



AUTAGCO LTD.
(Formerly known as “LifeBrandz Ltd.”)
(Company Registration No. 200311348E)
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF BUSINESS AND ASSETS IN CRESCENDO WELLNESS LIVING

Unless otherwise specified, all capitalised terms shall have the same meaning ascribed to them in the Announcements (as defined below).

1. INTRODUCTION

1.1 The Board of Directors (the “**Board**” or “**Directors**”) of Autagco Ltd. (formerly known as “LifeBrandz Ltd.”) (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to:

(a) the Company’s announcement dated 15 October 2024 (the “**Announcement**”) in relation to, *inter alia*, the entry into a non-binding term sheet between the Company’s wholly-owned subsidiary, Communa Gold Pte. Ltd. (“**Communa Gold**”), and Dr. Vimallan s/o Manokara (the “**Vendor**”) (“**Term Sheet**”) in relation to the proposed acquisition of 100% of the business and assets of Crescendo Wellness Living (“**Crescendo**”) at a purchase consideration of S\$50,000 (“**Purchase Consideration**”); and

(b) the Company’s circular dated 4 November 2024 in relation to the proposed diversification of the Group’s business to include the Assisted Living Business (“**Proposed Diversification**”).

(collectively, the “**Announcements**”).

1.2 Further to the Announcements, the Board wishes to announce that, pursuant to the Term Sheet, Communa Gold has, on 23 December 2024, entered into a sale and purchase agreement (the “**SPA**”) with the Vendor. Notwithstanding that the Term Sheet contemplates the proposed acquisition of 100% of the business and assets of Crescendo, pursuant to the SPA, the Vendor has agreed to sell and transfer, and Communa Gold has agreed to purchase the Business (as defined in section 3.1 below) as a going concern together with certain properties, rights and assets in connection with the Business at the Purchase Consideration (“**Proposed Acquisition**”).

2. BACKGROUND TO THE PROPOSED ACQUISITION

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

2.1 Information on Crescendo and the Vendor

Crescendo is a registered sole-proprietorship in Singapore owned and operated by the Vendor and is principally engaged in the Assisted Living business. Crescendo offers existing brand recognition in the Assisted Living sector, and an operational framework enriched with innovative approaches introduced by the Vendor, a registered psychologist with over 13 years of experience in social services and expertise in geriatrics, who graduated from the University of Sydney with a Doctor of Philosophy (Medicine) and Nanyang Technological University, Singapore with a Master of Arts (Applied Psychology).

For completeness of disclosure, the Vendor has, on 29 November 2024, entered into a subscription agreement with the Company for the proposed subscription of 8,333,333 new ordinary shares in the capital of the Company (“**Shares**”) at a subscription price of S\$0.003 per subscription share. The proposed subscription with certain subscribers (“**Proposed Subscription**”), including the Vendor has been completed as at the date of this announcement. Please refer to the Company’s announcements

dated 3 December 2024 and 20 December 2024 for further details.

2.2 Rationale for the Proposed Acquisition

In its search for new business opportunities as part of the Strategic Review, the Group has considered opportunities in the Assisted Living sector to diversify its business and broaden its stream of income and revenue. Accordingly, the Company had, at its extraordinary general meeting held on 26 November 2024, obtained Shareholders' approval for the Proposed Diversification.

The Proposed Acquisition will mark the Group's first foray into the Assisted Living Business, thereby allowing the Group to leverage on Crescendo's existing business as a foundation for developing the new Assisted Living Business.

2.3 Value of assets being acquired

As at date of the SPA, the book value of assets held by Crescendo to be acquired by Communa Gold is approximately S\$25,000. Based on the management accounts of Crescendo as at 30 November 2024, Crescendo recorded a net profit before tax of approximately S\$11,000 for the 6-month financial period from 1 June 2024 to 30 November 2024.

3. SALIENT TERMS OF THE SPA

3.1 Proposed Acquisition of Business

Under the SPA, the Vendor shall sell and transfer to Communa Gold the Assisted Living business, which combines residential options with personalised support for such elderly, and activities carried by the Vendor as the sole proprietor under the name "Crescendo Wellness Living" (the "**Business**") as a going concern together with the properties, rights and assets of the Vendor used in, exercised or employed in or forming part of the Business (collectively, the "**Business Assets**") including, *inter alia*, the following:

- (a) the Business Assets, as specified in a schedule to the SPA;
- (b) an exhaustive list of customers and all records and documents relating to the Business;
- (c) all designs and drawings, plans, technical and sales publications, advertising material and other technical and sales matter of the Vendor relating to the Business together with any other like material relating to the Business;
- (d) the benefit of all contracts, engagements, orders, arrangements and other commitments entered into or undertaken by or on behalf of the Vendor or Crescendo in the course of the Business and are existing as at Completion Date (as defined below);
- (e) the benefit of all subsisting rights and claims of the Vendor under any warranties, conditions, guarantees, indemnities or insurance policies in relation to any Business Assets;
- (f) the benefit of all goodwill of the Vendor in relation to the Business together with the exclusive right for Communa Gold to represent itself as carrying on the Business in succession to the Vendor;
- (g) all rights, title, benefits and interest in, to and under any intellectual property arising from and in connection with the Business, together with all rights, benefits, interests and entitlements attaching to them; and
- (h) all other property, rights and assets used, enjoyed or exercised or intended to be used, enjoyed or exercised exclusively in connection with the Business.

3.2 Purchase Consideration

The Purchase Consideration for the Proposed Acquisition of S\$50,000 was arrived at after arm's length negotiations and on a willing-buyer willing-seller basis, taking into consideration, *inter alia*:

- (i) the latest financial performance of Crescendo;
- (ii) the prospect and growth potential of the Business;
- (iii) the Group's immediate participation in the Assisted Living sector via an existing brand and an already established operational framework enriched with innovative approaches introduced by the Vendor; and
- (iv) the conditional execution of a consultancy agreement (as further elaborated under section 3.5 below) to engage the Vendor in developing business strategies and operational plans for Assisted Living Business, caregivers' training and job placement service.

The Purchase Consideration shall be payable by Communa Gold to the Vendor as follows:

- (a) On the date of completion of the Proposed Acquisition ("**Completion Date**"), the sum of S\$5,000, being 10% of the Purchase Consideration; and
- (b) The balance Purchase Consideration, being an aggregate of S\$45,000, shall be payable by way of nine (9) equal monthly instalments of S\$5,000 on the last day of each month, commencing from the calendar month immediately following the calendar month in which the Completion Date falls.

The Proposed Acquisition is intended to be funded by the Group's internal resources including (but not limited to) the proceeds raised from the Proposed Subscription which was completed on 20 December 2024.

3.3 Conditions Precedent

The completion of the Proposed Acquisition is conditional upon, *inter alia*:

- (a) the Vendor not having disposed of any items which are the subject of the Proposed Acquisition, as detailed in section 3.1;
- (b) the proper execution and delivery of the VM Consultancy Agreement (as defined below), in form and substance satisfactory to Communa Gold, by the Vendor;
- (c) Communa Gold being satisfied with the results of the due diligence investigations (whether legal, financial, contractual, tax or otherwise) carried out by Communa Gold in respect of Crescendo (if any);
- (d) no litigation, arbitration or administrative proceedings being current, pending or threatened against the Vendor which has or may have an adverse effect on the transactions contemplated under the SPA;
- (e) all representations, warranties and undertakings of the Vendor and Communa Gold under the SPA being complied with, and being true, accurate and correct in all material respects as at the Completion Date;
- (f) there being no material adverse change in the prospects, operations, assets, Business, profits or financial condition of Crescendo or a significant adverse change in the financial market conditions in Singapore, as determined by Communa Gold;
- (g) none of the parties being in breach of any of its obligations or undertakings under the SPA;
- (h) the Business having been carried on in a satisfactory and ordinary manner (as determined by Communa Gold) and the Vendor not having substantially disposed of any material assets or

assumed or incurred any material liabilities including contingent liabilities (whether recorded or unrecorded); and

- (i) the Vendor having complied in all respects with all applicable laws, rules, regulations and orders to which Crescendo is subject.

If any of the conditions precedent set out in the SPA is not fulfilled (or otherwise waived by Communa Gold) within one (1) month from the date of the SPA (or such later date as the parties may mutually agree in writing), the SPA shall cease and determine at the sole option of Communa Gold.

3.4 Completion

Completion of the Proposed Acquisition shall take place on the date falling seven (7) days after the date of the SPA, or after the fulfilment (or waiver) of the conditions precedent set out in the SPA, whichever is the later.

3.5 VM Consultancy Agreement

Pursuant to the SPA, the Vendor shall enter into a consultancy agreement with Communa Gold (“**VM Consultancy Agreement**”) in relation to Communa Gold’s engagement of the Vendor as a consultant and advisor for Communa Gold’s businesses in Assisted Living, caregivers’ training and job placement services, for an initial term of three (3) years commencing on the business day falling immediately after the Completion Date, on terms and conditions to be agreed between Communa Gold and the Vendor.

The VM Consultancy Agreement will be based on certain key terms outlined in the Term Sheet including, amongst others, remuneration terms comprising a monthly retainer fee, participation in performance-based incentive scheme tied to the profitability of Communa Gold’s businesses, as well as participation in any employee share option scheme or other employee share ownership plans, subject to prevailing rules of share scheme in force, legislation and/or the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Catalist Rules**”).

3.6 Restrictive Covenants

Under the SPA, the Vendor has also provided certain non-competition and non-solicitation undertakings to Communa Gold in relation to the Business, for a period of five (5) years from the Completion Date, and whether or not (directly or indirectly) for his own account or for that of any person or firm or whether through the medium of any corporation or any other entity controlled by him.

4. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The Proposed Acquisition is not expected to have a material impact on the Group’s consolidated net tangible assets per Share or earnings per Share for the financial year ending 31 July 2025.

5. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

The Company has computed the relative figures based on the bases set out in Rule 1006 of the Catalist Rules using the latest announced unaudited consolidated financial statements of the Group for the 6-month period ended 31 January 2024.

As the relative figures for the Proposed Acquisition calculated on the applicable bases set out in Rule 1006 of the Catalist Rules do not exceed 5%, the Proposed Acquisition constitutes a non-discloseable transaction under Chapter 10 of the Catalist Rules. Further, as the relative figure computed on the basis of Rule 1006(b) involves negative figures, Rule 1007(1) read with Practice Note 10A of the Catalist Rules shall apply. As (i) the absolute relative figure computed on the basis of each of Rule 1006(c) and 1006(d) of the Catalist Rules amounts to less than 5%; and (ii) the net loss of Crescendo amounts to less than 5% of the consolidated net loss of the Group (taking into account only the absolute values), the Proposed Acquisition falls within paragraph 4.3(a) of Practice Note 10A of the Catalist Rules and no announcement and shareholders’ approval of the transaction is required. However, the Company is making this announcement pursuant to Rule 1008(2).

6. SERVICE CONTRACT

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Save for the VM Consultancy Agreement, no service contract is proposed to be entered into by the Company in connection with the Proposed Acquisition.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in section 2.1, the Company and its Directors and controlling shareholders are not related to the Vendor.

None of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Acquisition, other than through their respective shareholdings (if any) and directorships in the Company.

8. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the SPA is available for inspection during normal office hours at the registered office of the Company at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712 for a period of three (3) months from the date of this announcement.

9. 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 Acquisition, 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 the announcement in its proper form and context.

10. GENERAL

Shareholders and potential investors should note that the Proposed Acquisition is subject to the fulfilment of, *inter alia*, the conditions set out above, and accordingly should exercise caution when trading in the Shares. Shareholders who are in doubt as to the action they should take should consult their bank manager, stockbroker, legal, financial tax or other professional advisers.

Further announcements will be made by the Company as and when appropriate.

By Order of the Board

Ng Boon Hui
Executive Chairman and Chief Executive Officer
23 December 2024

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, #21-01 AIA Tower, Singapore 048542.