

Issuer: LifeBrandz Ltd

Security: LifeBrandz Ltd

Meeting details:

Date: 29 November 2017

Time: 3.00 p.m.

Venue: 2 Bukit Merah Central (formerly known as “Spring Singapore”), Podium Block, Level 3, Room P303, Singapore 159835

Company Description

LifeBrandz Ltd, an investment holding company, engages in lifestyle and entertainment businesses in Singapore and Thailand. It operates restaurants and night-entertainment outlets; and Mulligan’s Irish pub in Pattaya, Thailand. The company also provides intellectual property licensing and management services; and leisure and travel consultancy, and ticketing agency services. LifeBrandz Ltd was founded in 2001 and is headquartered in Singapore.

(Source: http://www.sgx.com/wps/portal/sgxweb/home/company_disclosure/stockfacts?code=1D3)

Q1. The group's mission statement as shown on page 1 of the annual report is as follows:

"We aim to be the leading-edge company in providing comprehensive services and multi-faceted solutions, including brand development & management, travel, Fintech, IT and fund management, so as to enhance the lifestyles and wealth of our customers while continuously striving to achieve growth, profitability and shareholder value."

- a) **With the new board of directors and the new executive team in place, can the company map out a detailed growth plan to allow shareholders to better understand how the group strives to achieve the goals in its mission statement?**
- b) The management team collectively appears to have no/little prior track record and operating experience in driving new businesses, especially in the areas of fintech and fund management. **How does the company mitigate the risks of growing and operating the new businesses?**
- c) **What assurance can the company give to shareholders that the management team have the ability and the necessary expertise to execute on the new business plans?**

Q2. Specifically, on e-Holidays Co., Ltd. (e-Holidays), the travel business that was newly acquired on 11 September 2017, shareholders would like to ask for better visibility on the scope and scale of operations. Specifically:

- a) **What is the scale of the operations of e-Holidays at the point of the acquisition?**
- b) **How many outlets/branches does e-Holidays have? What are the cities that e-Holidays is in?**

It was disclosed that e-Holidays *"provides enquiry services for leisure travel, which includes advising and making arrangements for air tickets and accommodation and advising on leisure travel packages. The Target Company[e-Holidays] also offers other travel-related services and products such as arranging for travel insurance, visa applications, and land transfers between airport and accommodation"*.

- c) **Can management let shareholders know how e-Holidays differentiate itself from its competitors?**
- d) **In view of competition from online travel portals, how does the group mitigate the risk that consumers' buying patterns shift online?**

Q3. In the Corporate Governance Statement, under Principle 2: Board's Composition and Guidance (pages 15-16), the following disclosure was made:

"During FY2017, the Group carried out a restructuring of the Board composition whereby Mr. Toh Hock Ghim and Mr. Wong Joo Wan resigned as Independent Directors on 27 April 2017. On the same date, Mr. Yamaguchi Hiroyuki and Mr. Nishijima Osamu were appointed as Independent Directors of the Group. On 5 May 2017, Mr. Chng Weng Wah resigned as Executive Director and Chief Executive Officer of the Group and was replaced by Mr. Saito Hiroyuki who assumed the position of Executive Chairman and Chief Executive Officer. On 22 September 2017, Mr. Yamaguchi Hiroyuki resigned as Independent Director and was replaced by Mr. Yoshio Ono on the same date. Subsequently, Mr. Nishijima Osamu resigned as Independent Director and was replaced by Mr. Kurokawa Shingo on 27 October 2017".

In the company's announcements dated 27 April 2017 notifying the resignation of independent directors, the reasons for cessation for Mr. Toh Hock Ghim and Mr. Wong Joo Wan were "To pursue personal interests".

- a) **Can the company confirm that the resignations of Mr. Toh Hock Ghim and Mr. Wong Joo Wan were a result of the group's restructuring?**

On 27 April 2017, Mr. Yamaguchi Hiroyuki and Mr. Nishijima Osamu were appointed as Independent Directors of the company and Mr. Yamaguchi Hiroyuki resigned on 22 September 2017 while Mr. Nishijima Osamu resigned on 27 October 2017.

- b) Can the company explain how it carries out its search for non-executive directors?**
- c) Can the company help shareholders understand how the new directors were nominated and selected?**

Similarly, the reasons for cessation for Mr. Yamaguchi Hiroyuki and Mr. Nishijima Osamu were “To pursue personal interests”.

- d) Can the sponsor confirm if it had carried out any exit interviews with the directors who have resigned?**

A copy of the questions for the Annual Report for the financial year ended 31 July 2016 could be found here:

<https://sias.org.sg/qa-on-annual-reports/?company=LifeBrandz%20Ltd>

The company's response could be found here: -----