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Corporate Overview

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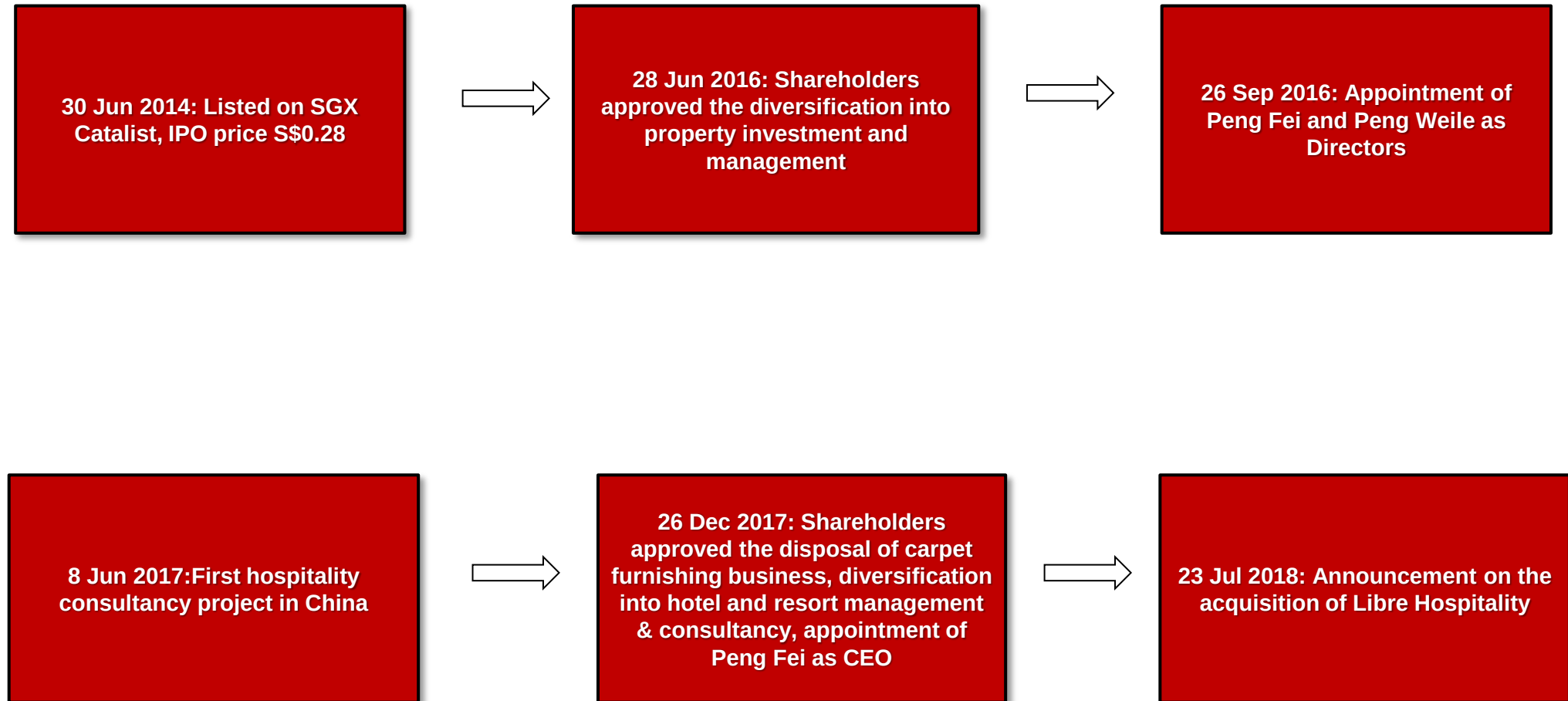
- Corporate Overview

Exchange Listing	Catalist board of the SGX-ST on 30 June 2014
Exchange Code	40B
Market Capitalization	SGD 6,396,000
Share Price	SGD 0.082 (Last trade price on 12 April 2019)
Issued & Paid-Up Shares	78,000,000
PE Ratio	Not meaningful
Trailing EPS (SGD)	Not meaningful
NAV per Share (SGD)	0.200 (based on 31 Dec 2018 financial statements)



Source: Shareinvestor, 25 April 2019

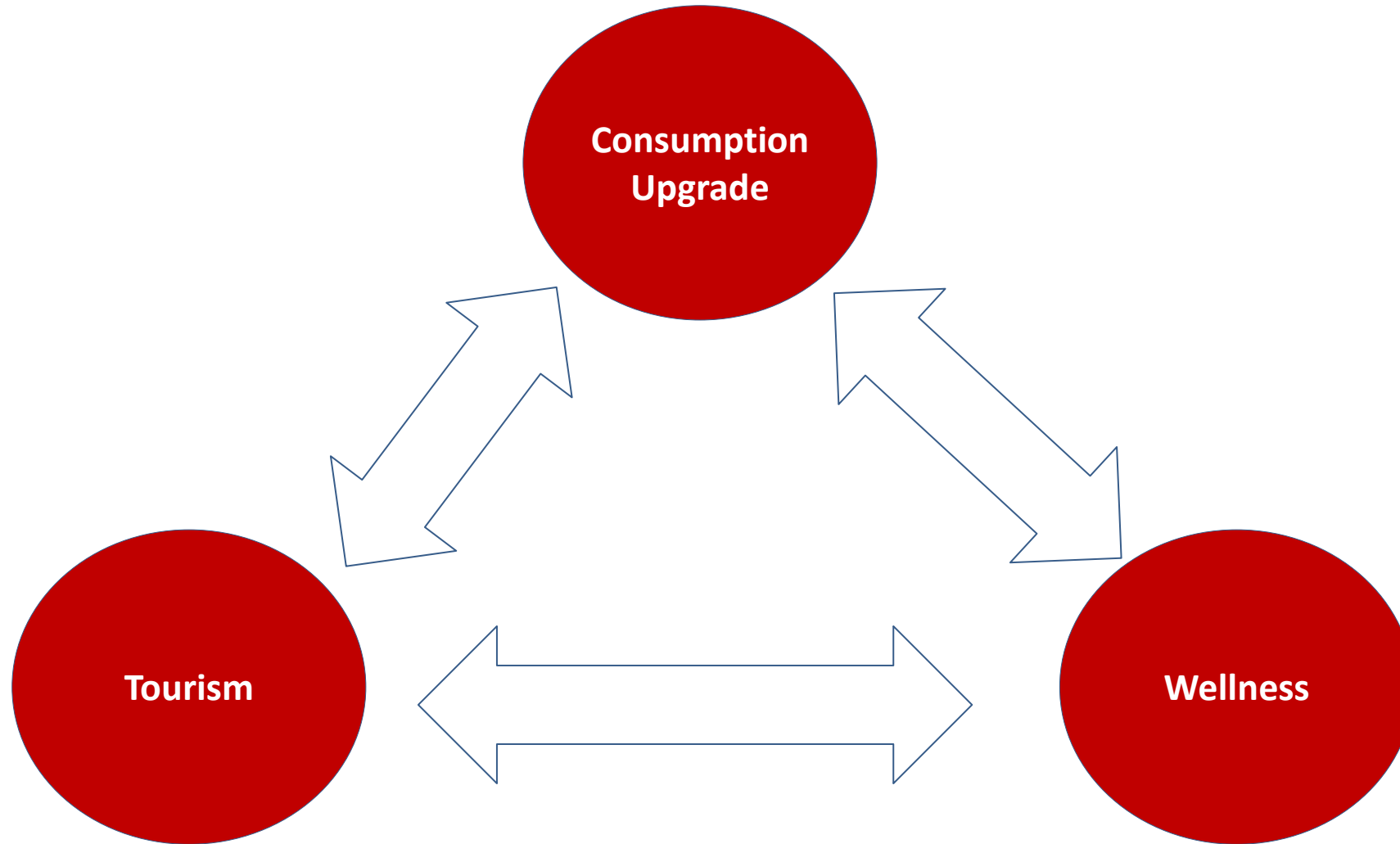
Corporate History: 2018 – A Year of Transformation



Name Change to HealthBank Holdings Limited

- New shareholders and management
- Reflect the change of business : Carpet furnishing to property management and related services, management of leisure and entertainment facilities
- Focus on the trends in China: Consumption Upgrade, Tourism, Wellness
- Avoid confusion with SMJ Furnishing

2019: HealthBank Holdings Limited - A New Beginning



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Overview of Libre Hospitality

Overview of Libre Hospitality

- Management of hotels and resorts
- Consultancy services on hospitality related investments
- Branding and marketing platform
- Led by a team of industry veterans with extensive experience in the China domestic tourism and hospitality industries
- Develop own brands of hospitality facilities targeting at Chinese domestic travelers
- Appointment of key on-site managers, training of staff to ensure consistent quality
- Do not own the hotels, low capex and cash generative business model
- Asset light and scalable business

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**Transaction
Overview**

Transaction Overview

Rationale

- Diversification into new growth business
- Tap into the growth in the China domestic tourism and hospitality industry
- Experienced management team with a proven track record
- Five hotel management contracts on hand
- Asset light and cash generative business model
- Call option structure offers financial flexibility

Transaction Overview

Purchase Consideration

Scenario A

- Capital injection of RMB 15.59m cash for new shares in Beijing Libre amounting to 52% equity interest in Beijing Libre

Scenario B

- Call option to acquire the balance 48% equity interest in Beijing Libre via issue of up to a maximum of 33.27mn new SMJ shares to the Vendors
- 7x Audited Net Profit After Tax and Non Controlling Interest
- Exercise Over 5 years

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**Group
Structure**

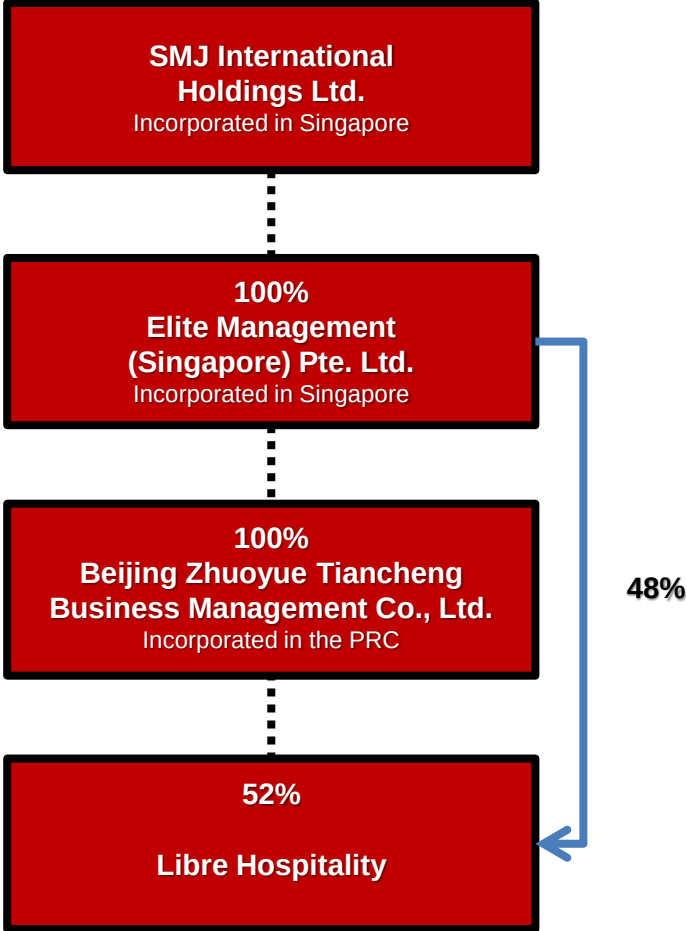
Pre Transaction



Post Scenario A



Post Scenario B

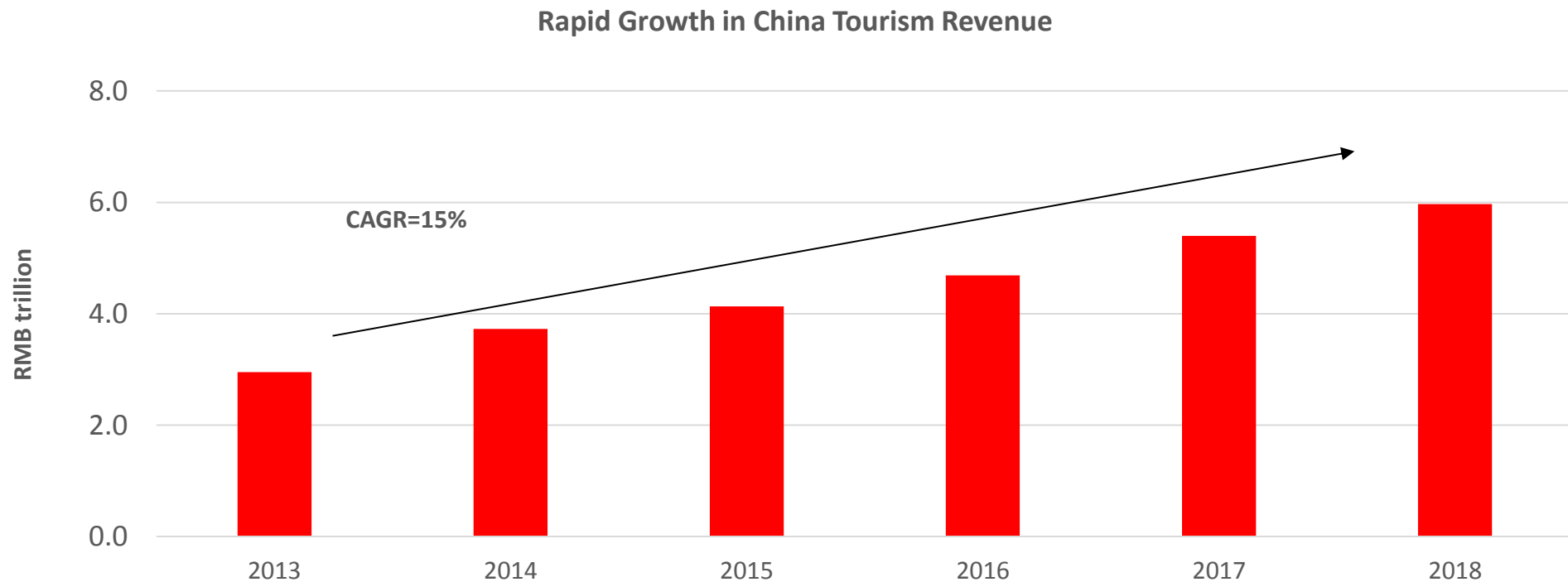


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Tourism Industry

Rapid Growth in China Tourism Revenue

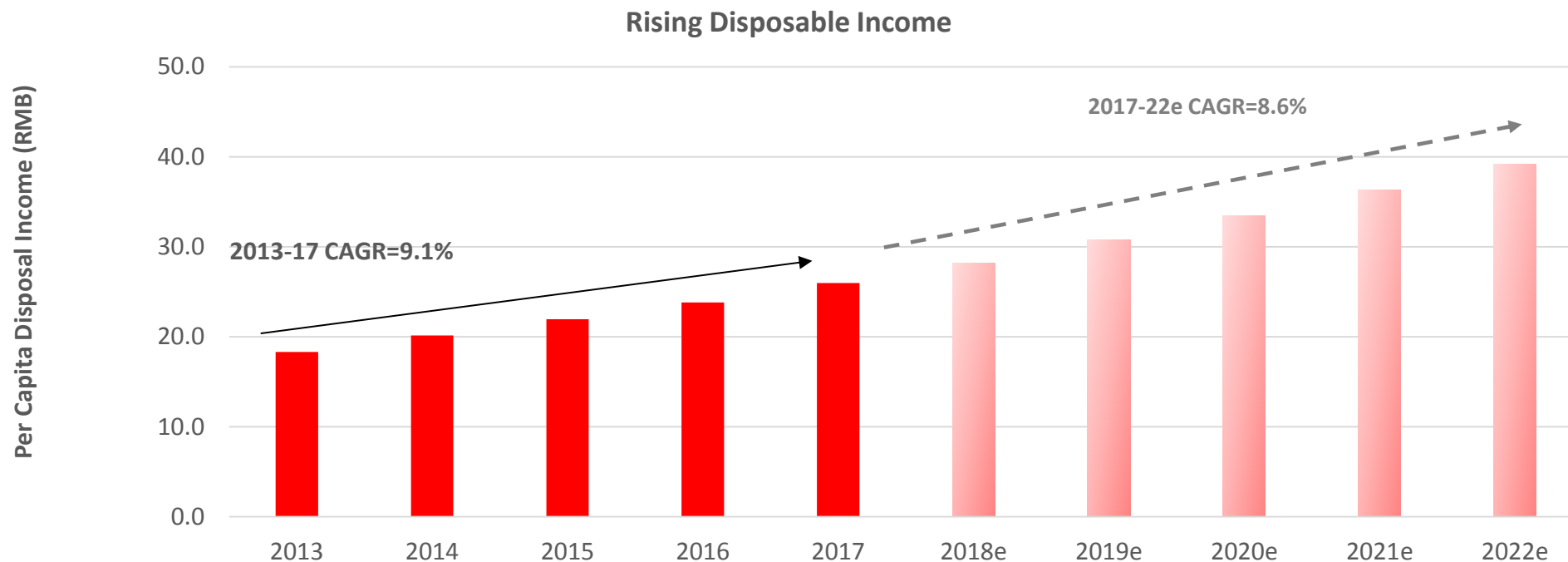
China tourism revenue/spending grew 15% per annum from RMB 2.9 trillion in 2013 to RMB 6.0 trillion in 2018.



Source: National Bureau of Statistics (2018)

Driven by Rising Disposable Income & Consumption Upgrade

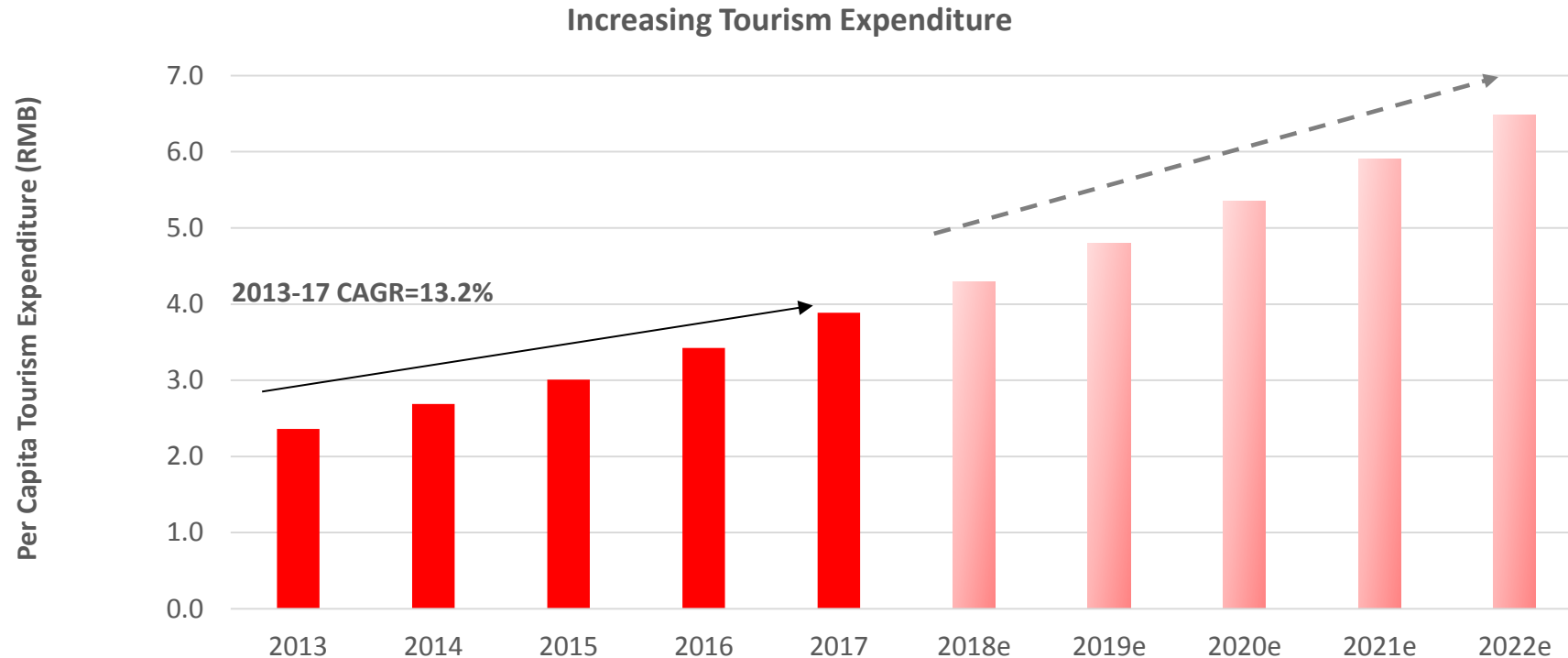
Disposable income per capita reached ~RMB 26,000 in 2017, CAGR 9.1% over 2013-17 and projected to grow ~8.6% per annum to reach RMB 39,000 by 2022



Source: National Bureau of Statistics, IMF and Frost & Sullivan

Increasing Tourism Expenditure

Tourism expenditure per capita reached ~RMB 3,900 in 2017, CAGR 13.2% over 2013-17 and projected to grow ~10.6% per annum to reach RMB 6,500 by 2022



Source: National Bureau of Statistics, IMF and Frost & Sullivan

China Tourism Industry Development Goals during “the 13th Five-Year Plan”

Tourism to become one of the pillars of China’s strategic industries

	202 Goals	CAGR*
Domestic Tourists (billion)	6.4	9.9%
International Arrivals (million)	150	2.3%
Outbounds Tourists (million)	150	5.1%
Total Tourist Revenue (RMB trillion)	7.0	11.2%
Tourism Investment (RMB trillion)	2.0	14.7%
Contribution to GDP	12%	N.A.

* 2016 – 2020 Compounded Annual Growth Rate (“CAGR”)

Source: Tourism Development Plan of the Thirteenth Five-Year Plan, Horwarth International

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**Libre
Business
Model**

Business Model

Pre-Opening

Earns Technical Service Fee and Consultancy Fees

Provided with extensive pre-opening support across five different areas: Opening Operations, Sales + Marketing, Revenue Management, Platform Delivery, and Operations Delivery + Brand Activation.

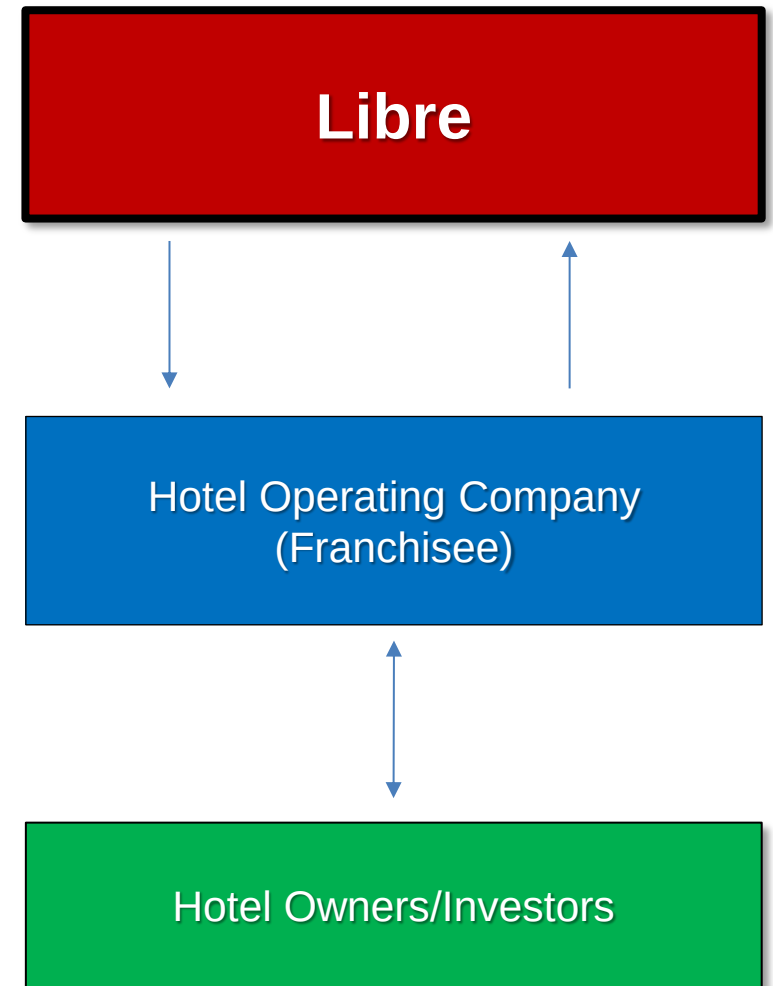
Developed a detailed pre-opening process, comprised of key tasks, to prepare the hotel for opening day and ensure every hotel is set-up for success in the future.

Help owners build, convert or renovate existing and new properties to Libre hotels.

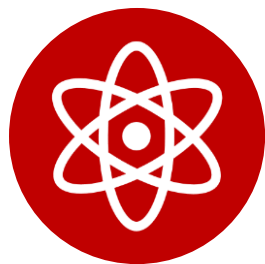
Provide input and advice regarding selection of the project architects and interior designers.

Lead the engineering, hotel openings, operations, fire protection and life safety, and brand disciplines in reviewing and commenting on hotel design, schematic, and construction plans.

Monitors the progress of ongoing development to ensure it aligns with agreed upon plans and shares best practices across our owner and franchisees.



Pre-Opening Consultancy Services:



Project Inception &
Vendor Selection



Architectural &
Interior Design



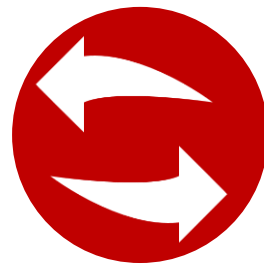
Engineering
Consulting



Development
Management



Furniture, Fixture &
Equipment Solutions



Project Close-Out &
Transfer to Operations

Comprehensive range of products & services for both
existing property refurbishments & new hotel projects

Business Model

Provide a complete hospitality facilities management solution with management services and a license to our intellectual properties for the use of our brand names.

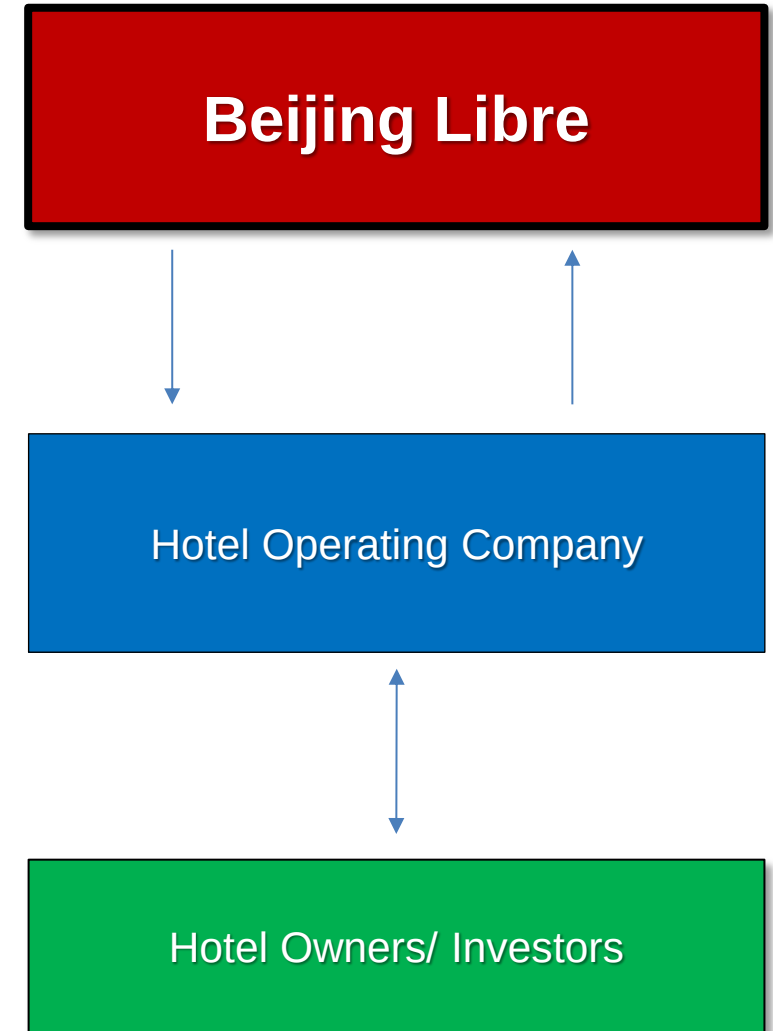
Operate like a franchise, license/grant the right to use our business model, intellectual property, logo and name.

Earns a variety of fees:

1. Basic management fees (% of revenue)
2. Incentive fees/Bonus (% of operating profit)
3. Sales & Marketing (% of revenue)
4. Branding (% of revenue)

While we see seek to maximise the financial performance of the Libre-managed property, we do NOT share in the hotel profit & loss.

Average length of the hotel management agreement is around 15 years.



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Hotels

Active Projects – Libre Resort Huangshan



Active Projects – Libre Resort Huangshan

[Asia](#) > [China](#) > [Anhui](#) > [Huangshan](#) > [Huangshan Hotels](#)

Libre Resorts Huangshan Reviews

Libre Resorts Huangshan

10 reviews | #16 of 506 Hotels in Huangshan

📍 No.2 Beihai Road, Tunxi District, Huangshan 245000, China

♡ Save

Lowest prices for your stay

 Check In
 — / — / —

 Check Out
 — / — / —

 1 room, 2 adults, 0 children



SAVE \$510

~~\$\$\$400~~
\$290

View Deal >



\$299

View Deal >



\$300

View Deal >

[TripAdvisor](#) **\$290**
[Hotels.com](#)


View deals ▼

Prices are the average nightly price provided by our partner...



Overview

5.0 

10 reviews



Free Wifi

Free Parking

Breakfast included

Pool

Restaurant

Room Service

Suites

4 Star Hotel

[All hotel details](#)

You may also like

Source: Trip Advisor

Libre Resorts Huangshan

★★★★

No.2 Beihai Road, Tunxi District, Huangshan, Huangshan 6818 5635

Close Map

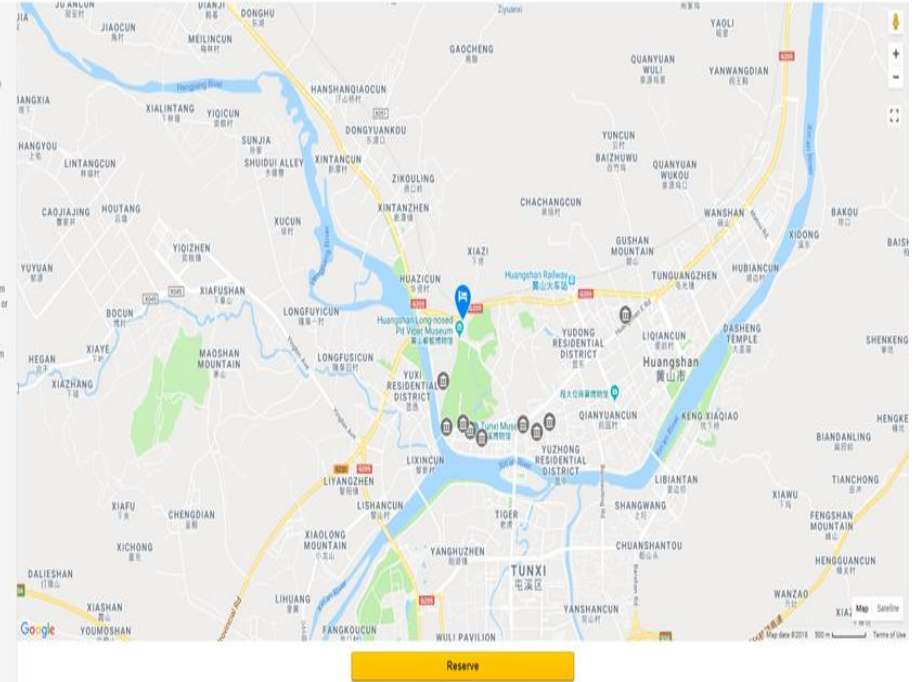
Points Of Interest

- Daxian Park - 1.6 km
- Ancient Huizhou Grottoes - 1.8 km
- Laozu Court and Lixiao Pavilion - 2.1 km
- DaDi LanTing HuGuan - 2.4 km
- Xin'an Bridge - 2.4 km
- HuangShan XueYuan Huizhou WenHua
ChengJieGuan - 2.5 km
- Binjiang Huating - 2.6 km
- Cheng's Miyake - 2.9 km
- Shixin Peak - 3.2 km
- Huashan Mysterious Grottoes - 11.9 km

Area:

The closest major airport to Libre Resorts Huangshan is Tunxi (TXN) - 5.3 km / 3.3 mi.
Distances are calculated in a straight line from the property's location to the point of interest or airport and may not reflect actual travel distance.

Distances are displayed to the nearest 0.1 km and mile.



Active Projects – Libre Resort Huangshan

Libre Resorts Huangshan

★★★★

No.2 Beihai Road, Tunxi District, Huangshan, Huangshan 6816 5635

Nightly price per room

SG\$343

SG\$282

Reserve

Save this property as a favourite so you can find it later.

Get it

Photos - Rooms - Amenities - Reviews - Policies

Deluxe Double Room(2 Adults)

1 Queen Bed

Room sleeps 2 guests

More details

Deluxe Twin Room(2 Adults)

2 Large Single Beds

Room sleeps 2 guests

More details

Deluxe Double Room(2 Adults)

1 Queen Bed

Room sleeps 2 guests

More details

Room type	Options	Nightly price per room	
Deluxe Double Room(2 Adults) 1 Queen Bed Room sleeps 2 guests More details	- Free cancellation until Mon, 29 Jul - Reserve now, pay when you stay - Breakfast included - Free parking - Free internet - No Expedia booking fees	Recommended for you SG\$343 SG\$282 Sale!	Reserve It only takes 2 minutes
Deluxe Twin Room(2 Adults) 2 Large Single Beds Room sleeps 2 guests More details	- Free cancellation until Mon, 29 Jul - Reserve now, pay when you stay - Breakfast included - Free parking - Free internet - No Expedia booking fees	SG\$343 SG\$282 Sale!	Reserve It only takes 2 minutes
	Free cancellation until Mon, 29 Jul	SG\$441 SG\$370 From	Reserve

Source: Expedia

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Corporate Overview

Overview of Libre

Transaction Overview

Group Structure

Industry

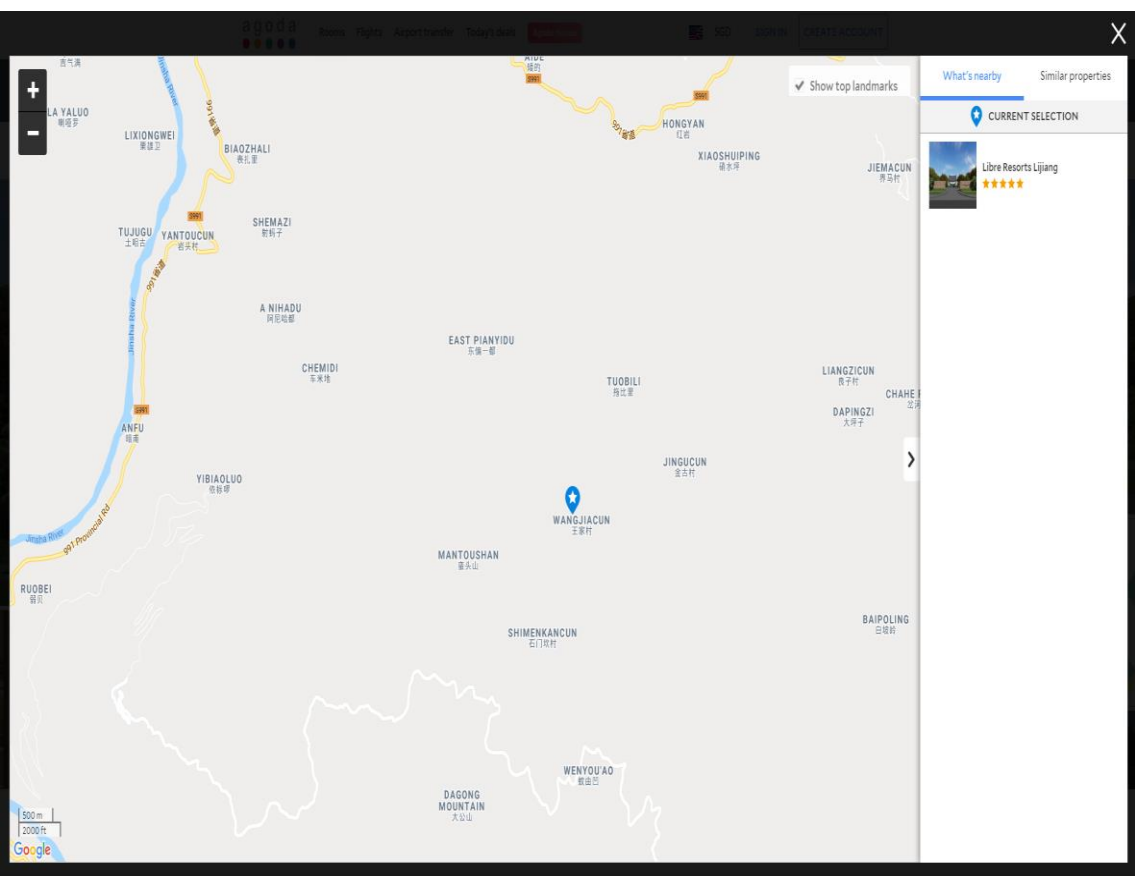
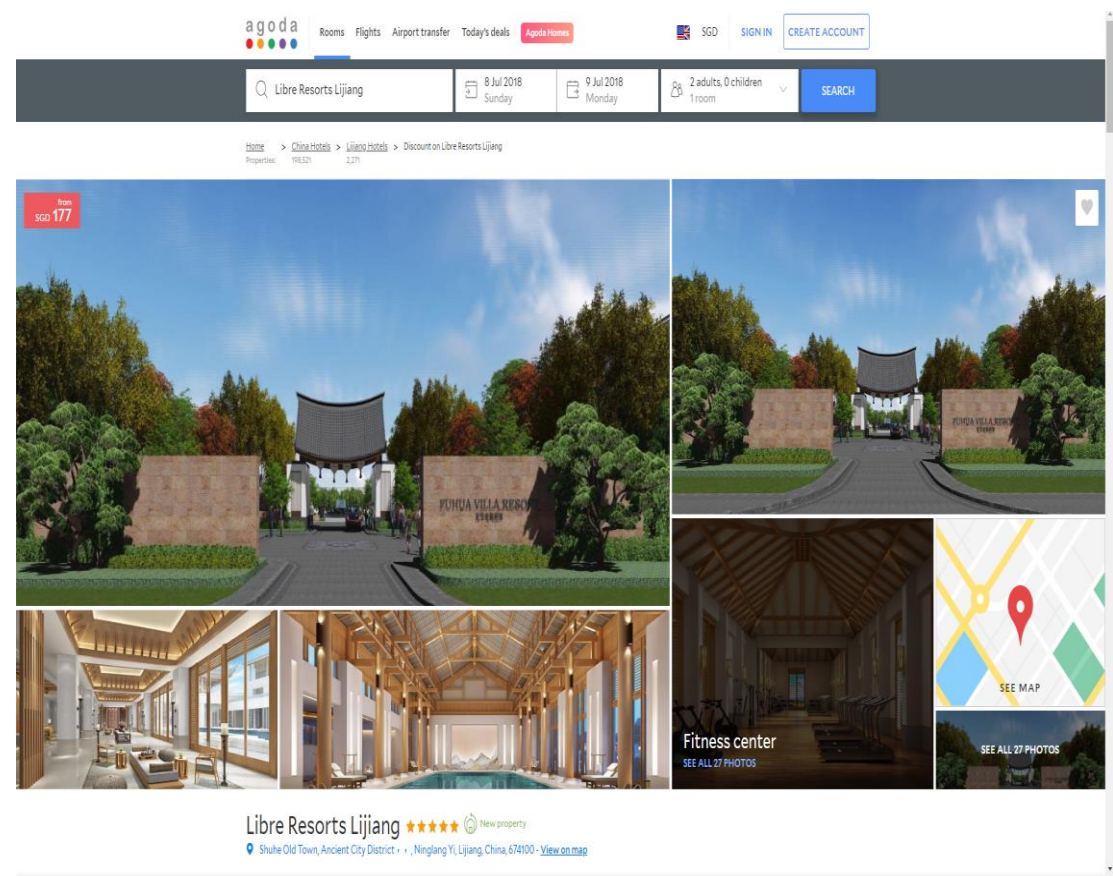
Business Model

Hotels

Active Projects – Libre Lijiang Resort



Active Projects – Libre Lijiang Resort



Source: Agoda

Active Projects – Libre Resort Lijiang

Libre Resorts Lijiang

★★★★★

No.1 South Fuhua Road Ancient City District, Lijiang, Yunnan 6818 5835

Nightly price per room

SG\$339

SG\$297

Reserve

Save this property as a favourite so you can find it later

Get it

Photos - Rooms - Amenities - Reviews - Policies

Libre Resorts Lijiang features an indoor pool and a fitness centre. The resort

See more

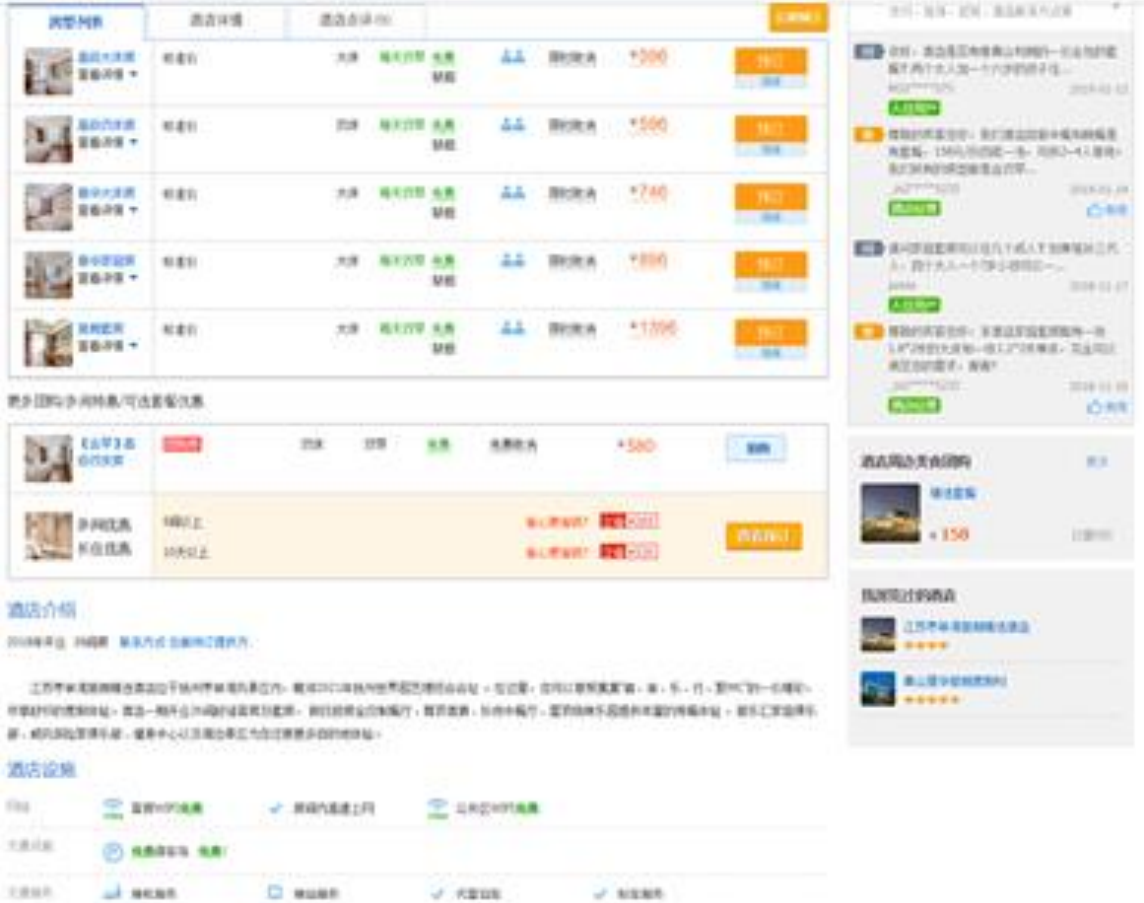
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Featured Image

 Superior King Room 1 King Bed Room sleeps 3 guests (up to 1 child) More details	✓ Free cancellation until Tue, 30 Jul ✓ Reserve now, pay when you stay ✓ Breakfast included ✓ Free parking ✓ Free Internet ✓ Free dinner ✓ No Expedia booking fees	Recommended for you SG\$339 SG\$297 Sale!	Reserve It only takes 2 minutes
Superior Twin Room 2 Large Single Beds Room sleeps 2 guests (up to 1 child) More details	✓ Free cancellation until Tue, 30 Jul ✓ Reserve now, pay when you stay ✓ Breakfast included ✓ Free parking ✓ Free Internet ✓ Free dinner ✓ No Expedia booking fees	SG\$339 SG\$297 Sale!	Reserve It only takes 2 minutes
Deluxe King Room 1 King Bed Room sleeps 3 guests (up to 1 child) More details	✓ Free cancellation until Tue, 30 Jul ✓ Reserve now, pay when you stay ✓ Breakfast included ✓ Free parking ✓ Free Internet ✓ Free dinner ✓ No Expedia booking fees	SG\$413 SG\$372 Sale!	Reserve It only takes 2 minutes

Source: Expedia

Active Projects – Libre Collection Yizheng



Source: Ctrip

Future Projects – Libre Huanglong Resort



Future Projects – Libre Changchun Resort

