

CITICODE LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number 200404283C)

**PERFORMANCE GUIDANCE FOR THE 6 MONTHS ENDED 30 JUNE 2020 (“1H2020”)
AND BUSINESS UPDATE**

Performance Guidance for 1H2020

The Board of Directors (the “**Board**”) of Citicode Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to advise that based on the preliminary review of the unaudited financial statements of the Group for 1H2020, the Group expects to report a loss for 1H2020 due mainly to the following reasons:

1. Significantly lower revenue as the Group cancelled most of its trading sales orders (since first quarter of 2020) as a result of renewed market uncertainty, commodities price volatility and major supply chain disruptions due to the Covid-19 Pandemic; and
2. The Group incurred hedging losses given the changing exposure in the commodities market, particularly copper price fell by close to 20% in the month of March 2020. When copper price fell sharply and remained volatile, the Group made a discretionary decision to cancel out the corresponding future contracts without taking physical delivery of goods on worries that the Pandemic could depress demand for a prolonged period of time with continued concerns over increasingly higher risks amidst slowing global economic activities. The Group had previously warned of such market risks under these existing business conditions.

General Business Update

The Group continued to generate operating cash flows from its engineering consultancy business and its corporate functions remain streamlined in order to save on recurring expenses while it is in the midst of implementing its turnaround strategy.

The Company had also on 29 July 2020 announced the proposed acquisition of Livingstone Health Ltd (the “**Proposed Acquisition**”) which will constitute a Reverse Takeover (the “**RTO**”) on completion (the “**Announcement**”). As disclosed in the Announcement, the Proposed Acquisition is in line with the Company’s corporate turnaround strategy to sustain its revenue stream, improve its financial performance and enhance Shareholders’ value in the long term. The Proposed Acquisition, if completed, will also mean a successful transformation plan for the Company, leading to an improvement and leverage position for future fund-raising exercises and helping to mitigate market risks relating to the Company’s existing businesses. The Company has also announced that it would dispose of all its existing businesses, including its trading business, after completion of the RTO.

The Proposed Acquisition will allow the Company to diversify into the multidisciplinary healthcare sector in Singapore and the Company will consolidate its shares by 500 to 1 to facilitate execution of the RTO. The Company may incur additional one-off expenses for execution of these corporate actions.

The Company will make the necessary announcements as and when there are further material developments on the RTO.

Cautionary Statement

Meanwhile, shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company and are advised to refrain from taking any action which may be prejudicial to their interests before seeking advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers (as appropriate)

BY ORDER OF THE BOARD

**Teh Wing Kwan
Executive Chairman and Chief Executive Officer
7 August 2020**