this Circular for further information in this regard
"Company"	:	Medi Lifestyle Limited
"Conditions Precedent"	:	The conditions precedent in relation to the Proposed CB Issuance. Please refer to Section 3.4 of this Circular for further information in this regard
"Consolidated Share(s)"	:	The consolidated shares in the issued share capital of the Company held by Shareholders pursuant to the completion of the Proposed Share Consolidation
"Controlling Interest"	:	The interest of the Controlling Shareholder(s)
"Controlling Shareholder"	:	A person who: <ul style="list-style-type: none"> (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares and subsidiary holdings in the company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over a company
"Constitution"	:	The constitution of the Company, as amended, modified or supplemented from time to time
"Conversion Period"	:	Means, in respect of each sub-tranche of the Bonds, the period from the Closing Date to and including the date falling one (1) Business Day prior to the Mandatory Conversion Date.

"Conversion Price"	:	The price at which each Conversion Share shall be issued in accordance with the SSA. Please refer to in Section 3.3 of this Circular for further information in this regard.
"Conversion Right"	:	The right of the holders of the Bonds to convert any Bonds
"Conversion Shares"	:	New Shares to be issued by the Company to the Subscriber upon conversion of the Bonds in accordance with the provisions of the SSA
"Dato' Low"	:	Dato' Low Koon Poh, being the Executive Director and Chief Executive Officer of the Company
"Directors"	:	The directors of the Company as at the date of this Circular
"Effective Trading Date"	:	The date on which the Consolidated Shares will trade on the SGX-ST in board lots of one hundred (100) Consolidated Shares. Please refer to Section 2.4 of this Circular for further information in this regard
"EGM"	:	The extraordinary general meeting of the Company, notice of which is set out on pages 36 to 39 of this Circular
"Existing Share Capital"	:	The issued and paid up share capital of the Company as of the Latest Practicable Date. Please refer to Section 3.5 of this Circular for further information in this regard
"Extension Event"	:	An extension event occurring pursuant to the SSA. Please refer to Section 3.3 for further information in this regard
"FY"	:	Financial year ended or ending 31 December, as the case may be
"Group"	:	The Company and its subsidiaries, collectively
"Latest Practicable Date"	:	14 March 2023, being the latest practicable date prior to the printing of this Circular
"LPS"	:	Loss per share
"Mandatory Conversion Date"	:	In respect of each sub-tranche of the Bonds, the date falling twelve (12) months from the Closing Date
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"Maturity Date"	:	The maturity date of the Outstanding Convertible Securities. Please refer to Section 5 of this Circular for further information in this regard
"Maximum Scenario"	:	The scenario in which all the Bonds are subscribed by the Subscriber and the Bonds are converted at the Minimum Conversion Price (assuming no adjustment to the Minimum Conversion Price of S\$0.02)

"Maximum Scenario Enlarged: Share Capital"	:	The issued and paid-up share capital of the Company following the Proposed Share Consolidation and the Proposed CB Issuance, assuming the Maximum Scenario
"Minimum Conversion Price"	:	S\$0.02 or such other sum as adjusted in accordance with the SSA
"Minimum Scenario"	:	The scenario in which the first two (2) sub-tranches of the Tranche 1 Bonds are subscribed by the Subscriber and the Bonds are converted at the Minimum Conversion Price (assuming no adjustment to the Minimum Conversion Price of S\$0.02)
"Minimum Scenario Enlarged: Share Capital"	:	The issued and paid-up share capital of the Company following the Proposed Share Consolidation and the Proposed CB Issuance, assuming the Minimum Scenario
"MYR" or "Malaysia Sen"	:	Malaysia dollars and cents respectively, being the lawful currency of the Malaysia
"New Share Certificates"	:	Share certificates for Consolidated Shares
"Notice of EGM"	:	The notice of EGM which is set out on pages 36 to 39 of this Circular
"NTA"	:	Net tangible assets
"Old Share Certificates"	:	Physical share certificates for the existing Shares (prior to the Proposed Share Consolidation)
"Option Period"	:	The period commencing from and including the Closing Date of the last of the Bonds comprised in the last sub-tranche of Tranche 1 Bonds to and including the date falling one (1) Business Day prior to the Termination Date
"Ordinary Resolutions"	:	The ordinary resolutions as set out in the Notice of EGM
"Outstanding Convertible Securities"	:	Refers collectively to the 14 October 2022 CLN, the 18 October 2022 CLN, 31 October 2022 CLN and the 17 February 2023 CLN
"Proposed Adjustment Shares Issuance"	:	The proposed issuance of up to 27,583,058 Adjustment Shares in relation to the Outstanding Convertible Securities as a result of the Proposed Transactions
"Proposed CB Issuance"	:	The proposed issuance of convertible bonds for an aggregate principal amount of S\$30,000,000 in accordance with the terms and conditions of the SSA
"Proposed Consolidation" or "Share Consolidation"	:	The proposed share consolidation of every ten (10) existing issued ordinary shares in the capital of the Company held by shareholders of the Company as at the Record Date into one (1) Consolidated Share (fractional entitlements to be disregarded)

"Proposed Transactions"	:	Refers collectively to the Proposed CB Issuance and the Proposed Share Consolidation
"Record Date"	:	The time and date (to be announced by the Board) at and on which, subject to the approval of Shareholders for the Proposed Share Consolidation Resolution being obtained at the EGM and the receipt of a listing and quotation notice from the SGX-ST for permission to deal in and for the listing of and quotation for the Consolidated Shares on the Catalist Board of the SGX-ST, the Register of Members and Share Transfer Books of the Company shall be used to determine the entitlements of Consolidated Shares of Shareholders under the Proposed Share Consolidation
"Relevant Sub-Tranches"	:	The first two sub-tranches of Tranche 1 Bonds. Please refer to Section 3.3 of this Circular for more information in this regard
"Register of Members"	:	The register of members of the Company
"Securities Account"	:	A securities account maintained by a Depositor with CDP, but does not include a securities account maintained with a Depository Agent
"Securities and Futures Act" or "SFA"	or:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	Registered holders of Shares, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context admits, mean Depositors whose Securities Accounts are credited with such Shares
"Shares"	:	Ordinary shares in the capital of the Company and " Share " shall be construed accordingly
"Share Registrar"	:	The share registrar of the Company, Boardroom Corporate & Advisory Services Pte. Ltd.
"Share Transfer Books"	:	The share transfer books of the Company
"SSA"	:	The subscription agreement dated 15 March 2023 in respect of, amongst others, the Proposed CB Issuance entered into by the Company and the Subscriber
"Subscriber"	:	2 Aces Premier Equity Fund, a company incorporated in the Cayman Islands
"Take-over Code"	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
"Term Sheet"	:	In respect of the Proposed CB Issuance, the non-binding term sheet entered into by the Company with the Subscriber dated 14 February 2023

"Termination Date"	:	The date falling three (3) years from the Closing Date of the first and second sub-tranche of Tranche 1 Bonds or such further period as notified by the Subscriber to the Company upon the occurrence of an Extension Event
"Tranche 1 Bonds"	:	The first tranche of Bonds of an aggregate principal amount of S\$10,000,000, comprising ten (10) equal sub-tranches of S\$1,000,000 each
"Tranche 2 Bonds"	:	The second tranche of Bonds of an aggregate principal amount of S\$10,000,000, comprising ten (10) equal sub-tranches of S\$1,000,000 each
"Tranche 2 Option"	:	Has the meaning ascribed to it in Section 3.3 of this Circular
"Tranche 3 Bonds"	:	The third tranche of Bonds of an aggregate principal amount of S\$10,000,000, comprising ten (10) equal sub-tranches of S\$1,000,000 each
"treasury share"	:	Shall have the meaning ascribed to it under the Act
"VWAP"	:	Volume weighted average price
"S\$" and "cents"	:	Singapore dollars and cents respectively, being the lawful currency of the Republic of Singapore
"%" or "per cent."	:	Percentage or per centum

The terms "**Depositor**", "**Depository**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Act.

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

Any reference in this Circular to "**Rule**" or "**Chapter**" is a reference to the relevant rule or chapter in the Catalist Rules as for the time being, unless otherwise stated.

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

Any discrepancies in the tables included herein between the amounts in the columns of the tables and the totals thereof and relevant percentages (if any) are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day shall be a reference to Singapore time unless otherwise stated.

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

LETTER TO SHAREHOLDERS

Directors

Low Koon Poh (*Executive Chairman and CEO*)
Ng Weng Sui Harry (*Lead Independent Director*)
Kesavan Nair (*Independent Director*)
Ng Yau Kuen Carmen (*Independent Director*)
Ahmad bin Mohd Don (*Independent Director*)

Registered Office

80 Robinson Road
#02-00
Singapore 068898

13 April 2023

To: The Shareholders of Medi Lifestyle Limited

Dear Sir/Madam

- (1) **THE PROPOSED SHARE CONSOLIDATION OF EVERY TEN (10) EXISTING ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE RECORD DATE INTO ONE (1) CONSOLIDATED SHARE (FRACTIONAL ENTITLEMENTS TO BE DISREGARDED);**
- (2) **THE PROPOSED ISSUANCE OF CONVERTIBLE BONDS OF AN AGGREGATE PRINCIPAL AMOUNT OF UP TO S\$30,000,000; AND**
- (3) **THE PROPOSED ISSUANCE OF UP TO 27,583,058 ADJUSTMENT SHARES AS A RESULT OF THE PROPOSED TRANSACTIONS.**

1. INTRODUCTION

1.1 Background

- (a) On 15 March 2023, the Company announced that it had entered into a SSA with the Subscriber for, amongst others, the subscription by the Subscriber for an aggregate of up to S\$30,000,000 in principal amount of Bonds, convertible into Conversion Shares (the "**Proposed CB Issuance**").
- (b) Pursuant to and in connection with the SSA, it is a condition precedent to the completion of the Proposed CB Issuance that the Company undertakes a share consolidation of every ten (10) existing issued Shares held by Shareholders as at the Record Date into one (1) Consolidated Share, fractional entitlements to be disregarded (the "**Proposed Share Consolidation**") and together with the Proposed CB Issuance, the "**Proposed Transactions**").
- (c) The Proposed Transactions will trigger certain adjustments to the Outstanding Convertible Securities, resulting in the Company having to issue up to 27,583,058 Adjustment Shares to the holders of the Outstanding Convertible Securities ("**Proposed Adjustment Shares Issuance**").

1.2 Purpose of Circular

The Directors are convening an EGM on Friday, 28 April 2023 at 10:30 a.m. (or immediately after the conclusion or adjournment of the AGM to be convened at 10.00 a.m. on the same day) to seek Shareholders' approval for the Proposed Transactions and the Proposed Adjustment Shares Issuance.

The purpose of this Circular is to provide Shareholders with information relating to the Proposed Transactions and the Proposed Adjustment Shares Issuance, and to seek Shareholders' approval in respect of the same at the EGM.

1.3 Conditionality of Resolutions

The Notice of EGM as set out in pages 36 to 39 of this Circular sets out the following Ordinary Resolutions:

- (a) Ordinary Resolution 1 relating to the Proposed Share Consolidation;
- (b) Ordinary Resolution 2 relating to the Proposed CB Issuance; and
- (c) Ordinary Resolution 3 relating to the Proposed Adjustment Shares Issuance.

Shareholders should note that the Ordinary Resolutions are inter-conditional in the following manner:

- (a) the Proposed Share Consolidation is a condition precedent to the Proposed CB Issuance (of which the terms are found in the SSA). Hence, Ordinary Resolution 2 is conditional on the approval of Ordinary Resolution 1. This means that if Ordinary Resolution 1 is not approved by Shareholders, Ordinary Resolution 2 will accordingly not be moved;
- (b) the Proposed Adjustment Shares Issuance is a result of the Proposed Transactions. Hence, Ordinary Resolution 3 is conditional on the approval of both of Ordinary Resolution 1 and Ordinary Resolution 2. This means that if either Ordinary Resolution 1 and/or Ordinary Resolution 2 are not approved by Shareholders, Ordinary Resolution 3 will accordingly not be moved; and
- (c) the Company is only undertaking the Proposed Share Consolidation as a condition precedent to the Proposed CB Issuance and shall not proceed with the Proposed Share Consolidation (even if it is approved by Shareholders in Ordinary Resolution 1) should the Proposed CB Issuance in Ordinary Resolution 2 not be approved by Shareholders.

1.4 Disclaimers

The SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made, or reports contained in this Circular. If a Shareholder is in any doubt as to the action he/she should take, he/she should consult his/her legal, financial, tax or other professional adviser(s) immediately.

2. PROPOSED SHARE CONSOLIDATION

2.1 Introduction

The Company is seeking the approval of Shareholders at the EGM to undertake the Proposed Share Consolidation pursuant to which every ten (10) existing Shares registered in the name, or standing to the credit of the Securities Account, of each Shareholder as at the Record Date shall be consolidated into one (1) Consolidated Share.

Shareholders should note that the number of Consolidated Shares which they shall be entitled to pursuant to the Proposed Share Consolidation, based on their holdings of existing Shares as at the Record Date, shall be rounded down to the nearest whole Consolidated Share and any fractions of Consolidated Shares arising from the Proposed Share Consolidation shall be disregarded. All fractional entitlements arising from the implementation of the Proposed Share Consolidation shall be aggregated and/or dealt with in such manner as the Board may, in its absolute discretion, deem appropriate in the interests of the Company, including (i) disregarding, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company. Each Consolidated Share will rank *pari passu* with each other, and shall be traded in board lots of one hundred (100) Consolidated Shares.

Affected Shareholders will not be paid for any fractions of a Consolidated Share which are disregarded. **A Shareholder who holds less than ten (10) existing Shares as at the Record Date shall not be entitled to any Consolidated Shares and will no longer be a Shareholder upon completion of the Proposed Share Consolidation.** As such, they should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Based on the shareholding distribution as at the Latest Practicable Date, no Shareholders hold less than ten (10) Shares. Please refer to Section 2.2 of this Circular for more details on the shareholding distribution.

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$50,197,074 comprising 597,016,759 Shares, excluding 200,000 treasury shares. On the assumption that there will be no new Shares issued by the Company up to the Record Date and no fractions of Consolidated Shares arising from the Proposed Share Consolidation, and subject to Shareholders' approval being obtained for the Proposed Share Consolidation, the Company will have an issued and paid-up share capital of S\$50,197,074 comprising 59,701,669 Consolidated Shares following the completion of the Proposed Share Consolidation (including 20,000 treasury shares¹).

The Proposed Share Consolidation will have no impact on the dollar value of the issued and paid-up share capital of the Company. The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the Shareholders' funds of the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation will not cause any material changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding with fractional entitlement to be disregarded.

¹ Please note that the treasury shares of the Company will also be subject to the Proposed Share Consolidation.

2.2 Shareholding distribution of the Company

The shareholding distribution of the Company as at the Latest Practicable Date is as follows:

<u>Size of shareholdings</u>	<u>No. of shareholders</u>	<u>%</u>	<u>No. of existing shares</u>	<u>%</u>
1 – 99	7	0.7	283	0.0
100 – 1,000	35	3.3	18,527	0.0
1,001 – 10,000	202	18.9	1,629,400	0.3
10,001 – 1,000,000	775	72.6	120,318,072	20.1
1,00,001 and above	48	4.5	475,050,477	79.6
Total	1,067	100.0	597,016,759	100.0

For illustrative purposes only, the shareholding distribution of the Company following the completion of the Proposed Share Consolidation would be as follows:

<u>Size of shareholdings</u>	<u>No. of shareholders</u>	<u>%</u>	<u>No. of existing shares</u>	<u>%</u>
1 – 99	31	2.9	780	0.0
100 – 1,000	213	20.0	164,040	0.3
1,001 – 10,000	475	44.5	2,399,250	4.0
10,001 – 1,000,000	337	31.6	20,473,711	34.3
1,00,001 and above	11	1.0	36,663,888	61.4
Total	1,067	100.0	59,701,669	100.0

2.3 Rationale for the Proposed Share Consolidation

As set out in Sections 1.3 and 3.4 of this Circular, the Proposed Share Consolidation is a condition precedent to the Proposed CB Issuance. Further as set out in Section 3.2 of this Circular, the Proposed CB Issuance will provide available funds to support the Company and the Group and inject sufficient working capital for the Company and the Group to operate as a going concern as well as to expand its business. In the event that the Proposed Share Consolidation is not approved by the Shareholders, the Company will not proceed with the Proposed CB Issuance and the Board will evaluate alternative fund-raising exercises.

2.4 Conditions for the Proposed Share Consolidation

The Proposed Share Consolidation is subject to, *inter alia*, the following:

- (a) the approval of Shareholders for the Proposed Share Consolidation at the EGM; and
- (b) the receipt of the listing and quotation notice from the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares on the Catalist of the SGX-ST.

Assuming that the abovementioned approvals are duly obtained, the Directors will fix the Record Date and the date when the Proposed Share Consolidation will become effective and on which the Consolidated Shares will trade on the SGX-ST in board lots of one hundred (100) Consolidated Shares ("**Effective Trading Date**") at such date and time as they deem appropriate in the interests of the Company and its Shareholders.

An announcement shall be made by the Company to notify Shareholders of the Record Date and the Effective Trading Date in due course. The announcement of the Record Date shall be made at least five (5) Market Days ahead of the Record Date.

2.5 Updating Register of Members and Depository Register

If Shareholders approve the Proposed Share Consolidation at the EGM, the Shareholders' entitlements of the Consolidated Shares shall be determined on the Record Date. The Register of Members and the Depository Register shall be updated to reflect the number of Consolidated Shares held by Shareholders based on their shareholdings in the Company as at the Record Date and the Consolidated Shares will begin trading in board lots of one hundred (100) Consolidated Shares on the Effective Trading Date.

(a) Deposit of Share Certificates with CDP

Shareholders who hold Old Share Certificates in their own names and who wish to deposit the same with CDP and have their Consolidated Shares credited to their Securities Accounts maintained with CDP, must deposit their Old Share Certificates with CDP, together with duly executed instruments of transfer in favour of CDP, no later than twelve (12) Market Days prior to the Record Date. After the Record Date, CDP will not accept any Old Share Certificates for deposit. After the Record Date, CDP will only accept the deposit of New Share Certificates. Shareholders who wish to deposit their Old Share Certificates with CDP after the Record Date must first deliver their Old Share Certificates to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue Keppel Bay Tower #14-07, Singapore 098632 for cancellation and issuance of New Share Certificates in replacement thereof as described below.

(b) Issue of New Share Certificates

Shareholders who have deposited their Old Share Certificates with CDP at least twelve (12) Market Days prior to the Record Date need not take any action. The Company will make arrangements with CDP to effect the exchange for New Share Certificates pursuant to the Proposed Share Consolidation.

Shareholders who have not deposited their Old Share Certificates as aforesaid or who do not wish to deposit their Old Share Certificates with CDP are advised to forward all their Old Share Certificates to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue Keppel Bay Tower #14-07, Singapore 098632 as soon as possible during normal business hours (9.00 a.m. to 5.00 p.m., Mondays to Fridays) and preferably, no later than five (5) Market Days after they have been notified of the Record Date for cancellation and issue of New Share Certificates. No receipt shall be issued by the Share Registrar upon receipt of any Old Share Certificates. The New Share Certificates shall be sent by ordinary mail to the registered addresses of the relevant Shareholders at their own risk within ten (10) Market Days from the Record Date or the date of receipt of the Old Share Certificates, whichever is later.

Shareholders are to deliver their respective Old Share Certificates to the Company's Share Registrar or CDP in accordance with the provisions set out above, only after the Company's announcement of the Record Date.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have already been tendered to the Share Registrar for cancellation. Shareholders should notify the Share Registrar if they have lost any of their existing Old Share Certificates or if there is any change in their respective addresses from those reflected in the Register of Members of the Company.

- (c) Share Certificates are not valid for settlement of trades on the Catalist of the SGX-ST

Shareholders who hold Old Share Certificates are reminded that their Old Share Certificates are not valid for settlement of trading in the Consolidated Shares on the Catalist of the SGXST, as the Shares are traded under a book-entry (scripless) settlement system, but will continue to be accepted for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period by the Share Registrar. The New Share Certificates will not be valid for delivery for trades done on the Catalist although they will continue to be *prima facie* evidence of legal title to the Consolidated Shares.

2.6 Trading Arrangements for the Consolidated Shares and odd lots

- (a) Trading arrangements for Consolidated Shares

Subject to the approval for the Proposed Share Consolidation by Shareholders at the EGM, with effect from 9.00 a.m. on the Effective Trading Date, trading in the Shares shall be in board lots of one hundred (100) Consolidated Shares. Accordingly, ten (10) existing Shares as at 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date will represent one (1) Consolidated Share with effect from 9.00 a.m. on the Effective Trading Date. Trading in the existing Shares will cease after 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date.

- (b) Trading arrangements for odd lots

All fractional entitlements arising upon the implementation of the Proposed Share Consolidation shall be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company, including (i) disregarding, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company.

The existing Shares are currently traded in board lots of one hundred (100) Shares in the ready market. Following the completion of the Proposed Share Consolidation, the Securities Accounts maintained with CDP of Shareholders (being Depositors) may be credited with odd lots of the Consolidated Shares (that is, lots other than board lots of one hundred (100) Consolidated Shares). The market for trading of such odd lots of Consolidated Shares may be illiquid and Shareholders may have to bear disproportionate transaction costs in trading such Consolidated Shares.

Shareholders who receive odd lots of Consolidated Shares subsequent to the completion of the Proposed Share Consolidation and who wish to trade such odd lots of Consolidated Shares on the SGX-ST can trade with a minimum size of one (1) Consolidated Share on the SGX-ST's unit share market. The unit share market will enable trading in odd lots in any quantity less than one (1) board lot of the underlying shares. As odd lots of Consolidated Shares can be traded on the unit share market of the SGX-ST, no separate arrangement shall be made for the trading of such odd lots.

2.7 VWAP per Share

The VWAP and the theoretical adjustment to the VWAP of the Company's Shares for the six (6)-month period up to and including the Latest Practicable Date are as follows:

Description	S\$
VWAP for the six (6)-month period up to and including the Latest Practicable Date	0.010
Theoretical adjusted VWAP for the six (6)-month period up to and including the Latest Practicable Date	0.10

2.8 Financial Effects of the Proposed Share Consolidation

Please refer to Section 4 of this Circular for the financial effects of the Proposed Share Consolidation.

3. PROPOSED CB ISSUANCE

3.1 Details of the Subscriber

The Subscriber is an exempt company incorporated in the Cayman Islands with limited liability with effect from 21 December 2022 and with the company registration no. HM-396455. The shareholders of the Subscriber are Nicholas Lin Kuan Liang and Thong Soon Seng who are also directors of the Subscriber, together with Thong Jian Biao Ryan. The Subscriber intends to invest in the Company by way of the Proposed CB Issuance, and had entered into the Term Sheet and subsequently into the SSA with the Company.

The Company confirms that, save as disclosed above, none of its Directors or substantial shareholders has, to the best of their knowledge, any relationships/connections (including business relationships) with the Subscriber.

The Subscriber was introduced to the Company by Dato' Low through Dato' Low's individual business network. For the avoidance of doubt, no introducer fee or commission was paid or payable in connection with the Proposed CB Issuance.

Please refer to Section 3.3 (Undertakings by the Subscriber) of this Circular for additional information relating to the Subscriber.

3.2 Rationale for the Proposed CB Issuance

Due to the current financial position of the Group, the Group has encountered difficulties obtaining funds from traditional financial institutions and has been raising funds via the secondary markets. The Proposed CB Issuance will provide available funds to support the Company and the Group and inject sufficient working capital for the Company and the Group to operate as a going concern as well as to expand its business.

The Board has considered at length, the terms of the Proposed CB Issuance, including the discount of the Conversion Price (as defined in Section 3.3 of the Circular below) and the dilutive impact of the Bonds and are of the view that the terms of the Proposed CB Issuance are reasonable due to the following reasons:

- (i) The Bonds are interest-free;

- (ii) The Bonds are mandatorily converted after 12 months removing the need for repayment of the principal amount of the Bonds by the Group;
- (iii) The dilutive impact is mitigated by the Minimum Conversion Price and while the Proposed CB Issuance is up to S\$30,000,000, the Bonds will be issued in three equal tranches where each subsequent tranche can only be subscribed upon full subscription of the earlier tranche. Further, the Subscriber can only subscribe for the Tranche 2 Bonds if the Company exercises the Tranche 2 Option. This allows the Board the flexibility to decide, based on, *inter alia*, the funding needs of the Group and market condition, whether to exercise the Tranche 2 Option;
- (iv) The Subscriber has not requested any Board and management representation, is investing solely for financial purposes, and has undertaken not to hold 15% or more of the voting rights in the Company; and
- (v) The Proposed Share Consolidation will be completed prior to the Proposed CB Issuance to reduce volatility of the Company's Shares.

3.3 Principal Terms of the Bonds

The principal terms of the Bonds are set out below:

Principal Amount	<p>An aggregate principal amount of up to S\$30,000,000 comprising of the Tranche 1 Bonds, Tranche 2 Bonds and Tranche 3 Bonds (as the case may be).</p> <p>Each of the Tranche 1 Bonds, Tranche 2 Bonds and Tranche 3 Bonds shall comprise equal sub-tranches of S\$1,000,000 each.</p>
Issue Price	100% of the face value of the Bonds.
Interest Rate	The Bonds are non-interest bearing.
Availability Period	<p>The period of three (3) years beginning on the Closing Date of the issuance of the first and second sub-tranche of Tranche 1 Bonds.</p> <p>The Company may during the Availability Period, terminate the SSA with immediate effect by giving written notice of such intention to the Subscriber, and shall make payment of an amount equivalent to 3.0% of the aggregate amount of the unsubscribed Bonds in respect of that particular tranche (i.e. Tranche 1 Bonds, Tranche 2 Bonds or Tranche 3 Bonds) where the tranche as at the date of the Company's written notice given is not completed.</p> <p>For avoidance of doubt:</p> <p>(a) the SSA will cease to be in force on the Termination Date and the Company may terminate the SSA with immediate effect during the Availability Period by giving written notice of such intention to the Subscriber;</p>

	(b) the termination of the SSA (e.g. at the end of the Availability Period) shall not prejudice the rights and obligations of the Company and the Subscriber in respect of the conversion of the Bonds (including Bonds which are in issue but not converted at the end of the Availability Period) and the allotment and issue of Conversion Shares pursuant to the terms and conditions of the Bonds under the SSA.
Termination Date	The date falling three (3) years from the Closing Date of the first and second sub-tranche of Tranche 1 Bonds or such further period as notified by the Subscriber to the Company upon the occurrence of an Extension Event.
Issuance	<p><u>Tranche 1 Bonds</u></p> <p>The first two sub-tranches of Tranche 1 Bonds ("Relevant Sub-Tranches") shall be subscribed by the Subscriber on the date falling within one (1) business day immediately after the last of the Conditions Precedents (as defined below) are satisfied or such other date as the parties may agree in writing. The remaining sub-tranches of Tranche 1 Bonds can be subscribed by the Subscriber at its sole discretion by, providing a written notice to the Company at any time prior to the Termination Date.</p> <p><u>Tranche 2 Bonds</u></p> <p>The Tranche 2 Bonds can be subscribed by the Subscriber only upon completion of subscription of all of the sub-tranches of Tranche 1 Bonds. The Subscriber has granted the Company an option to request the Subscriber to subscribe for the Tranche 2 Bonds ("Tranche 2 Option") during the Option Period. If the Company exercises the Tranche 2 Option, the Subscriber may, at its sole discretion, subscribe for such sub-tranches of Tranche 2 Bonds on such date as the Subscriber shall determine in its sole and absolute discretion.</p> <p><u>Tranche 3 Bonds</u></p> <p>The Tranche 3 Bonds can be subscribed by the Subscriber only upon completion of subscription of all of the sub-tranches of Tranche 2 Bonds. The Subscriber may, at its sole discretion, subscribe for such sub-tranches of Tranche 3 Bonds on such date as the Subscriber shall determine in its sole and absolute discretion.</p>
Mandatory Conversion	The Bonds are mandatorily converted on the date falling twelve (12) months from the Closing Date (" Mandatory Conversion Date "). The right of the holders of the Bonds to convert any Bonds is called the " Conversion Right ".

	<p>Subject to the terms and conditions of the SSA, the holder of the Bonds must convert the Bonds into Conversion Shares at the Conversion Price, during the period commencing from the respective dates on which they are issued and registered, up to the date falling one (1) Business Day before the Mandatory Conversion Date ("Conversion Period"). Notwithstanding the above, if the allotment and issue of Conversion Shares upon the mandatory conversion of the Bonds on the Mandatory Conversion Date would result in the holder of Bonds holding 15% or more of the voting rights in the Company, that holder may extend the Conversion Period and the Mandatory Conversion Date to such new dates by giving written notice to the Company.</p> <p>For the avoidance of doubt, in the event that the holder fails to provide such notice, the Company will only issue such number of Conversion Shares to the holder on the Mandatory Conversion Date that would result in the holder holding less than 15% of the voting rights of the Company.</p>
<p>Conversion Price</p>	<p>The price at which each Conversion Share will be issued (the "Conversion Price") for each Bond that is converted into Conversion Shares shall be the higher of:</p> <p>(a) 80% of the average closing price per Share for any three (3) consecutive days where Shares are traded on the SGX-ST (for the avoidance of doubt, may include one or more intervening days on which there are no trades in the Shares), determined at the sole and absolute discretion of the holders of the Bonds, on which trades are done during the 45 business days immediately preceding the relevant conversion date of the Bonds; or</p> <p>(b) the Minimum Conversion Price of S\$0.02 per Share.</p> <p>The Minimum Conversion Price was determined on a "willing-buyer willing-seller" basis, after taking into consideration the following factors:</p> <p>(i) the effect of the Proposed Share Consolidation;</p> <p>(ii) the historical trading and liquidity of the Company's shares; and</p> <p>(iii) the financial performance of the Group.</p> <p>The Bonds which are not converted or cancelled by the Company will be converted by the Company at the Conversion Price on the Mandatory Conversion Date, which shall be the higher of:</p> <p>(a) 80% of the average closing price per Share for any three (3) consecutive days where Shares are traded on the SGX-ST (for the avoidance of doubt, may include one or more intervening days on which there are no trades in the Shares), determined at the sole and absolute discretion of the holders of the Bonds, on which trades are done during the 45 business days immediately preceding the Mandatory Conversion Date; or</p>

	(b) the Minimum Conversion Price of S\$0.02 per Share.
Adjustments	<p>The Minimum Conversion Price may be subject to adjustments under certain circumstances as set out in the SSA including, amongst others, (a) any alteration to the number of issued Shares due to share consolidation, subdivision or reclassification of Shares, (b) capitalisation of profits or reserves, (c) capital distributions, (d) rights issues or options over Shares, or other securities issues at less than current market value or current market price, or (e) modification of rights of conversion or (f) other offers to Shareholders.</p> <p>For the avoidance of doubt, the completion of the Proposed Share Consolidation is a condition precedent to the Proposed CB Issuance. Hence, the Minimum Conversion Price will not have to be adjusted for the Proposed Share Consolidation.</p>
Status of Bonds	The Bonds constitute direct, unconditional, unsubordinated and unsecured (subject to the conditions of the Negative Pledge) obligations of the Company, ranking <i>pari passu</i> and rateably without any preference among themselves and save as otherwise provided under any applicable laws or regulations, equally with all other unsecured obligations (other than subordinated obligations, if any) of the Company from time to time outstanding.
Status of Conversion Shares	The Conversion Shares will, upon allotment and issuance, be fully paid up and rank <i>pari passu</i> in all respects with the then existing Shares (except that such Conversion Shares shall not be entitled to any dividends, rights, allotments or other distributions, the record date of which falls before the allotment and issuance of the relevant Conversion Shares).
Negative Pledge	Neither the Company nor any of its subsidiaries shall, for as long as any of the Bonds remains outstanding, create or allow the creation of any mortgage, charge, pledge or any other security interest upon the whole or any part of its property or assets, present or future, in order to secure, for the benefit of holders of any existing or future issue of any notes, bonds or convertible securities (or to secure for the benefit of holders thereof any guarantee or indemnity or other like obligation in respect thereof) without extending to the Bonds at the same time, either the same security as is created or is outstanding in respect of such bond issue (or such guarantee or indemnity or other like obligation in respect thereof) or such other security or guarantee as is not materially less beneficial to the holders of the Bonds or as the holder of 75% or more of the outstanding principal amount of Bonds shall approve.
Further Fund Raising by the Company	The Company shall not, and shall procure that each of its Subsidiaries shall not, engage in any transaction to raise funds and execute any agreement to issue new shares, convertible securities and/or to undertake further debt obligations (in any other manner or form) during the subsistence of the SSA without prior notification to the Subscriber of the full details of any such transaction, and the Company undertakes to notify the Subscriber immediately upon the finalisation of the key terms of any such transaction.

<p>Undertakings by the Subscriber</p>	<p>The Subscriber represents and warrants to the Company that it is subscribing for the Bonds and will hold the Conversion Shares to be issued upon conversion of the Bonds as a principal, for its own benefit and for investment purposes only and has no intention of influencing the management of, or exercising control over, the Company, and is not acting in concert, and shall not, for as long as the SSA is in effect, act in concert with any persons to obtain or consolidate control of the Company.</p> <p>The Subscriber acknowledges that, as at the date of the SSA, it is not, any of the following persons:</p> <ul style="list-style-type: none"> (a) a Shareholder; (b) substantial shareholder, related companies (as defined under Section 6 of the Act), associated companies and sister companies of the Company's substantial shareholders; (c) corporations in whose shares any of the Company's directors or substantial shareholders has/have an aggregate interest of at least 10%; (d) a person falling within Rule 812 of the Catalist Rules; and (e) associates (as defined in the Catalist Rules) of any of the foregoing. <p>The Subscriber represents that it, its directors and its shareholders are not an associate of and have no relationship (including any business relationship) with the Company and any director, chief executive officer, substantial shareholder or controlling shareholder of the Company, that it is not acting in concert with any party in relation to the issuance of the Bonds and is not acting in accordance with any instruction of any party for the issuance of the Bonds and that it is, and will at all times be, for as long as it is a bondholder, (i) an institutional investor under section 274 of the SFA; or (ii) an accredited investor or a relevant person to which section 275 of SFA applies and will be bound by sections 275 and 276 of the SFA.</p> <p>The Subscriber undertakes not to exercise its Conversion Right in respect of any sub-tranche of the Bonds it holds where the conversion of such sub-tranche of the Bonds will result in the Subscriber holding 15% or more of the voting rights in the Company. For the avoidance of doubt, this shall not prevent the Subscriber from subscribing for such number of Bonds which will not result in the Subscriber holding 15% or more the voting rights in the Company.</p>
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	<p>The Subscriber undertakes to the Company, and undertakes to the Company to procure that each of its subsidiaries and any person under the control thereof has not been, is not and will not be at any time engaged in "insider trading" or any other form of conduct prohibited under Part XII of the SFA in connection with the issue and delivery of the Bonds and the related transactions entered into or to be entered into pursuant to the SSA. Neither the Subscriber nor any other person acting on the Subscriber's behalf has taken or will take, directly or indirectly, any action designed or which was designed, or which constitutes or has constituted or might reasonably be or have been expected to cause or result in, stabilisation or manipulation of the price of any Shares or other securities of the Company.</p>
Extension Event	<p>An Extension Event occurs where, amongst others:</p> <ul style="list-style-type: none"> (a) there is default by the Company in the performance or observance of any covenant, condition, provision or obligation contained in the SSA or the terms and conditions and on its part to be performed or observed and such default continues for the period of seven (7) days next following the service by the Subscriber or any holder of Bonds (as the case may be) on the Company of notice requiring the same to be remedied; and/or (b) an insolvency event occurs in respect of the Company; (c) the Shares are delisted on the Catalist; (d) save for any trading halt, the suspension of trading for a period of three (3) consecutive Market Days or more; <p>Upon the occurrence of any of an Extension Event, holders of the Bonds may, by notice in writing any time:</p> <ul style="list-style-type: none"> (a) exercise the Conversion Right in respect of some or all of the outstanding Bonds pursuant to the conditions of the Bonds; and/or (b) extend the Conversion Period and Mandatory Conversion Date to such new dates as set out in the notices, subject always to the applicable laws.
No Redemption	<p>The Company has no obligation to repay the principal amount of the Bonds outstanding at any time and the holder of the Bonds are obligated to exercise their Conversion Rights.</p>
Administration Fee	<p>In respect of each sub-tranche of the Bonds, which is subscribed for and issued in accordance with the SSA, an administration fee of 6.0% of the aggregate principal amount of the Bonds for such sub-tranche is payable by the Company to the Subscriber.</p> <p>The Company has paid an initial administration fee of S\$33,000 to the Subscriber in respect of the entry into the SSA.</p>

Alteration to terms of the Bonds	Any modification by the Company of the Bonds or any waiver or authorisation of any breach or proposed breach by the Company of the Bonds requires the written approval of holders of 51% or more of the aggregate principal amount of Bonds then outstanding. Any material modification to the terms of the Bonds after issue to the advantage of the holders of the Bonds shall be approved by Shareholders, except where such alterations are made pursuant to the terms and conditions of the Bonds.
Indemnities	The Company and the Subscriber agree to fully indemnify and hold harmless each other and their respective officers, employees and agents from any liabilities, losses, claims, costs, charges, and expenses (including legal expenses on a full indemnity basis) arising from any misrepresentation or failure to comply with any of the representations, warranties, or undertakings in the SSA.
Limitation of Liability	The maximum liability of the Company or the Subscriber shall not exceed an amount equivalent to the 100% of the principal amount of the Bonds that have been subscribed by the Subscriber and not converted in accordance with the SSA.
Transferability	Subject to the terms and conditions of the Bonds and the provisions of the SSA, the Bond(s) may be transferred in whole (but not in part) to any third party and the Company irrevocably consents to such transfer unless the transferee is a person that falls within the categories of persons set out in Rule 812 of the Catalist Rules. However, no bondholder may require the transfer of a bond to be registered after the certificate in respect of such bonds has been deposited for conversion pursuant to the SSA.
Governing law	Governed by the laws of Singapore.
Listing and Trading of the Bonds	The Bonds will not be listed or tradable on the SGX-ST.
Listing and Trading of the Conversion Shares	Application will be made to list the Conversion Shares (if any) on the Catalist of the SGX-ST.

3.4 Conditions Precedent

Pursuant to the terms and condition of the SSA, the Proposed CB Issuance is conditional upon, amongst others ("**Conditions Precedent**"):

- (a) the receipt of approval of the Shareholders for the (i) issue of the Bonds on the terms and subject to the conditions of the SSA and the allotment and issue of the Conversion Shares, and (ii) Proposed Share Consolidation;
- (b) the receipt of listing and quotation notice from the SGX-ST for the listing and quotation of the Consolidated Shares and the Conversion Shares on the Catalist; and
- (c) the issue of the Bonds on not being prohibited by (i) any statute, order, rule or regulation promulgated by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company, or (ii) any injunction or other orders issued by any court of competent jurisdiction.

3.5 Conversion Shares

As of the Latest Practicable Date, the Company has an issued and paid-up share capital of 597,016,759 Shares, excluding 200,000 treasury shares ("**Existing Share Capital**").

The number of Conversion Shares to be allotted and issued by the Company in the Minimum scenario and the Maximum Scenario and their respective dilutive effects are set out below:

Minimum Scenario: on the basis that only the Relevant Sub-Tranches are subscribed by the Subscriber and the Relevant Sub-Tranches are converted at the Minimum Conversion Price (assuming no adjustment to the Minimum Conversion Price of S\$0.02), approximately 100,000,000 Conversion Shares will be issued representing approximately 16.8% of the Company's Existing Share Capital and 62.6% of the enlarged share capital (after completion of the Proposed Share Consolidation and issuance of the Conversion Shares pursuant to the Minimum Scenario) ("**Minimum Scenario Enlarged Share Capital**"); and

Maximum Scenario: on the basis that all of the Bonds are subscribed by the Subscriber and the Bonds are converted at the Minimum Conversion Price (assuming no adjustment to the Minimum Conversion Price of S\$0.02), approximately 1,500,000,000 Conversion Shares will be issued representing approximately 251.2% of the Existing Share Capital and 96.2% of the enlarged share capital (after completion of the Proposed Share Consolidation and issuance of the Conversion Shares pursuant to the Maximum Scenario) ("**Maximum Scenario Enlarged Share Capital**").

3.6 Minimum Conversion Price

The Minimum Conversion Price represents:

- (a) a premium of 185.7% to S\$0.007 being the volume weighted average price for trades done on the SGX-ST on the Benchmark Date; and
- (b) a discount of 71.4% to S\$0.07 being the theoretical adjusted volume weighted average price assuming that the Proposed Share Consolidation is completed before the Benchmark Date.

The Minimum Conversion Price was determined on a "willing-buyer willing-seller" basis, after taking into consideration the following factors:

- (a) the effect of the Proposed Share Consolidation;
- (b) the historical trading and liquidity of the Company's shares; and
- (c) the financial performance of the Group.

3.7 Use of Proceeds

Minimum Scenario

The aggregate net proceeds (after payment of administrative fees and any other relevant expenses) from the Proposed CB Issuance for the Minimum Scenario will be S\$1,752,000 and shall be used by the Company in the following estimated proportions:

Use of Proceeds	S\$	Percentage Allocation
Repayment of Convertible Loans	250,000	14.3%

Expansion of the Healthcare business including renovation and refurbishment of chiropractic centres in Malaysia and Singapore	350,000	20.0%
General working capital of the Group which includes, <i>inter alia</i> , professional fees, staff salaries and general overheads	1,152,000	65.7%
Total	1,752,000	100.0%

Maximum Scenario

The aggregate net proceeds (after payment of administrative fees and any other relevant expenses) from the Proposed CB Issuance for the Maximum Scenario will be S\$28,072,000 and shall be used by the Company in the following estimated proportions:

Use of Proceeds	S\$	Percentage Allocation
Repayment of Convertible Loans & Borrowings	1,480,000	5.3%
Expansion of the Healthcare Businesses including but not limited to - 12 Chiropractic centres in Singapore & Malaysia - 2 Postpartum centres in Malaysia	5,000,000	17.8%
Marketing and Distribution of DNA Profiling, Health Screening and Cell Therapy products and services	2,600,000	9.3%
General working capital of the Group which includes, <i>inter alia</i> , professional fees, staff salaries and general overheads	5,000,000	17.8%
Development and/or acquisition of new businesses in Healthcare and Wellness	13,992,000	49.8%
Total	28,072,000	100.0%

Pending the deployment of the net proceeds, the net proceeds may be deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion but subject to the SSA, deem fit in the interests of the Company.

The Company will make periodic announcements of utilisation of the net proceeds as and when the funds are materially disbursed and whether such use is in accordance with the stated use and percentage allocated. The Company will also provide a status report on the use of proceeds in the Company's interim and full year financial statements and the Company's annual report. Where there is material deviation from the stated use of the net proceeds, the Company will announce the reasons for such deviation. Where the proceeds have been used for general corporate and/or working capital purposes, the Company undertakes to provide a breakdown with specific details on the use of the proceeds in the announcements and annual reports. Where there is a material deviation in the use of the proceeds, the Company will announce the reasons for such deviation.

The Directors are of the opinion that, after taking into consideration the Group's internal resources and the net proceeds of the Proposed CB Issuance, the working capital available to the Group is sufficient to meet its present requirements. The Group does not have any present bank facilities and the Proposed CB Issuance is undertaken for the reasons stated in Section 3.2 of this Circular.

3.8 No prospectus and offer information statement

The proposed issue of the Bonds and the Conversion Shares shall be made pursuant to the exemptions under Sections 274 and 275 of the SFA relating to offers of securities or securities-based derivatives contracts to an institutional investor or a relevant person. As such, no prospectus or offer information statement shall be issued by the Company in connection therewith.

3.9 Undertaking to announce any adjustment to the terms of the Bonds Issue

The Company undertakes to announce on SGXNet (i) the expiry of the Bonds; (ii) any adjustment or amendment made to the terms of the Bonds Issue pursuant to the SSA and/or the terms and conditions of the Bonds; and (iii) any adjustment or amendment made to the Conversion Price and, where appropriate, the number of Conversion Shares to be issued, in the event of rights, bonus or other capitalisation issues carried out by the Company.

3.10 No transfer of Controlling Interest

Rule 803 of the Catalist Rules provides that an issuer must not issue securities to transfer a Controlling Interest without prior approval of Shareholders in general meeting. Under the Catalist Rules, a Controlling Shareholder is a person who directly or indirectly holds 15% or more of the nominal amount of all voting shares in the Company, or a person who in fact exercises control over the Company.

Pursuant to the terms of the SSA and with reference to Section 3.3 of this Circular, the Subscriber has undertaken to not exercise its Conversion Right in respect of any sub-tranche of the Bonds it holds where the conversion of such sub-tranche of the Bonds will result in the Subscriber holding 15% or more of the voting rights in the Company. For the avoidance of doubt, this shall not prevent the Subscriber from subscribing for such number of Bonds which will not result in the Subscriber holding 15% or more voting rights in the Company.

Accordingly, the Proposed CB Issuance would not constitute a transfer of a Controlling Interest in the Company and is not subject to the approval of the Shareholders for the purposes of Rule 803 of the Catalist Rules.

4. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS

The pro forma financial effects of the Proposed Transactions on the net tangible assets/liabilities per Share of the Group and the LPS of the Group and the share capital of the Company as set out below are prepared purely for illustration only and do not reflect the actual future financial situation of the Group after the Proposed Transactions.

The objective of presenting the pro forma financial effects of the Proposed Transactions as shown below is to illustrate what the historical financial information might have been had the Proposed Transactions been completed at an earlier date. However, such financial information is not necessarily indicative of the results of the operations or the related effects in the financial position that would have been attained had the Proposed Transactions been completed at the earlier date.

The pro forma financial effects have been prepared based on the latest announced unaudited financial statements of the Group for FY2022, such financial year being the most recently completed financial year on the following bases and assumptions:

- (a) the Proposed Share Consolidation was completed prior to the Proposed CB Issuance;

- (b) the issued Bonds were converted into Conversion Shares (based on Minimum Scenario and Maximum Scenario);
- (c) none of the Outstanding Convertible Securities have been exercised and converted into new Shares of the Company;
- (d) the financial effect on the Group's consolidated NTA per Share is computed based on the assumption that the Proposed Transactions would be completed on 31 December 2022;
- (e) the financial effect on the Group's LPS is computed based on the assumption that the Proposed Transactions would be completed on 1 January 2022; and
- (f) expenses to be incurred in connection with the Proposed Transactions, being professional and administrative fees, are estimated to be approximately S\$248,000 in the Minimum Scenario and S\$1,928,000 in the Maximum Scenario. This includes an initial administrative fee of S\$33,000 which has been paid by the Company prior to the entry of the SSA.

4.1 Share Capital

The financial effect of the Proposed Transactions on the share capital of the Company is illustrated as follows:

	Number of Shares (excluding treasury shares)
Before the Proposed Transactions	597,016,759
After the Proposed Share Consolidation	59,701,669
After conversion of the Bonds based on the Minimum Scenario ⁽¹⁾	159,701,669
After conversion of the Bonds based on the Maximum Scenario ⁽²⁾	1,559,701,669

Notes:

- (1) Approximately 100,000,000 Conversion Shares will be issued upon conversion of the Bonds based on the Minimum Scenario.
- (2) Approximately 1,500,000,000 Conversion Shares will be issued upon conversion of the Bonds based on the Maximum Scenario

4.2 NTA

The financial effect of the Proposed Transactions on the NTA per Share is illustrated as follows:

	NTA (MYR)	NTA per Share (Malaysia Sen)
Before the Proposed Transactions (as reported)	(9,577,000)	(1.6)
After the Proposed Share Consolidation	(9,577,000)	(16.3)
After completion of the Proposed Transactions and conversion of the Bonds based on the Minimum Scenario ⁽¹⁾	(3,740,562)	(2.3)

After completion of the Proposed Transactions and conversion of the Bonds based on the Maximum Scenario ⁽²⁾	18,495,000	1.2
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Notes:

- (1) Approximately 100,000,000 Conversion Shares will be issued upon conversion of the Bonds (Minimum Scenario).
- (2) Approximately 1,500,000,000 Conversion Shares will be issued upon conversion of the Bonds (Maximum Scenario).

4.3 LPS

The financial effect of the Proposed Transactions on the LPS per Share is illustrated as follows:

Before the Proposed Transaction	
Net Loss Attributable to owners of the Company (MYR)	(4,945,000)
Weighted average no. of Shares ⁽¹⁾	572,892,623
LPS per Share (Malaysia sen)	(0.86)
After the Proposed Share Consolidation	
Net Loss Attributable to owners of the Company (MYR)	(4,945,000)
Weighted average no of Shares ⁽²⁾	57,289,262
LPS per Share (Malaysia sen)	(8.63)
After completion of the Proposed Transactions and conversion of the Bonds based on the Minimum Scenario⁽³⁾	
Net Loss Attributable to owners of the Company (MYR)	(4,945,000)
Weighted average no of Shares	157,289,262
LPS per Share (Malaysia sen)	(3.14)
After completion of the Proposed Transactions and conversion of the Bonds based on the Maximum Scenario⁽⁴⁾	
Net Loss Attributable to owners of the Company (MYR)	(4,945,000)
Weighted average no of Shares	1,557,289,262
LPS per Share (Malaysia sen)	(0.32)

Notes:

- (1) The weighted average number of shares has been adjusted for issuance of 44,247,788 ordinary shares on 19 July 2022 pursuant to a share subscription exercise.
- (2) The weighted average number of shares is based on a 10-1 reduction on the weighted average number of Shares before Proposed Transaction and excluding any resulting fraction of Shares.
- (3) Approximately 100,000,000 Conversion Shares will be issued upon conversion of the Bonds based on the Minimum Scenario.
- (4) Approximately 1,500,000,000 Conversion Shares will be issued upon conversion of the Bonds based on the Maximum Scenario.

5. PROPOSED ADJUSTMENT SHARES ISSUANCE

As at the Latest Practicable Date, the Company has the following Outstanding Convertible Securities issued:

Nature of agreement	Principal Amount	Maturity Date
14 October 2022 CLN	S\$200,000	2 years from date of issuance, i.e. 13 October 2024
18 October 2022 CLN	S\$300,000	2 years from date of issuance, i.e. 17 October 2024
31 October 2022 CLN	S\$147,000	2 years from date of issuance, i.e. 30 October 2024
17 February 2023 CLN	S\$100,000	2 years from date of issuance, i.e. 16 February 2025

Save as disclosed above, the Company does not have any other existing warrants or other convertibles as at the Latest Practicable Date.

Pursuant to the terms and conditions of the Outstanding Convertible Securities, the Proposed Share Consolidation and the Proposed CB Issuance will constitute an event giving rise to adjustments to the CLN Conversion Price.

For conversion of securities into Shares at less than the CLN Current Market Price, adjustments to the CLN Conversion Price shall be determined as at the last Market Day preceding the announcement of the terms of such issue, and by multiplying the Minimum Conversion Price before such issue by the following fraction:

$$\text{CLN Adjusted Conversion Price} = \frac{\text{the number of Shares in issue immediately before the adjustment event} + \text{the number of Shares which would have been issued at the CLN Current Market Price}}{\text{the actual number of Shares in issue immediately before the adjustment event} + \text{maximum number of Share to be issued on conversion of such securities}}$$

5.1 Adjustments to the 14 October 2022 CLN

Pursuant to the 14 October 2022 CLN, the conversion price held by the noteholders shall be adjusted pursuant to the Proposed Share Consolidation and the Proposed CB Issuance as follows:

Conversion price (before adjustment)	Minimum of S\$0.011 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount. The conversion is at the Company's discretion on Maturity Date.
Adjusted conversion price post Share Consolidation	Minimum of S\$0.110 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.
Adjusted conversion price post Share Consolidation and after conversion of Bonds based on the Minimum Scenario	Minimum of S\$0.058 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.
Adjusted conversion price post Share Consolidation and after conversion of bonds based on the Maximum Scenario	Minimum of S\$0.031 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.

5.2 Adjustments to the 18 October 2022 CLN

Pursuant to the 18 October 2022 CLN, the conversion price held by the noteholders shall be adjusted pursuant to the Proposed Share Consolidation and the Proposed CB Issuance as follows:

Conversion price (before adjustment)	Minimum of S\$0.0096 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount. The conversion is at the Company's discretion on Maturity Date.
Adjusted conversion price post Share Consolidation	Minimum of S\$0.096 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.
Adjusted conversion price post Share Consolidation and after conversion of Bonds based on the Minimum Scenario	Minimum of S\$0.051 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.
Adjusted conversion price post Share Consolidation and after conversion of bonds based on the Maximum Scenario	Minimum of S\$0.027 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.

5.3 Adjustments to the 31 October 2022 CLN

Pursuant to the 31 October 2022 CLN, the conversion price held by the noteholder shall be adjusted pursuant to the Proposed Share Consolidation and the Proposed CB Issuance as follows:

Conversion price (before adjustment)	Minimum of S\$0.009 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount. The conversion is at the Company's discretion on Maturity Date.
Adjusted conversion price post Share Consolidation	Minimum of S\$0.090 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.
Adjusted conversion price post Share Consolidation and after conversion of Bonds based on the Minimum Scenario	Minimum of S\$0.048 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.
Adjusted conversion price post Share Consolidation and after conversion of bonds based on the Maximum Scenario	Minimum of S\$0.025 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.

5.4 Adjustments to the 17 February 2023 CLN

Pursuant to the 17 February 2023 CLN, the conversion price held by the noteholder shall be adjusted pursuant to the Proposed Share Consolidation and the Proposed CB Issuance are as follows:

Conversion price (before adjustment)	Minimum of S\$0.009 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount. The conversion is at the Company's discretion on Maturity Date.
Adjusted conversion price post Share Consolidation	Minimum of S\$0.09 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.
Adjusted conversion price post Share Consolidation and after conversion of Bonds based on the Minimum Scenario	Minimum of S\$0.048 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.

Adjusted conversion price post Share Consolidation and after conversion of bonds based on the Maximum Scenario	Minimum of S\$0.025 or an amount equivalent to the VWAP as at Maturity Date, less a 10% discount.
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5.5 Cumulative effects of the adjustments

Following the adjusted CLN Conversion Price post Share Consolidation and after conversion of bonds based on the Maximum Scenario, a maximum of up to 27,583,058 Adjustment Shares will have to be issued upon the conversion of the Outstanding Convertible Securities (pursuant to the terms of the Outstanding Convertible Securities). The below table provides a maximum number of Adjustment Shares which may be issued in relation to each of the four (4) Outstanding Convertible Securities:

Nature of agreement	Before adjustment	After adjustment (following the Share Consolidation and the Maximum Scenario)
14 October 2022 CLN	18,181,818	6,523,602
18 October 2022 CLN	31,249,997	11,212,440
31 October 2022 CLN	16,333,333	5,860,370
17 February 2023 CLN	11,111,111	3,986,646
Total	76,876,260	27,583,058

The issue of up to 27,583,058 Adjustment Shares pursuant to the full conversion of all Outstanding Convertible Securities according to the table set out above shall be subject to the approval of Shareholders at the EGM.

6. OTHER INFORMATION

6.1 Take-over Obligations under the Take-over Code

Pursuant to Rule 14 of the Take-over Code, except with the consent of the Securities Industry Council ("**SIC**"), a Shareholder and persons acting in concert with the Shareholder will incur an obligation to make a mandatory take-over offer if, amongst others, he and persons acting in concert with him increase their voting rights in the Company to 30% or more or, if they, together holding between 30% or 50% of the Company's voting rights, increase their voting rights in the Company by more than 1% in any period of six (6) months. In calculating the percentages of voting rights of such Shareholder and their concert parties, treasury shares and subsidiary holdings shall be excluded.

If the Subscriber, pursuant to the Proposed CB Issuance and the SSA, converts all or part of the Bonds into Conversion Shares, and which resulted in it holding 30% and above shareholding interest, the Subscriber shall be obliged to make a general offer for the mandatory take-over of the Company pursuant to Rule 14 of the Take-over Code. For the avoidance of doubt, taking into account the undertaking provided by the Subscriber mentioned in Sections 3.3 and 3.10 of the Circular, the Proposed CB Issuance and SSA will not result in an obligation of the Subscriber to make a take-over under Rule 14 of the Code.

6.2 Application by the Sponsor

The Company shall be making an application through its Sponsor, SAC Capital Private Limited, to the SGX-ST for the listing of and quotation for the Consolidated Shares, the Conversion Shares, and the Adjustment Shares. An appropriate announcement on the outcome of the applications shall be made once the listing and quotation notice is issued by the SGX-ST. Any listing and quotation notice which may be issued by the SGX-ST for the listing and quotation of the Consolidated Shares, the Conversion Shares and the Adjustment Shares is not to be taken as an indication of the merits of the Company, its subsidiaries, the Proposed Transactions, the Proposed Adjustment Shares Issuance, the issue of any Conversion Shares, the Consolidated Shares or the Adjustment Shares.

6.3 Compliance Placement

In the event that the public float of the Company falls below 10%, the Company will undertake a compliance placement to restore the public float.

7. RECORD DATE

As mentioned in in Section 6.2 of this Circular, the Company shall be making an application through its Sponsor, SAC Capital Private Limited, to the SGX-ST for the listing of and quotation for the Consolidated Shares, the Conversion Shares, and the Adjustment Shares. The Company shall make the necessary announcement upon receipt of approval from the SGX-ST of the listing and quotation notice, and shall announce the Record Date for the purpose of determining the entitlements of Shareholders under the Proposed Share Consolidation.

8. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Please refer to the **Appendix I** to this Circular for a breakdown of the shareholding interests of Directors and substantial shareholders of the Company both prior to and immediately after completion of the Proposed Transactions (in relation to the Minimum Scenario and Maximum Scenario).

None of the Directors and substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Transactions and the Proposed Adjustment Shares Issuance other than through their respective shareholdings in the Company.

9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 36 to 39 of this Circular, shall be held on Friday, 28 May 2023 at 10:30 a.m. (or immediately after the conclusion or adjournment of the AGM to be convened at 10.00 a.m. on the same day) for the purposes of considering and, if thought fit, passing with or without modifications the resolutions set out in the Notice of EGM.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

The EGM is being convened and will be held by way of electronic means. Shareholders will not be allowed to attend the EGM in person and no Shareholders or their corporate representatives will be admitted.

A member who wishes to appoint a proxy(ies) to attend and vote at the EGM must submit an instrument of appointing a proxy(ies) no later than forty-eight (48) hours before the time fixed for the EGM. Where a member (whether individual or corporate) appoints the Chairman of EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a Resolution in the proxy form, failing which the appointment of the Chairman of EGM as proxy for that Resolution will be treated as invalid.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least seventy-two (72) hours before the EGM.

If a Shareholder is required to abstain from voting in the EGM by the Catalist Rules or pursuant to any court order, the Company will disregard any votes cast on a resolution by the Shareholder required to abstain from voting by the Catalist Rule or pursuant to a court order where such court order is served on the Company.

Shareholders may participate at the EGM by:

- (a) observing and/or listening to the EGM proceedings via "live" audio-visual webcast ("**Live Webcast**") and "live" audio-only stream ("**Audio Only Means**") (collectively, "**electronic means**");
- (b) submitting questions in advance of the EGM;
- (c) submitting text-based questions during the Live Webcast and Audio Only Means by clicking on the "Ask Question" feature, followed by selecting a resolution and entering the text-based question; and/or
- (d) voting live at the EGM by Shareholders themselves or their duly appointed proxies (other than the Chairman of EGM) or appointing Chairman of EGM as proxy to attend and vote on their behalf. For avoidance of doubt, CPF and SRS Investors will not be able to appoint third-party proxy(ies) (i.e. persons other than the Chairman of EGM or the CPF/SRS investors themselves) to vote at the EGM on their behalf.

Further details are set out in the accompanying Company's announcement dated 13 April 2023, which may be accessed via the Company's website at <https://investor.medi-lifestyle.com/egm.html> or on the SGX website at <https://www.sgx.com/securities/company-announcements>.

11. DIRECTORS' RECOMMENDATION

Having considered, *inter alia*, the terms and conditions of the SSA and rationale for the Proposed Transactions, the Directors are of the opinion that the Proposed Transactions and the Proposed Adjustment Shares Issuance are in the interest of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the Ordinary Resolutions relating to the Proposed Transactions and the Proposed Adjustment Shares Issuance as set out in the Notice of EGM.

12. DIRECTORS' RESPONSIBILITY STATEMENT

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

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Company's Constitution;
- (b) the unaudited financial statements of the Group for FY2022; and
- (c) the SSA.

Yours faithfully
for and on behalf of the Board of Directors of
Medi Lifestyle Limited

Dato' Low Koon Poh
Executive Chairman and CEO

APPENDIX I – CHANGES IN SHAREHOLDING INTERESTS

The breakdown of the shareholding interests of the parties to the Proposed Transactions, Directors and substantial shareholders of the Company:

- (i) prior to the completion of the Proposed Transactions (both before and after completion of the Proposed Share Consolidation and the Proposed CB Issuance and assuming that none of the Outstanding Convertible Securities have been exercised and converted into new Shares of the Company);
- (ii) after the completion of the Proposed Transactions and assuming that the Proposed Share Consolidation has been completed and the Bonds have been converted into Conversion Shares according to the Minimum Scenario; and
- (iii) after the completion of the Proposed Transactions and assuming that the Proposed Share Consolidation has been completed and the Bonds have been converted into Conversion Shares according to the Maximum Scenario.

Directors	Prior to the Proposed Share Consolidation		After the Proposed Share Consolidation but before the Proposed CB Issuance		After the Proposed CB Issuance and assuming conversion of the Bonds based on the Minimum Scenario ²		After the Proposed CB Issuance and assuming conversion of the Bonds based on the Maximum Scenario ³	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Low Koon Poh	28,044,300	4.70	2,804,430	4.70	2,804,430	1.76	2,804,430	0.18
Ng Weng Sui Harry	300,000	0.05	30,000	0.05	30,000	0.02	30,000	0.00
Kesavan Nair	-	-	-	-	-	-	-	-
Ng Yau Kuen Carmen	-	-	-	-	-	-	-	-
Ahmad bin Mohd Don	-	-	-	-	-	-	-	-

² The shareholding interest is calculated based on the total enlarged issued and paid-up share capital of the Company comprising 159,701,669 Consolidated Shares in the Minimum Scenario.

³ The shareholding interest is calculated based on the total enlarged issued and paid-up share capital of the Company comprising 1,559,701,669 Consolidated Shares in the Maximum Scenario.

Shareholders	Prior to the Proposed Share Consolidation		After the Proposed Share Consolidation but before the Proposed CB Issuance		After the Proposed CB Issuance and assuming conversion of the Bonds based on the Minimum Scenario ⁴		After the Proposed CB Issuance and assuming conversion of the Bonds based on the Maximum Scenario ⁵	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
The Subscriber	0	0	0	0	100,000,000	62.6	1,500,000,000	96.2
Willy Chan Foo Weng	67,720,521	11.34	6,772,052	11.34	6,772,052	4.24	6,772,052	0.43
Tan Sri Dato' Hari N. Govindasamy ⁶	50,856,500	8.52	5,085,650	8.52	5,085,650	3.18	5,085,650	0.33
Vimala J. Govindasamy ⁶	50,856,500	8.52	5,085,650	8.52	5,085,650	3.18	5,085,650	0.33
Liw Chai Yuk	44,777,103	7.50	4,477,710	7.50	4,477,710	2.80	4,477,710	0.29
I Concept Global Growth Fund ⁷	40,201,005	6.73	4,020,100	6.73	4,020,100	2.52	4,020,100	0.26
Pong Sin Tee Eugene ⁷	40,201,005	6.73	4,020,100	6.73	4,020,100	2.52	4,020,100	0.26

⁴ The shareholding interest is calculated based on the total enlarged issued and paid-up share capital of the Company comprising 159,701,669 Consolidated Shares in the Minimum Scenario.

⁵ The shareholding interest is calculated based on the total enlarged issued and paid-up share capital of the Company comprising 1,559,701,669 Consolidated Shares in the Maximum Scenario.

⁶ Tan Sri Dato' Hari N. Govindasamy and Vimala J. Govindasamy hold Shares through a joint account in Citibank Nominees Singapore Pte. Ltd.

⁷ I Concept Global Growth Fund ("I-Concept") held the shares through DBS Nominees (Private) Limited. 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 Pong Sin Tee Eugene. Accordingly, Pong Sin Tee Eugene is deemed to be interested in the shares held by I-Concept.

MEDI LIFESTYLE LIMITED

(Company Registration No. 201117734D)
(Incorporated in the Republic of Singapore on 26 July 2011)

NOTICE OF EXTRAORDINARY GENERAL MEETING

*Unless otherwise defined, all capitalised terms herein shall bear the same meaning as in the circular to shareholders dated 13 April 2023 issued by Medi Lifestyle Limited ("**Circular**").*

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of Medi Lifestyle Limited ("**Company**") will be held by way of electronic means on Friday, 28 April 2023 at 10:30 a.m. (Singapore time) (or immediately after the conclusion or adjournment of the annual general meeting of the Company to be convened at 10.00 a.m. on the same day) for the purpose of considering and, if thought fit, passing with or without modifications the following Ordinary Resolutions:

AS ORDINARY RESOLUTIONS:

ORDINARY RESOLUTION 1: THE PROPOSED SHARE CONSOLIDATION OF EVERY TEN (10) EXISTING ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE RECORD DATE INTO ONE (1) CONSOLIDATED SHARE (FRACTIONAL ENTITLEMENTS TO BE DISREGARDED)

That:

- (a) the Proposed Share Consolidation be and is hereby approved and that authority be and is hereby given for all the Shares in the Company issued to Shareholders as at the Record Date to be consolidated by consolidating every ten (10) Shares held by each Shareholder as at the Record Date into one (1) Consolidated Share with effect from the date to be determined by the Directors and in the manner set out in the Circular;
- (b) any fraction of a Consolidated Share which may arise from the Proposed Share Consolidation pursuant to paragraph (a) above shall be disregarded; and
- (c) the Directors and each of them be and are hereby authorised to complete, enter and do all acts and things (including without limitation, prepare and finalise, approve, sign, execute and deliver all such documents or agreements as may be required) and do all deeds and things as they may consider necessary, desirable, incidental or expedient for the purposes of or to give effect to this Ordinary Resolution 1 and implement any of the foregoing as they think fit and in the interests of the Company.

ORDINARY RESOLUTION 2: THE PROPOSED ISSUANCE OF CONVERTIBLE BONDS OF AN AGGREGATE PRINCIPAL AMOUNT OF UP TO S\$30,000,000

That subject to and contingent upon the passing of Ordinary Resolution 1:

- (a) approval be and is hereby given for the purposes of Chapter 8 of the Catalist Rules of the SGX-ST, for the proposed issuance of convertible bonds of an aggregate principal amount of up to S\$30,000,000 by the Company;
- (b) pursuant to Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules, approval be and is hereby given to the Directors to allot and issue up to an aggregate of 1,500,000,000 Conversion Shares to the holder(s) of the Bonds, at the Conversion Price per Conversion Share, on and subject to the terms of the SSA; and

- (c) the Directors and each of them be and are hereby authorised to complete, enter and do all acts and things (including without limitation, prepare and finalise, approve, sign, execute and deliver all such documents or agreements as may be required) and do all deeds and things as they may consider necessary, desirable, incidental or expedient for the purposes of or to give effect to this Ordinary Resolution 2 and implement any of the foregoing as they think fit and in the interests of the Company.

ORDINARY RESOLUTION 3: THE PROPOSED ISSUANCE OF UP TO 27,583,058 ADJUSTMENT SHARES AS A RESULT OF THE PROPOSED TRANSACTIONS

That subject to and contingent upon the passing of Ordinary Resolutions 1 and 2:

- (a) pursuant to Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules, approval be and is hereby given to the Directors to allot and issue up to an aggregate of 27,583,058 Adjustment Shares to the holder(s) of the Outstanding Convertible Securities, at the conversion price per conversion share, on and subject to the terms of the Outstanding Convertible Securities and the adjustments set out in this Circular; and
- (b) the Directors and each of them be and are hereby authorised to complete, enter and do all acts and things (including without limitation, prepare and finalise, approve, sign, execute and deliver all such documents or agreements as may be required) and do all deeds and things as they may consider necessary, desirable, incidental or expedient for the purposes of or to give effect to this Ordinary Resolution 3 and implement any of the foregoing as they think fit and in the interests of the Company.

By Order of the Board

Low Koon Poh
Executive Chairman and CEO

13 April 2023

NOTES:

1. The EGM is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. **Members will not be able to attend the EGM in person.** Alternative arrangements relating to, among others, attendance at the EGM via electronic means (including arrangements by which the EGM proceedings may be electronically accessed via live audio-visual webcast (“**Live Webcast**”) and live audio-only stream (“**Audio Only Means**”), submission of questions in advance of the EGM, submission of text-based questions during the EGM, addressing of substantial and relevant questions in advance of, or at, the EGM, appointment of proxy(ies) to attend and vote on their behalf at the EGM, and live voting at the EGM, are set out in the accompanying Company’s announcement dated 13 April 2023 (“**EGM Alternative Arrangements Announcement**”). The EGM Alternative Arrangements Announcement may be accessed at the Company’s website at the URL <https://investor.medi-lifestyle.com/egm.html> and SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. Members and investors holding shares in the Company through the Central Provident Fund (“**CPF**”) or Supplementary Retirement Scheme (“**SRS**”) (“**CPF/SRS investors**”) who wish to attend the EGM must pre-register at the URL <https://investor.medi-lifestyle.com/egm.html> no later than **10.30 a.m. on 26 April 2023** (“**Registration Cut-Off Time**”) for verification purposes. Following verification, authenticated members and CPF/SRS investors will receive an email by 12.00 p.m. on 27 April 2023 on their authentication status and link to access the Live Webcast and Audio Only Means of the EGM proceedings. Members and CPF/SRS investors who do not receive any email by 12.00 p.m. on 27 April 2023, but have registered by the Registration Cut-Off Time, should contact the Company’s investor relations via email at egm2023@medi-lifestyle.com during office hours on 27 April 2023 for assistance.
4. Investors holding shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967) (“**Investors**”) (other than CPF/SRS investors) will not be able to pre-register at the URL <https://investor.medi-lifestyle.com/egm.html> for the “live” broadcast of the EGM. If they wish to participate in the “live” broadcast of the EGM, they should instead approach their relevant intermediary as soon as possible in order for the relevant intermediary to make the necessary arrangements to pre-register.
5. Members, including CPF/SRS investors, and (where applicable) duly appointed proxy(ies) attending the EGM may ask questions related to the resolutions to be tabled for approval during the EGM, by submitting text-based questions during the Live Webcast and Audio Only Means by clicking on the “Ask Question” feature, followed by selecting a resolution to enter the text-based question.

Members including CPF/SRS investors may submit questions relating to the resolutions of the EGM in advance of the EGM in the following manner no later than **5.00 p.m. on 20 April 2023**:

- (a) via the pre-registration website at the URL <https://investor.medi-lifestyle.com/egm.html>; or
- (b) by email to the Company’s investor relations at egm2023@medi-lifestyle.com.

The Company will endeavour to address all substantial and relevant questions submitted prior to the EGM by publishing the responses to such questions on the Company’s website and on SGX website by **23 April 2023**. Any subsequent clarifications sought, or follow-up questions, or substantial and relevant questions received after the cut-off date will be consolidated and addressed at the EGM.

6. Members who wish to exercise their voting rights at the EGM may vote in real time at the EGM by themselves or by their duly appointed proxies (other than the Chairman of the EGM) via Live Voting feature, or appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM. A member who wishes to appoint a proxy(ies) to attend and vote at the EGM must submit an instrument of appointing a proxy(ies). Where a member (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a Resolution in the proxy form, failing which the appointment of the Chairman of the EGM as proxy for that Resolution will be treated as invalid.
7. The proxy needs not be a member of the Company.
8. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:
 - a) if submitted by post, be lodged at the office of the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or
 - b) if submitted electronically, be submitted via email enclosing a signed PDF copy of the proxy form to the Company’s Share Registrar at srs.teamd@boardroomlimited.com,

in either case, no later than **10.30 a.m. on 26 April 2023**, being not less than forty-eight (48) hours before the time appointed for holding the EGM and in default the instrument appointing a proxy or proxies shall not be treated as valid.

A member who wishes to submit an instrument appointing a proxy or proxies must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

9. CPF/SRS investors may vote in real time at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any questions regarding their appointment as proxies. CPF/SRS investors who wish to appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions **by 5.00 p.m. on 19 April 2023**, being seven (7) working days before the EGM. For the avoidance of doubt, CPF/SRS investors will not be able to appoint third-party proxy(ies) (other than the Chairman of the EGM or the CPF/SRS investors themselves) to vote at the EGM on their behalf.
10. The instrument appointing a proxy or proxies must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an attorney or a duly authorised officer or in such a manner as appropriate under applicable laws, failing which the instrument may be treated as invalid.
11. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy or proxies, failing which the instrument may be treated as invalid.
12. A depositor's name must appear in the Depository Register maintained by The Central Depository (Pte) Limited as at seventy-two (72) hours before the time appointed for holding the EGM in order for the depositor to be entitled to attend, speak and vote at the EGM.
13. All documents (including the Circular, this Notice of EGM and the proxy form) or information relating to the EGM ("**Documents**") are circulated to members by electronic means via publication on the Company's website at the URL <https://investor.medi-lifestyle.com/egm.html> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Printed copies of these Documents will not be despatched to members. Members and Investors are reminded to check the Company's website or SGX website regularly for updates on the EGM (if any).

Personal data privacy:

By (a) submitting a proxy form appointing the proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, or (b) submitting any questions prior to, or at, the EGM; or (c) submitting the pre-registration form in accordance with this Notice, a member of the Company (i) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty; and (ii) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purposes of (collectively, the "**Purposes**"):

- I. processing, administration and analysis by the Company (or its agents or service providers) of proxy forms appointing the proxy(ies) and/or representative(s) for the EGM (including any adjournment thereof);
- II. processing the pre-registration forms for purposes of granting access to members for the Live Webcast or Audio Only Means and providing viewers with any technical assistance, where necessary;
- III. addressing selected substantive questions from members received in advance of, or live at, the EGM;
- IV. preparing and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof); and
- V. enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

The member's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes.

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

The contact person for the Sponsor is Ms Charmian Lim, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone: (65) 6232 3210.

MEDI LIFESTYLE LIMITED

(Company Registration No. 201117734D)
(Incorporated in the Republic of Singapore)

EXTRAORDINARY GENERAL MEETING PROXY FORM

Important:

- The Extraordinary General Meeting ("EGM") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The Notice of EGM and this form of proxy have been made available on Company's website at the URL <https://investor.medi-lifestyle.com/egm.html> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Printed copies of the Notice of EGM and this form of proxy will not be sent to members.
- Members will not be able to attend the EGM in person. Alternative arrangements relating to, among others, attendance at the EGM via electronic means (including arrangements by which the EGM proceedings may be electronically accessed via live audio-visual webcast ("Live Webcast") or live audio-only stream ("Audio Only Means")), submission of questions in advance of the EGM, submission of text-based questions during the EGM, addressing of substantial and relevant questions in advance of, or at, the EGM, appointment of proxy(ies) to attend and vote on their behalf at the EGM, and live voting during the EGM, are set out in the accompanying Company's announcement dated 13 April 2023 ("EGM Alternative Arrangements Announcement"). The EGM Alternative Arrangements Announcement may be accessed on the Company's website at the URL <https://investor.medi-lifestyle.com/egm.html> and SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
- This Proxy Form is not valid for use by investors who buy shares using CPF monies ("CPF Investors") and/or SRS monies ("SRS Investors") (as may be applicable) and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF Investors and/or SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions at least seven (7) working days before the EGM.
- Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy(ies).

*I/We, _____ (Name) _____ (*NRIC/Passport/Co Registration No.)

of _____ (Address)

being a *member/members of Medi Lifestyle Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address^			

*and/or

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address^			

**Members will have to pre-register at the URL <https://investor.medi-lifestyle.com/egm.html> no later than 10.30 a.m. on 26 April 2023 to nominate or register their respective proxy or proxies in order to allow the appointed proxy or proxies to access the Live Webcast or Audio Only Means.*

or if no proxy is named, the Chairman of the EGM as *my/our proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the EGM to be held by way of electronic means on Friday, 28 April 2023 at 10.30 a.m. (Singapore time) (or immediately after the conclusion or adjournment of the annual general meeting to be convened at 10.00 a.m. on the same day) and at any adjournment thereof.

*I/We direct *my/our proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the EGM as indicated hereunder. In the absence of specific directions as to voting is given, the appointed proxy/proxies (other than the Chairman of the EGM) may vote or abstain from voting at his/her/their discretion.

No.	ORDINARY RESOLUTIONS	For**	Against**	Abstain**
1.	To approve the Proposed Share Consolidation			
2.	To approve the Proposed CB Issuance			
3.	To approve the Proposed Adjustment Shares Issuance			

Notes:

* Delete where inapplicable.

** Voting will be conducted by poll. If you wish your proxy(ies) to cast all your votes for or against a resolution, please indicate with "X" in the "For" or "Against" box in respect of that resolution. Alternatively, please indicate the number of shares for or against in the "For" or "Against" box in respect of that resolution. If you wish your proxy(ies) to abstain from voting on a resolution, please indicate with "X" in the "Abstain" box in respect of that resolution. Where the Chairman of the EGM is appointed as proxy and in the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as your proxy for that resolution will be treated as invalid.

Dated this _____ day of _____ 2023.

Total Number of Shares held (Note 1)

Signature(s) / Common Seal of members(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES TO PROXY FORM:

1. Please insert the total number of Shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
2. A member will not be able to attend the EGM in person. A member who wish to exercise their voting rights at the EGM may vote in real time at the EGM by themselves or by their duly appointed proxies (other than the Chairman of the EGM) via Live Voting feature, or appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM. A member who wish to appoint a proxy(ies) to attend and vote at the EGM must submit an instrument appointing a proxy or proxies. Where a member (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a Resolution in the proxy form, failing which the appointment of the Chairman of the EGM as proxy for that Resolution will be treated as invalid.
3. (a) A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument appointing a proxy or proxies. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry one hundred per cent (100%) of the shareholdings of its/his appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.

(b) A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where more than two (2) proxies are appointed, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

"Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

4. A member can appoint the Chairman of the EGM as his/her/its proxy, but this is not mandatory.
5. A proxy needs not be a member of the Company.
6. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or
 - (b) if submitted electronically, be submitted via email enclosing a signed PDF copy of the proxy form to the Company's Share Registrar at srs.teamd@boardroomlimited.com.

in either case, **by 10.30 a.m. on 26 April 2023**, being not less than forty-eight (48) hours before the time appointed for holding the EGM.

A member who wishes to submit an instrument appointing a proxy or proxies must first download, complete and sign this proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

7. The instrument appointing a proxy or proxies must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an attorney or a duly authorised officer or in such a manner as appropriate under applicable laws, failing which the instrument may be treated as invalid.
8. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy or proxies, failing which the instrument may be treated as invalid.
9. Completion and return of the instrument appointing a proxy or proxies shall not preclude a member from attending, speaking and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument appointing a proxy or proxies, to the EGM.
10. For CPF/SRS investors, this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors may vote in real time at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any questions regarding their appointment as proxies. CPF/SRS investors who wish to appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions by **5.00 p.m. on 19 April 2023**, being seven (7) working days before the EGM. For the avoidance of doubt, CPF/SRS investors will not be able to appoint third-party proxy(ies) (other than the Chairman of the EGM or the CPF/SRS investors themselves) to attend, speak and vote at the EGM on their behalf.

General:

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

Personal data privacy:

By submitting an instrument appointing a proxy or proxies and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 13 April 2023.