



**LIFEBRANDZ LTD.**

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

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- (A) **PROPOSED PLACEMENT OF UP TO 306,000,000 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.005 PER SHARE;**
  - (B) **PROPOSED DISPOSALS OF:**
    - (1) **THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF SYNC CO., LTD., LB KOH CO., LTD., AND E-HOLIDAYS CO., LTD; AND**
    - (2) **50% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF LIFEBRANDZ USA, INC.; AND**
  - (C) **ADDENDUM TO SETTLEMENT OF LOANS PROVIDED BY BOUNTY BLUE CAPITAL LTD**
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- (A) **PROPOSED PLACEMENT OF UP TO 306,000,000 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.005 PER SHARE**

**1. INTRODUCTION**

1.1 The board of directors (the "**Board**" or "**Directors**") of LifeBrandz Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that on 8 February 2021, the Company had entered into separate subscription agreements ("**Subscription Agreements**") with the following nine (9) individuals:

- (a) Franz Elioe Narcis;
- (b) Irene Ng Ai Chen;
- (c) Tan Lay Keim;
- (d) Yu Wei Ting;
- (e) Patrick John Lim Kuoh Weih;
- (f) Tan Ou Seng;
- (g) Ang Peng Khoon;
- (h) Mohaamad Shamin Bin Mohaamad Sahafi; and
- (i) Grace How Pei Yen,

(collectively, the "**Subscribers**" and each a "**Subscriber**"),

pursuant to which the Subscribers have agreed to subscribe for an aggregate of 306,000,000 new ordinary shares in the capital of the Company ("**Subscription Shares**") at an issue price of S\$0.005 per Share ("**Issue Price**") for each Subscription Share, amounting to an aggregate cash consideration of S\$1,530,000. Please refer to paragraph 3 of this announcement for more information on the Proposed Subscriptions.

- 1.2 The Company will apply to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") through its sponsor, SAC Capital Private Limited ("**Sponsor**"), for the dealing in, listing of and quotation for the Subscription Shares on the Catalist board of the SGX-ST (the "**Catalist**"). The Company will make the necessary announcement upon receipt of the listing and quotation notice ("**LQN**") from the SGX-ST.
- 1.3 The Proposed Subscriptions are not underwritten and there is no placement agent appointed for the purpose of the Proposed Subscriptions. The offer and allotment and issue of the Subscription Shares is made pursuant to the exemption under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Subscriptions.
- 1.4 The Company will be seeking specific approval of the shareholders of the Company ("**Shareholders**") at an extraordinary general meeting ("**EGM**") to be convened for, *inter alia*, the Proposed Subscriptions. A circular to Shareholders setting out, amongst other things, the details of, and other relevant information pertaining to the Proposed Subscriptions, together with the notice of EGM, will be disseminated or despatched to Shareholders in due course.

## 2. INFORMATION RELATING TO THE SUBSCRIBERS

*Shareholders should note that information relating to the Subscribers in this paragraph and elsewhere in this announcement was provided by the Subscribers. The Company and the Directors have not independently verified the accuracy and correctness of such information herein.*

- 2.1 Details on the Subscribers are as follows:

Name of Subscriber	Background
Franz Elioe Narcis	Franz Elioe Narcis is a businessman who is involved in information technology and marketing businesses.
Irene Ng Ai Chen	Irene Ng Ai Chen is a senior management personnel in an investment company.
Tan Lay Keim	Tan Lay Keim is a businesswoman who is involved in a beauty services business.
Yu Wei Ting	Yu Wei Ting is a private investor.

Name of Subscriber	Background
Patrick John Lim Kuoh Weih	Patrick John Lim Kuoh Weih is a manager in a materials and logistics company.
Tan Ou Seng	Tan Ou Seng is a businessman who is involved in a furniture business.
Ang Peng Khoon	Ang Peng Khoon is a businessman who is involved in a food commodity trading business. He is the brother of Ms. Esther Ang Puak Huen, the Executive Director and Chief Operating Officer of the Company.
Mohaamad Shamin Bin Mohaamad Sahafi	Mohaamad Shamin Bin Mohaamad Sahafi is an investment advisor.
Grace How Pei Yen	Grace How Pei Yen is an executive director of a healthcare group listed on Bursa Malaysia.

- 2.2 The Subscribers have experience in financial investment in private and public companies in various countries including Malaysia and Singapore and their subscriptions are for their individual investment purposes.
- 2.3 As at the date of this announcement, the Subscribers do not hold, directly or indirectly, any shares in the capital of the Company ("**Shares**").
- 2.4 Each Subscriber has confirmed that he/she is subscribing for the Subscription Shares as principal and for his/her own benefit and is not acting in concert with any parties to obtain or consolidate control of the Company.
- 2.5 The Company has been sourcing in the market for external financing opportunities (including both debts and equities) and it has also asked for the assistance from I Concept Global Growth Fund ("**I Concept**"), an existing substantial Shareholder, in order to tap on I Concept's network to expedite the process. The Subscribers, save for Mr. Ang Peng Khoon, had been introduced to the Company by I Concept through its extended business network and contacts. For avoidance of doubt, no introducer fee was/will be paid to I Concept or any other parties in connection with the introduction of any of the Subscribers to the Company.
- 2.6 Mr. Ang Peng Khoon is the brother of Ms. Esther Ang Puak Huen, the Executive Director and Chief Operating Officer of the Company whose appointment will be effected on 10 February 2021, Mr. Ang Peng Khoon falls under the class of restricted persons as specified under Rule 812(1) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**"). Accordingly, the Company will be seeking the specific approval of the Shareholders at the EGM to be convened for, *inter alia*, the allotment and issuance of the Subscription Shares to Mr. Ang Peng Khoon.
- 2.7 Pursuant to two separate loan agreements dated 25 January 2021 and 8 February 2021 entered into between the Company and two of the Subscribers, namely Mr. Franz Elio Narcis and Mr. Patrick John Lim Kuoh Weih (the "**Lenders**"), the Company secured bridging loans of an aggregate amount of S\$730,000 ("**Loan Amount**") from

the Lenders (the "**Bridging Loans**"). As at the date of this announcement, S\$200,000 has been drawn down by the Company from the Loan Amount. Please refer to Section (E) of this announcement for further details on the Bridging Loans.

- 2.8 To the best of knowledge of the Directors and save as disclosed in this announcement, the Subscribers do not have any other connections (including business relationships) with the Company, the Group, the Directors and substantial shareholders of the Company. Save for Mr. Ang Peng Khoon, the Subscribers do not fall into the class of restricted persons as specified under Rule 812(1) of the Catalist Rules.

### 3. SALIENT TERMS OF THE SUBSCRIPTION AGREEMENTS

#### 3.1 Subscription Shares

Pursuant to the terms of the Subscription Agreements, the Subscribers shall subscribe for such number of Subscription Shares at the Issue Price per Subscription Share in such manner and in such proportions as set out against each Subscriber's name in the table below:

<b>Subscriber</b>	<b>Number of Subscription Shares</b>	<b>Proportion of Aggregate Consideration</b>
Franz Elieo Narcis	126,000,000	S\$630,000
Irene Ng Ai Chen	50,000,000	S\$250,000
Tan Lay Keim	48,000,000	S\$240,000
Yu Wei Ting	30,000,000	S\$150,000
Patrick John Lim Kuoh Weih	20,000,000	S\$100,000
Tan Ou Seng	10,000,000	S\$50,000
Ang Peng Khoon	10,000,000	S\$50,000
Mohaamad Shamin Bin Mohaamad Sahafi	6,000,000	S\$30,000
Grace How Pei Yen	6,000,000	S\$30,000
<b>TOTAL</b>	<b>306,000,000</b>	<b>S\$1,530,000</b>

The aggregate consideration payable by each of the Lenders under their respective Subscription Agreements shall be satisfied in full by way of settlement and set-off against the Loan Amount. Please refer to Section (E) of this announcement for further details on the Bridging Loans.

The Subscription Shares shall be issued free from any and all claims, charges, liens, mortgages, securities, pledges, equities, encumbrances or other interests whatsoever and shall rank *pari passu* in all respects with and shall carry all rights similar to the existing Shares except that the Subscription Shares will not rank for any dividends,

rights, allotments, or other distributions, the record date for which falls on or before the date of the allotment and issue of the Subscription Shares.

The Subscription Shares represent approximately 42.3% of the existing issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of the Company as at the date of this announcement, being 724,170,246 Shares ("**Existing Share Capital**") and approximately 29.7% of the enlarged share capital (excluding treasury shares and subsidiary holdings) of the Company following the completion of the Proposed Subscriptions, being 1,030,170,246 Shares ("**Enlarged Share Capital**"), assuming there are no changes to the number of Shares (excluding treasury shares and subsidiary holdings) of the Company before the completion of the Proposed Subscriptions.

### 3.2 Issue Price

The Issue Price of S\$0.005 per Subscription Share represents a discount of approximately 60.9% to the weighted average price of S\$0.0128 per Share ("**VWAP**") and a discount of approximately 58.3% to the closing price of S\$0.0120 per Share ("**Closing Price**") on the SGX-ST on 5 February 2021, being the last full market day (a "**Market Day**" being a day on which the SGX-ST is open for securities trading) on which the Shares were traded on the Catalist immediately prior to the Company's trading halt on 8 February 2021 and prior to the date of the Subscription Agreements.

The Issue Price was commercially agreed between the Company and the Subscribers after arm's length negotiations and taking into account, *inter alia*:

- (i) the issue prices of the placement exercise completed by the Company in the past twelve (12) months, being the placement of 112,500,000 new Shares to I Concept and Ms. Liw Chai Yuk ("**LCY**") at S\$0.004 per Share completed in December 2020;
- (ii) the prices of the Company's Shares in the past twelve (12) months and prevailing market conditions; and
- (iii) the historical financial performance and position of the Group for the financial year ended 31 July 2020 ("**FY2020**") and its current state of affairs as described in Section (F) of this announcement.

Pursuant to sub-paragraph (ii) above, please see below the price range and volume of the Shares traded on Catalist during the twelve (12) months immediately preceding the date of this announcement and for the period from 1 January 2021 to the date of this announcement:

Month/Year	Price Range			Volume
	Low	High	VWAP	
February 2020	0.002	0.005	0.003	27,776,000
March 2020	0.001	0.004	0.001	36,282,200
April 2020	0.001	0.002	0.001	18,744,200
May 2020	0.001	0.002	0.001	9,117,600
June 2020	0.001	0.004	0.002	92,230,900
July 2020	0.002	0.004	0.003	23,238,800
August 2020	0.002	0.004	0.002	1,896,000

Month/Year	Price Range			Volume
	Low	High	VWAP	
September 2020	0.002	0.004	0.002	2,995,800
October 2020	0.002	0.003	0.002	1,122,700
November 2020	0.002	0.006	0.004	57,315,000
December 2020	0.010	0.029	0.019	910,367,600
1 January 2021	0.015	0.024	0.020	456,110,200
1 February 2021 up to 5 February 2021, being the Market Day on which the Shares were traded on the Catalist immediately prior to the Company's trading halt on 8 February 2021 and the date of this announcement	0.012	0.018	0.014	42,950,700

Source: Bloomberg

### 3.3 Conditions Precedent

Under the Subscription Agreements, the completion of the Proposed Subscriptions is conditional upon the satisfaction or waiver of, *inter alia*, the following conditions ("**Conditions Precedent**"):

- (a) the LQN in respect of the Subscription Shares being obtained from the SGX-ST and not having been revoked or amended and, where the LQN is subject to conditions, to the extent that any conditions of the LQN are required to be fulfilled on or before the Completion Date (as defined below), they are so fulfilled;
- (b) the approval of the Shareholders in general meeting having been obtained for, *inter alia*, the issuance and allotment of the Subscription Shares to the Subscribers;
- (c) the exemption under Section 272B of the SFA being applicable to the allotment and issue of Subscription Shares under the Subscription Agreements;
- (d) the allotment and issue of Subscription Shares to the Subscribers not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Subscription Agreements by any legislative, executive or regulatory body or authority of Singapore or any other jurisdiction which is applicable to the Company or any of the Subscribers;
- (e) there not having occurred, in the opinion of any Subscriber, any material adverse change, or any development reasonably likely to involve a prospective material adverse change, whether or not arising from transactions in the ordinary course of business, subsequent to the date of the Subscription Agreements which, in the opinion of any Subscriber, is or is reasonably likely to be materially adverse in the context of the subscription of Subscription

Shares or is reasonably likely to prejudice materially the success of the subscription of Subscription Shares or dealings in the Subscription Shares in the secondary market. Material adverse change means any circumstance, development or event that has or is likely to have, an effect on the assets, business, financial condition, liabilities or prospects of the Group or results of operations of the Group that could reasonably result in or could reasonably be expected to: (i) adversely affect the rights, powers and remedies of the Subscribers under the Subscription Agreements; or (ii) result in the inability of the Company to perform any of its obligations or undertakings under the Subscription Agreements; and

- (f) the warranties and undertakings given by the Subscribers and the Company as set out in the Subscription Agreements remaining true and correct in all material respects as at the Completion Date.

#### 3.4 Longstop Date

Under the Subscription Agreements, if the Conditions Precedent are not satisfied (or, where applicable, are not waived) on the date falling not later than one (1) month from the date of the Subscription Agreements (or such later date as the parties may mutually agree), the Subscription Agreements shall terminate and be of no further effect and no party shall be under any liability to the other in respect of the Subscription Agreements.

#### 3.5 Completion

Completion of the Proposed Subscriptions under the Subscription Agreements shall take place on the date falling five (5) Market Days from the date of the EGM (or other such date as the Company and the Subscribers may agree in writing) ("**Completion Date**").

### 4. **USE OF PROCEEDS**

- 4.1 The Company intends to utilise the proceeds from the Proposed Subscriptions for the repayment of debts and liabilities and general working capital purposes.
- 4.2 Based on the latest announced unaudited consolidated financial statements of the Group for FY2020, the Group (a) incurred a net loss attributable to owners of the Company of S\$6.7 million; (b) was in a net current liabilities position of S\$4.6 million; and (c) was in a net liabilities position of S\$6.3 million. Please refer to Section (F) of this announcement for further details on the current state of affairs of the Group.
- 4.3 The Proposed Subscription will allow the Company to strengthen its financial position by raising cash proceeds of approximately S\$1.53 million (expenses in relation to the Proposed Transactions are covered under the Bridging Loans and hence, no deduction is required) ("**Net Proceeds**"). The Company intends to utilise the entire Net Proceeds in the following manner:

<b>Use of Net Proceeds</b>	<b>Allocation of the Net Proceeds (S\$' million)</b>	<b>Approximate Allocation of the Net Proceeds (%)</b>
Repayment of the remaining Settlement Sum to Bounty Blue <sup>(1)</sup>	0.70	45.8
Offset against the Bridging Loans	0.73	47.7
General working capital purposes	0.10	6.5
<b>Total</b>	<b>1.53</b>	<b>100.0</b>

**Note:**

- (1) In line with the Proposed Transactions, the Company has re-negotiated with Bounty Blue Capital Ltd (“**Bounty Blue**”) and Mr. Saito Hiroyuki (“**Mr. Saito**”) on the payment terms of the Settlement Sum (as defined below) of S\$1.0 million in relation to the Settlement Deed (as defined below) to, *inter alia*, postpone repayment of S\$0.7 million of the Settlement Sum to after the completion of the Proposed Transactions. Please refer to Section (C) for further details on the addendum to settlement of loans provided by Bounty Blue.

Pending deployment of the Net Proceeds for the purposes stated, the Net Proceeds will be deposited with banks and/or financial institutions, invested in short-term money markets or marketable securities or used for other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated. As the Net Proceeds will be used for working capital purposes, the Company will disclose a breakdown with specific details on how the Net Proceeds have been applied. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation. The Company will also provide a status report on the use of Net Proceeds in the Company's interim and full year financial statements issued under Rule 705 of the Catalist Rules and its annual report(s).

## **5. WORKING CAPITAL CONFIRMATIONS**

The Directors are of the opinion that after taking into consideration the operating cash flows of the Group, the working capital available to the Group is not sufficient to meet its present requirements.

The Directors are of the opinion that after taking into consideration the Proposed Subscriptions, the Bridging Loans, the operating cash flows of the Group and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

**(B) PROPOSED DISPOSALS OF:**

- (1) THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF SYNC CO., LTD., LB KOH CO., LTD., AND E-HOLIDAYS CO., LTD.; AND**
- (2) 50% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF LIFEBRANDZ USA, INC.**

**6. INTRODUCTION**

6.1 The Board wishes to also announce that the Company's wholly-owned subsidiaries, LB F&B Pte. Ltd. ("**LB F&B**") and Takumi Holidays Pte. Ltd. ("**Takumi**") had on 8 February 2021 each entered into two separate conditional share sale and purchase agreements (the "**SPAs**" and each a "**SPA**") with Capital Square Co., Ltd. ("**Capital Square**").

6.2 Pursuant to the terms of the SPAs:

- (a) LB F&B has agreed to sell to Capital Square, and Capital Square has agreed to purchase from LB F&B, the entire issued and paid-up share capital of SYNC Co., Ltd. ("**SYNC**") and LB KOH Co., Ltd. ("**LB KOH**"), as well as 50% of the issued and paid-up share capital of LifeBrandz USA, Inc. ("**LB USA**") for an aggregate consideration of S\$3.00; and
- (b) Takumi has agreed to sell to Capital Square, and Capital Square has agreed to purchase from Takumi, the entire issued and paid-up share capital of Takumi's wholly-owned subsidiary, e-Holidays Co., Ltd. ("**e-Holidays**", and together with SYNC, LB KOH and LB USA, the "**Target Group**" and each a "**Target**") for a consideration of S\$1.00,

(collectively, the "**Proposed Disposals**" and together with the Proposed Subscriptions, the "**Proposed Transactions**").

Upon the completion of the Proposed Disposals, the Company will cease to hold shares, whether direct or indirect, in each of SYNC, LB KOH, LB USA and e-Holidays.

6.3 The Proposed Disposal would constitute the disposal of the whole or substantially the whole of the Company's property or undertaking under Section 160 of the Companies Act (Cap. 50 of Singapore). Further, the relative figures computed on the bases set out in Rule 1006 are negative, and do not fall under any of the scenarios provided for in Paragraphs 4.3 and 4.4 of Practice Note 10A of the Catalist Rules. Accordingly, the Proposed Disposals are subject to the approval of the Shareholders at the EGM. Please refer to paragraph 10 of this announcement for further details on the relative figures in respect of the Proposed Disposals computed on the bases set out in Rule 1006 of the Catalist Rules.

**7. INFORMATION ON THE TARGET GROUP**

7.1 Target Group

Details of each Target within the Target Group are as follows:

<b>Company name</b>	<b>Principal business activity</b>	<b>Country of incorporation</b>	<b>Issued share capital</b>	<b>Group's effective equity interest</b>
SYNC Co., Ltd.	(i) Restaurant operations; (ii) restaurant management and consultancy services; (iii) import, export, trading and online sales of seasoning and food; and (iv) all other businesses incidental to or related to the foregoing business activities.	Japan	JPY10,000	100%
LB KOH Co., Ltd.	(i) Restaurant operations; (ii) restaurant management and consultancy services; (iii) import, export, trading and online sales of seasoning and food; and (iv) all other businesses incidental to or related to the foregoing business activities.  This entity does not have any current operations.	Japan	JPY10,000	100%
e-Holidays Co., Ltd.	Provision of leisure and travel consultancy and ticketing agency services.	Japan	JPY74,000,000	100%
LifeBrandz USA, Inc.	Food and beverage business, with a particular focus in the establishment and operating of high-end sushi restaurants in San Francisco, California, USA.  This entity does not have any current	USA	USD1,000,000	50%

Company name	Principal business activity	Country of incorporation	Issued share capital	Group's effective equity interest
	operations.			

## 7.2 Financial information relating to the Target Group

Based on the *pro forma* unaudited consolidated financial statements of the Target Group for the financial year ended 31 July 2019 ("FY2019") and the *pro forma* unaudited consolidated financial statements of the Target Group for FY2020:

- (a) The book value and net assets value of the Target Group was approximately S\$0.53 million as at 31 July 2019;
- (b) The book value and net liabilities value of the Target Group was approximately S\$0.27 million as at 31 July 2020; and
- (c) the net loss after tax of the Target Group was approximately S\$1.21 million and S\$0.82 million for FY2019 and FY2020, respectively.

For avoidance of doubt, the *pro forma* unaudited consolidated financial statements of the Target Group for FY2019 and FY2020 only consist of the financial statements of e-Holidays and LB USA as SYNC and LB KOH as they were only incorporated in September 2020, after FY2020.

The financial information of SYNC and LB KOH based on their latest unaudited management accounts for the period from their respective incorporation dates until 31 December 2020 ("**Relevant Financial Period**") are as follows:

### SYNC (operating a Japanese restaurant, BBQ Daruma, since 1 October 2020)

The net liability value of SYNC was approximately S\$10,000 as at 31 December 2020. The net loss after tax of SYNC was approximately S\$10,000 for the Relevant Financial Period.

### LB KOH (dormant)

The net liability value of LB KOH was approximately S\$2,500 as at 31 December 2020. The net loss after tax of LB KOH was approximately S\$2,600 for the Relevant Financial Period.

## 8. **INFORMATION RELATING TO CAPITAL SQUARE**

*Shareholders should note that information relating to Capital Square in this paragraph and elsewhere in this announcement was provided by Capital Square. The Company and the Directors have not independently verified the accuracy and correctness of such information herein.*

- 8.1 Capital Square is a company incorporated under the laws of Japan engaged in the business of investment holding. The sole director and shareholder of Capital Square is Mr. Fujiyoshi Daiki.
- 8.2 As at the date of this announcement, Capital Square is a substantial shareholder of the Company holding an aggregate of 75,000,000 Shares in the Company, representing 10.36% of the Existing Share Capital of the Company.

As disclosed in the Company's announcement dated 20 January 2020, Office Hashida Co., Ltd. transferred 500,000 ordinary shares in LB USA, equivalent to 50% equity interest in LB USA, to Capital Square. In connection with the share transfer, Mr. Fujiyoshi Daiki was appointed as a director of LB USA in place of Mr. Kenjiro Hashida. Prior to that, Mr. Fujiyoshi Daiki was also chief executive officer of e-Holidays and a director of Takumi. Mr. Fujiyoshi Daiki stepped down from his position as director of Takumi on 19 September 2019, and from his position as chief executive officer of e-Holidays on 25 September 2019. Please refer to the Company's announcement dated 20 January 2020 for further details.

- 8.3 Save as disclosed above, Capital Square and its director and shareholder do not have any relationship with any Director or the controlling shareholder of the Company, and their respective associates.

## 9. PRINCIPAL TERMS OF THE PROPOSED DISPOSALS

### 9.1 Sale Shares

Under the SPAs, LB F&B and Takumi shall sell and Capital Square shall purchase the entire issued and paid-up share capital of SYNC, LB KOH and e-Holidays, as well as 50% of the issued and paid-up share capital of LB USA (the "**Sale Shares**") free from all encumbrances and together with all rights and advantages attaching to them, including dividend and voting rights, as at completion of the Proposed Disposals, on an "as is where is" basis.

### 9.2 Aggregate Consideration

The aggregate consideration for the Proposed Disposals is S\$4.00, which will be fully satisfied by way of cash ("**Aggregate Consideration**").

The Aggregate Consideration was arrived at after arm's length negotiations on a willing-buyer willing-seller basis, taking into account, *inter alia*, (i) the financial information of the Target Group as disclosed in paragraph 7.2 of this announcement, (ii) the near to medium term prospects of the Target Group's businesses taking into consideration that they are located in the countries with high number of COVID-19 cases, and (iii) future financial support and capital injection required to finance the Target Group's working capital and to gear up the Target Group's business activities to a profitable level.

The Board is of the view that no independent valuation on the Target Group is required for the Proposed Disposals after taking into consideration the financial positions of the Target Group and negative net present value of the Target Group based on the discounted cash flow model as prepared internally by the Company.

Please refer to Section (F) for further details on the Board's rationale for, *inter alia*, the quantum of the Aggregate Consideration.

### 9.3 Conditions Precedent

The Proposed Disposals are conditional upon, *inter alia*, the following:

- (a) to the extent required, board and/or shareholders' approval of LB F&B, Takumi, Capital Square, LB USA, SYNC, LB KOH and e-Holidays (as the case may be), for the sale and purchase of the relevant Sale Shares; and
- (b) the approval of the Shareholders in respect of the Proposed Disposals being obtained at the EGM,

(collectively, the "**Disposal Conditions**")

#### 9.4 Indemnity

Capital Square will indemnify the Company, its officers and agents against any and all loss, damage, costs or expenses (including legal costs on a full indemnity basis) that the Company may suffer or incur in relation to any claim made by any third party concerning any of Targets, their respective businesses, contracts, obligations or otherwise, arising from and/or occasioned by any and all matters occurring before completion of the Proposed Disposals.

#### 9.5 Longstop Date

If any of the Disposal Conditions (save for those compliance with which has been waived or varied in accordance with the terms of the SPAs) have not been satisfied by the date falling thirty (30) calendar days from the date of the SPAs or such other date as may be agreed in writing by the parties, the SPAs will lapse and no party will have any claim against the other parties under the SPAs, save for any claim arising from antecedent breaches of the SPAs.

#### 9.6 Completion

Completion of the Proposed Disposals shall take place on or before the seventh (7<sup>th</sup>) business day after the date on which all of the Disposal Conditions have been fulfilled or waived, or any other date as the parties may agree in writing.

### 10. **THE PROPOSED DISPOSALS UNDER CHAPTER 10 OF THE CATALIST RULES**

#### 10.1 Relative bases under Rule 1006 of the Catalist Rules

Based on the unaudited consolidated financial statements of the Group for FY2020, the relative figures of the Proposed Disposals computed on the bases set out in Rule 1006 of the Catalist Rules are set out below:

<b>Rule 1006</b>	<b>Bases of Calculation</b>	<b>Relative Figure (%)</b>
(a)	Net asset value of the assets to be disposed of compared with the Group's net asset value	4.2% <sup>(1)</sup>
(b)	Net profits <sup>(2)</sup> attributable to the assets disposed of, compared with Group's net profits	11.9% <sup>(3)</sup>
(c)	Aggregate value of the consideration to be received, compared with the Company's market capitalisation <sup>(4)</sup>	<0.01% <sup>(5)</sup>

Rule 1006	Bases of Calculation	Relative Figure (%)
(d)	The number of consideration shares issued by the Company, compared with the number of Shares (excluding treasury shares) previously in issue	N.A. <sup>(6)</sup>
(e)	The aggregate volume of proved and probable reserves to be disposed of compared with the Group's probable and proved reserves	N.A. <sup>(7)</sup>

**Notes:**

- (1) Computed based on the unaudited net liabilities value of the Group as at 31 July 2020 of S\$6.27 million and the *pro forma* unaudited net liabilities value of the Target Group as at 31 July 2020 of approximately S\$0.27 million.
- (2) Under Rule 1002(3) of the Catalist Rules, "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (3) Computed based on the unaudited net loss before tax of the Group for FY2020 of approximately S\$6.94 million and the *pro forma* unaudited net loss before tax of the Target Group for FY2020 of approximately S\$0.82 million.
- (4) The market capitalisation of the Company of S\$9,269,379 was determined by multiplying the total number of Shares, being 724,170,246 Shares (excluding treasury shares) by S\$0.0128 (being the VWAP of such Shares on 5 February 2021, being the last full Market Day on which the Shares were traded on the Catalist immediately prior to the Company's trading halt on 8 February 2021 and prior to the date of the SPAs).
- (5) Computed based on the Aggregate Consideration of S\$4.00 that will be paid to the Company, compared to the market capitalisation of the Company amounting to approximately S\$9,269,379.
- (6) This is not applicable as the Proposed Disposals do not involve issuance of consideration shares.
- (7) This is not applicable as the Company is not a mineral, oil and gas company.

The relative figures computed based on Rules 1006(a) and 1006(b) of the Catalist Rules are negative, which may not give a meaningful indication of the significance of the Proposed Disposals to the Company. The Group is expected to record a net loss on disposals of S\$1.55 million, or 22.3% of the unaudited net loss of the Group for FY2020. The Proposed Disposals do not fall under the scenarios provided for in Paragraphs 4.3 and 4.4 of Practice Note 10A of the Catalist Rules. Accordingly, the Proposed Disposals are conditional upon the approval of the Shareholders at the EGM. A circular will be disseminated or dispatched to Shareholders in due course.

## 10.2 Use of Aggregate Consideration

As the Aggregate Consideration is nominal, the proceeds raised from the Proposed Disposals are negligible.

## (C) ADDENDUM TO SETTLEMENT OF LOANS PROVIDED BY BOUNTY BLUE

### 11. BACKGROUND

On 27 November 2020, the Company announced that the Company had entered into a deed of settlement on 26 November 2020 ("**Settlement Deed**") with Bounty Blue and Mr. Saito for the settlement of certain interest-free loans in the aggregate sum of

S\$2,918,923 ("**BB Loan Amount**") extended by Bounty Blue to the Company for working capital and business expansion purposes.

Please refer to the Company's announcement dated 27 November 2020 for further details on, *inter alia*, the aforementioned Settlement Deed.

## 12. ADDENDUM TO SETTLEMENT

12.1 The Board wishes to announce that on 8 February 2021, the Company had entered into a deed of addendum with Bounty Blue and Mr. Saito ("**Addendum**"), pursuant to which, *inter alia*:

- (a) the BB Loan Amount, being S\$2,918,923 shall be fully settled and satisfied by the payment of the Company to Bounty Blue of S\$1,000,000 in cash ("**Settlement Sum**") in the following manner:
  - (i) S\$200,000 on or before 25 January 2021. Mr. Saito acknowledges that this amount has already been paid to Bounty Blue;
  - (ii) subject to the release of this announcement, S\$100,000 by 10 February 2021; and
  - (iii) subject to the completion of the Proposed Transactions, provided always that the Company shall have the right to deduct from this amount any liabilities (whether contingent or otherwise) which arose before 30 November 2020 and which are not specifically catered for in the books of the Company as at the date of the Settlement Deed as certified by the Chief Finance Officer of the Company, S\$700,000, being the remainder of the Settlement Sum, by 10 March 2021;
- (b) Bounty Blue and Mr. Saito jointly and severally instructs the Company to pay the sums as set out in section 12.1(a)(ii) and 12.1(a)(iii) above to BountyBay Pte. Ltd. ("**BountyBay**"); and
- (c) Bounty Blue and Mr. Saito irrevocably agrees that once the sums as set out in section 12.1(a)(ii) and 12.1(a)(iii) above have been paid to BountyBay in accordance with the terms of the Addendum, the Company would be deemed to have satisfied all of its payment obligations under the Settlement Deed (as amended by the Addendum) and Bounty Blue and Mr. Saito shall have no further claim or cause against the Company in respect of the same.

12.2 BountyBay is a private company incorporated under the laws of Singapore with limited liability. The sole shareholder and director of BountyBay is Mr. Saito.

12.3 Save to the extent expressly amended by the Addendum, the terms and conditions of the Settlement Deed remain in full force and effect.

## (D) IRREVOCABLE UNDERTAKINGS

### 13. VOTING UNDERTAKINGS

13.1 As at the date of this announcement:

- (a) Bounty Blue holds 155,148,030 Shares, representing approximately 21.42% of the Existing Share Capital;
  - (b) Capital Square holds an aggregate of 75,000,000 Shares representing approximately 10.36% of the Existing Share Capital;
  - (c) I Concept holds 101,000,000 Shares representing approximately 13.95% of the Existing Share Capital; and
  - (d) LCY (and together with Bounty Blue, Capital Square and I Concept, the "**Undertaking Shareholders**") holds 12,500,000 Shares representing approximately 1.73% of the Existing Share Capital.
- 13.2 To demonstrate their support for the Proposed Transactions, each of the Undertaking Shareholders has agreed to separately give certain undertakings as set out in the deeds of undertaking dated 8 February 2021 ("**Voting Undertakings**").
- 13.3 Pursuant to the Voting Undertakings separately given by each of the Undertaking Shareholders:
- (a) each of Bounty Blue, I Concept and LCY has undertaken to ensure that none of the Shares in which it currently has an interest (directly or indirectly), are sold, transferred or otherwise disposed of from the date of the Voting Undertakings until the completion of the Proposed Transactions; and
  - (b) each of the Undertaking Shareholders will vote and/or procure the voting of, all their shareholding, whether held directly or indirectly, in favour of the resolutions relating to, *inter alia*, the Proposed Subscriptions and/or the Proposed Disposals at the EGM.

The Undertaking Shareholders have not been offered additional terms or benefits in connection with the giving of the Voting Undertakings set out above.

## **(E) THE BRIDGING LOANS**

### **14. OVERVIEW OF THE BRIDGING LOANS**

- 14.1 As mentioned in paragraphs 2.7 and 3.1 of this announcement, the Company has obtained the Bridging Loans of S\$730,000 from the Lenders, via two separate loan agreements entered into on 25 January 2021 and 8 February 2021 (collectively, the "**Bridging Loan Agreements**").
- 14.2 The Bridging Loans have been requested by the Company from the Lenders to settle part of the expenses for the Proposed Transactions, repay outstanding debts and liabilities, and for working capital purposes.
- 14.3 The salient terms of the Bridging Loans are set out below:

<b>Term</b>	<b>Loan Agreement dated 25 January 2021</b>	<b>Loan Agreement dated 8 February 2021</b>
<b>Lender(s)</b>	Franz Elioe Narcis	Franz Elioe Narcis Patrick John Lim Kuoh Weih

<b>Term</b>	<b>Loan Agreement dated 25 January 2021</b>	<b>Loan Agreement dated 8 February 2021</b>
<b>Principal Amount</b>	S\$200,000	Franz Elieo Narcis: S\$430,000 Patrick John Lim Kuoh Weih: S\$100,000
<b>Interest</b>	Interest-free	Interest-free
<b>Drawdown date(s)</b>	25 January 2021	<u>Tranche 1 (S\$430,000):</u> One (1) business day after the date of announcement of the Proposed Transactions.  <u>Tranche 2 (S\$100,000):</u> Any date after the Shareholders' approval is obtained for the Proposed Transactions until the completion of the Proposed Subscriptions.
<b>Use of proceeds</b>	For partial repayment of Settlement Sum to Bounty Blue	<u>Tranche 1:</u> For partial repayment of Settlement Sum of S\$100,000 to Bounty Blue, repayment of an external loan of S\$200,000 to a third party lender and the remaining for partial settlement of the expenses for the Proposed Transactions, repayment of other outstanding external liabilities and for working capital purposes.  <u>Tranche 2:</u> For partial settlement of the expenses for the Proposed Transactions, repayment of other outstanding external liabilities and for working capital purposes.
<b>Drawdown Sequence</b>	Not applicable	For the drawdown of Tranche 1, the Company shall send the relevant drawdown request to Franz Elieo Narcis, and for the drawdown of Tranche 2, the Company shall send the

<b>Term</b>	<b>Loan Agreement dated 25 January 2021</b>	<b>Loan Agreement dated 8 February 2021</b>
		relevant drawdown request to Patrick John Lim Kuoh Weih.
<b>Repayment Date</b>	By 31 December 2021, or such other date as may be expressly agreed upon between the Lender and the Company from time to time in writing	By 8 March 2021, or such other date as may be expressly agreed upon between the Lender and the Company from time to time in writing

**(F) RATIONALE FOR THE PROPOSED TRANSACTIONS**

Industry Context and Background

Due to the current ongoing COVID-19 crisis, the global economic outlook is uncertain, and with numerous travel bans, social distancing measures and dine-in restrictions in place, the Group faces heightened difficulties in sustaining its businesses and managing its costs in its operations.

The food and beverage (“**F&B**”) industry is currently fraught with challenges brought about by the COVID-19 outbreak, which impacted the Group’s F&B business in Singapore, the United States, Japan and Thailand. The Group had to make painful decisions to permanently cease the operations of Hashida Sushi in Singapore and Sushi Nagai in the United States in April and May 2020 respectively as the revenue decreased drastically as a result of the COVID-19 situation and the Group could no longer support the costs of operations. Furthermore, the potential business ventures including joint investment in Kaji F&B Singapore and acquisition of Beef by Koh Co., Ltd. did not materialise in view of the uncertainties arising from the COVID-19 situation. The business at Mulligan’s Irish Pub in Pattaya, Thailand was also adversely affected by both COVID-19 pandemic and two rounds of massive flash flood in FY2020. While Mulligan’s Irish Pub was back in operation since mid of August 2020 and the Group opened a new restaurant, BBQ Daruma, in Japan in early October 2020, it will take time for these operations to turn profitable.

Similarly, for its travel agency business under e-Holidays, while the business is still in operations with precautionary measures taken, the COVID-19 outbreak, coupled with the postponement of the Tokyo Olympic Games, has resulted in a significant slowdown of travel demand in Japan.

The Board expects the business and financial performance of the Group to continue to be adversely affected depending on the duration of the COVID-19 pandemic, when borders will re-open for general travel and also the lifting of social distancing measures to boost dining-in capacity and demand.

These developments have hit the Group’s operating cash flows and financial situation. The Group has taken steps to right-size its resources in response to the business outlook and is working on restructuring of its business and debts. However, these measures will not be sufficient without further fundraising. The Group’s cash flow and

financial flexibility continue to be impacted by the worsening market dynamics and outlook. The Group urgently needs to address liquidity requirements and strengthen its balance sheet.

#### Strengthening Liquidity and Balance Sheet

Based on the latest announced unaudited consolidated financial statements of the Group for FY2020, the Group (a) incurred a net loss attributable to owners of the Company of S\$6.7 million; (b) was in a net current liabilities position of S\$4.6 million; and (c) was in a net liabilities position of S\$6.3 million. Total borrowings of the Group was S\$2.8 million as at 31 July 2020, comprising bank borrowings of approximately S\$164,000 under e-Holidays, an advance of S\$200,000 from Capital Square and advances of S\$2.4 million from Bounty Blue.

Subsequent to FY2020, the Company had taken further steps to restructure its debts and borrowings, including negotiation with various trading stakeholders on debt deferrals and with the support of Bounty Blue and Capital Square where Bounty Blue had agreed to settle its advances with S\$1.0 million repayment in tranches (S\$0.2 million of which had been repaid as at the date of this announcement) and Capital Square had fully waived its advance to the Company. The Company is grateful for the support from Bounty Blue and Capital Square and understand that both of them have other financial commitments. The Company has therefore embarked on the process to source in the market for external financing opportunities (including both debts and equities), including the recent placement exercise completed in December 2020 which raised gross proceeds of S\$450,000 from I Concept and LCY, and the Bridging Loans obtained from two of the Subscribers.

The Board has considered various financing options and believes that a placement of shares at this point is critically needed to maintain sufficient liquidity to ride out the current industry downturn. The key aims of the Proposed Subscriptions and Proposed Disposals are to strengthen the Group's balance sheet and improve its liquidity position by repayment of the remaining Settlement Sum of S\$0.7 million to Bounty Blue, converting the Bridging Loans of S\$0.7 million into equity in the Company and to raise additional cash to repay the Group's other outstanding debts and liabilities and to support its working capital needs. To ensure deal certainty, the Proposed Transactions are supported by the Undertaking Shareholders. The settlement of the advances from Bounty Blue and the Bridging Loans will deleverage the Group. Once the Group's debts and liabilities are minimised, the Group will be able to better position itself for new business expansion plans.

In summary, if approved, the Proposed Subscriptions and the Proposed Disposals will reduce the Group's liabilities and strengthen its balance sheet, improve the Group's cash position, fund ongoing commitments, help its business expansion and ensure long-term viability and value to Shareholders.

In view of the dilutive impact of the Proposed Subscriptions on the Shareholders, the Board is also proposing to conduct a rights issue exercise in order to reward the Shareholders by allowing them to participate in the equity of the Company at a pricing similar to that offer to the Subscribers, subject to applicable laws and regulations. As at the date of this announcement, the terms of the proposed rights issue has not been determined by the Board and the Board will make all such necessary announcements

as and when such plans are finalised in compliance with applicable laws and regulations.

#### Strategic Business Plans

As disclosed in the Company's financial results announcement dated 29 December 2020, the Company is performing a strategic review of its businesses to try to remove the underperforming entities/businesses within its business portfolio, looking for new business opportunities within its current scope of business and realign its cost base.

As at the date of this announcement, LB USA has ceased business operations, LB KOH has not started any operations, and e-Holidays and SYNC have been affected by the ongoing COVID-19 pandemic and have been making losses till to-date. As such, the Board is of the view that it is an opportune time to divest all loss-making and/or under-performing entities held by the Group.

The Group has identified certain business opportunities and is in discussion with potential third-party business partners, including potential partnerships or joint ventures with the local F&B operators in Singapore to open up to eight new F&B chain outlets in various locations in Singapore within one year from the completion of the Proposed Transactions. The Group is also performing feasibility studies on other F&B related opportunities for its medium to long term business plans, including central/ghost kitchen operations and manufacturing and distribution of lab-based food in the ASEAN region. These opportunities, as and when materialised, will require significant capital investment on the part of the Group. The Proposed Subscriptions are expected to strengthen the Group's financial position and to get the Group ready for such investment opportunities. As mentioned above, the Company will continue to look for more fundraising opportunities, including a proposed rights issue exercise, to further support the execution of its strategic business plans. The Company will make the necessary announcements in relation for such business opportunities as and when required.

#### Lack of Interest from Third Parties

Since the economic downturn in the F&B and travel and leisure industries caused by the ongoing COVID-19 crisis, the Group had attempted fundraising exercises to meet the urgent working capital requirements for the Target Group. There was, however, a general lack of interest from investors and financiers to support companies in the travel and leisure space, as well as companies involved in the management and operation of high-end F&B establishments, given the numerous travel bans, social distancing measures and dine-in restrictions, resulting in heightened costs of operations.

Subsequent to the strategic review conducted by the Board, the Company had sought out third parties who were interested to take over the Target Group. However, due to the general lack of interest from third parties in high-end F&B establishments and the travel and leisure industry, as well as the current global economic outlook, the Company has not been able to secure any interest for the Target Group from third parties. In view of the upcoming urgent working capital needs of the Target Group, the Board had decided to proceed with the Proposed Disposals with Capital Square, who was the only party which expressed an interest in acquiring the Target Group.

The nominal value of the Aggregate Consideration was negotiated upon and agreed between the Company and Capital Square in view of (i) the lack of interest from third party purchasers, (ii) the upcoming urgent working capital needs of the Target Group, (iii) the financial position of the Target Group as at 31 July 2020, as well as (iv) the waiver of Capital Square's advance of S\$200,000 to the Company in full, the details of which was disclosed in the Company's announcement dated 27 November 2020.

## **(G) FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS**

### **15. BASES AND ASSUMPTIONS**

The financial effects of the Proposed Transactions on (a) the consolidated net tangible assets ("NTA") / net tangible loss ("NTL") per Share and (b) the consolidated loss per Share ("LPS") of the Group, have been prepared based on the unaudited consolidated financial statements of the Group for FY2020. The *pro forma* financial effects of the Proposed Transactions are for illustration only and do not reflect the actual financial effects or the future financial performance and condition of the Group.

The *pro forma* financial effects are based on the following assumptions:

- (a) the financial effects of the Proposed Transactions on the NTL per Share of the Group are computed based on the assumption that the Proposed Transactions were completed on 31 July 2020;
- (b) the financial effect of the Proposed Transactions on the LPS is computed based on the assumption that the Proposed Transactions were completed on 1 August 2019; and
- (c) the expenses incurred in connection with the Proposed Transactions have been disregarded as they are not material.

For avoidance of doubt, the financial effects of the Proposed Transactions do not take into account (i) any other corporate actions announced and undertaken by the Group; and (ii) any issuance of new Shares, on or after 1 August 2020.

#### **15.1 Share Capital**

The illustrative financial effects of the Proposed Transactions on the share capital of the Company as at 31 July 2020 are as follows:

	<b>Before the Proposed Transactions</b>	<b>After the completion of the Proposed Disposals</b>	<b>After the completion of the Proposed Transactions</b>
Issued and paid-up share capital (S\$'000)	63,074	63,074	64,604
Total number of issued Shares (excluding treasury shares) <sup>(1)</sup> ('000)	611,670	611,670	917,670

**Note:**

- (1) As at the date of this announcement, the Company does not hold any treasury shares.

15.2 NTL per Share

The illustrative financial effects of the Proposed Transactions on the NTL per Share of the Group as at 31 July 2020 are as follows:

	Before the Proposed Transactions	After the completion of the Proposed Disposals	After the completion of the Proposed Transactions
NTL attributable to the owners of the Company <sup>(1)</sup> (S\$'000)	(6,483)	(4,495)	(2,965)
Total number of issued Shares (excluding treasury shares) <sup>(2)</sup> ('000)	611,670	611,670	917,670
NTL per Share (S\$ cents)	(1.06)	(0.73)	(0.32)

**Notes:**

- (1) NTL attributable to the owners of the Company means total assets less the sum of total liabilities, non-controlling interests and intangible assets.
- (2) As at the date of this announcement, the Company does not hold any treasury shares.

15.3 LPS

The illustrative financial effects of the Proposed Transactions on the LPS of the Group for FY2020 are as follows:

	Before the Proposed Transactions	After the completion of the Proposed Disposals	After the Proposed Transactions
Loss for the financial year (S\$'000)	(6,944)	(5,449)	(5,449)
Net loss attributable to owners of the Company (S\$'000)	(6,709)	(5,449)	(5,449)
Weighted average number of Shares ('000)	574,068	574,068	917,670
LPS (S\$ cents)	(1.17)	(0.95)	(0.59)

#### 15.4 Gearing

The gearing of the Group as at 31 July 2020 of S\$2.75 million (which included advances from Bounty Blue and Capital Square as well as bank borrowings) will be reduced to zero, and based on the illustrative financial effects after the completion of the Proposed Transactions.

#### **(H) EGM AND CIRCULAR TO SHAREHOLDERS**

The Circular containing further details of, *inter alia*, the Proposed Subscriptions and/or the Proposed Disposals, together with the notice of the EGM in connection therewith, will be disseminated or despatched to the Shareholders in due course.

#### **(I) INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS OF THE COMPANY**

Save as disclosed in this announcement, none of the Directors or substantial Shareholders of the Company, as well as their respective associates, have any interests, direct or indirect, in the Proposed Subscriptions and/or the Proposed Disposals (other than through their respective shareholdings in the Company, if any).

#### **(J) DIRECTORS' SERVICE AGREEMENTS**

No person is proposed to be appointed as Director of the Company or any of its subsidiaries in connection with the Proposed Transactions. Accordingly, no service contract is proposed to be entered into between the Company and any such person. However, Mr. Saito and Mr. Naoki Watanabe have expressed their intentions to resign from the Board and all positions held in the Group upon completion of the Proposed Transactions in view of (i) the new strategic direction of the Group, which will be focusing on F&B-related industries within the ASEAN region in the near to medium term; and (ii) allowing the appropriate candidates with the relevant experience to take over their roles in advising the Group for the design and implementation of the aforementioned business plans. The Board expresses its gratitude towards the contributions and kind understanding of Mr. Saito and Mr. Naoki Watanabe thus far. The Company will be sourcing for suitable candidates to replace their positions in the near future and will make the necessary announcements in relation to such appointments as and when required.

#### **(K) DOCUMENTS AVAILABLE FOR INSPECTION**

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents will be made available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at the Company's registered office at 46 Kim Yam Road, #03-06, Singapore 239351 for three (3) months from the date of this announcement:

- (a) the Subscription Agreements entered into with the Subscribers;
- (b) the SPA entered into between LB F&B and Capital Square;
- (c) the SPA entered into between Takumi and Capital Square;

- (d) the Settlement Deed;
- (e) the Addendum;
- (f) the Voting Undertakings given by the Undertaking Shareholders in favour of the Company; and
- (g) the Bridging Loan Agreements entered into with the Lenders.

**(L) DIRECTORS' RESPONSIBILITY STATEMENT**

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

**(M) FURTHER ANNOUNCEMENTS**

Further announcements will be made by the Company in relation to the Proposed Subscriptions and/or the Proposed Disposals as and when appropriate.

**(N) CAUTIONARY STATEMENT**

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares as there is no certainty or assurance that either of the Proposed Subscriptions and/or Proposed Disposals will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax, legal or other professional adviser(s) immediately.

**BY ORDER OF THE BOARD**

Saito Hiroyuki  
Executive Chairman and Chief Executive Officer  
9 February 2021

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

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