



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

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## ENTRY INTO A CONVERTIBLE LOAN AGREEMENT

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### 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**") wishes to announce that the Company has on 29 November 2024 entered into a convertible loan agreement (the "**Convertible Loan Agreement**") with Lenn International Pte. Ltd. (the "**Investor**") and Mr Ng Boon Hui (the Executive Chairman and Chief Executive Officer of the Company) (the "**Guarantor**"), pursuant to which the Investor has agreed to grant an interest-bearing convertible loan for a principal amount of S\$500,000 to the Company (the "**Convertible Loan**") in accordance with the terms and conditions of the Convertible Loan Agreement.

1.2 Pursuant to the Convertible Loan Agreement, the Investor has been granted the right to convert the Convertible Loan at the issue price of S\$0.003 per Conversion Share (the "**Conversion Price**") into a maximum of 166,666,666 new ordinary shares in the issued and paid-up capital of the Company ("**Shares**") (the "**Conversion Shares**"), fractional shares to be disregarded, in accordance with the terms and conditions of the Convertible Loan Agreement.

#### 1.3 Additional Listing Application

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 Conversion 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.

#### 1.4 Exemption from Prospectus Requirement

The offer and allotment and issue of the Conversion Shares is made pursuant to the exemption under Section 272B of the Securities and Futures Act 2001 of Singapore (the "**SFA**"). As such, no prospectus or offer information statement will be issued by the Company in connection with the Convertible Loan.

### 2. SALIENT TERMS OF THE CONVERTIBLE LOAN AGREEMENT

#### 2.1 Convertible Loan

Pursuant to the Convertible Loan Agreement, the Investor has agreed to grant the Convertible Loan of S\$500,000 in principal amount to the Company and shall be drawn down by the Company in one (1) tranche at any time commencing from the date of the Convertible Loan Agreement, in accordance with the terms and conditions of the Convertible Loan Agreement. The Convertible Loan has been fully drawn down by the Company on 3 December 2024.

The Convertible Loan may be used by the Company for business expansion, general working capital purposes, or such other purposes approved by the Board from time to time.

The maturity date of the Convertible Loan will be two (2) years from the date of disbursement thereof, or such other date as may be mutually agreed in writing between the Company and the Investor ("**Maturity Date**").

## 2.2 Interest

The Convertible Loan shall bear simple non-compounded interest at the rate of 12% per annum based on the principal amount outstanding on the Convertible Loan, commencing from the date of disbursement of the Convertible Loan until the date of actual repayment or prepayment or Conversion (as defined below) (as the case may be) of the Convertible Loan. The accrued interest shall be payable in arrears in cash to the Investor within 30 days after the end of (i) the period of six months commencing from the date of disbursement, and (ii) every successive period of six months thereafter.

In the event that any part of the Convertible Loan is converted into Conversion Shares, no interest will be payable in respect of such Conversion Amount (as defined below).

## 2.3 Conversion of Convertible Loan

Prior to the Maturity Date, and subject to the Conversion CPs (as defined below) having been satisfied (or otherwise waived) and other terms and conditions of the Convertible Loan Agreement, the Investor will have the right to convert the Convertible Loan (or any part thereof, provided that the Conversion Amount is not less than S\$100,000) into such number of Conversion Shares at the Conversion Price ("**Conversion**"), by serving a duly completed and signed conversion notice to the Company.

The number of Conversion Shares to be allotted and issued to the Investor upon conversion shall be determined by dividing (a) the relevant amount of Convertible Loan to be converted ("**Conversion Amount**"), by (b) the Conversion Price. Fractional shares shall be disregarded and no adjustment or cash payment will be made.

In the event that any of the Conversion CPs is not satisfied (or otherwise waived), the Company shall repay or prepay (as the case may be) the Convertible Loan, together with interest accrued thereon, in accordance with the Convertible Loan Agreement.

In addition, the Convertible Loan Agreement provides for certain restrictions on the Investor's exercise of his right of Conversion, including:

- (a) the Investor will not be entitled to exercise his right of Conversion under the Convertible Loan Agreement if the total number of Conversion Shares together with any existing Shares that is held by him (together with any persons acting in concert with him within the meaning provided in the Singapore Code on Take-over and Mergers) as at the date of such Conversion would exceed 29% of the voting rights of the Company upon such Conversion;
- (b) the Company will not issue any Conversion Shares which could result in a change in or transfer of controlling interest under Rule 803 of the Listing Manual Section B: Rules of Catalyst of the SGX-ST (the "**Catalist Rules**"), without prior approval of shareholders of the Company ("**Shareholders**") in general meeting; and
- (c) if the Investor becomes a person described in Rule 812 of the Catalyst Rules after the date of the Convertible Loan Agreement, the Investor shall not be entitled to exercise his right of Conversion, unless prior approval of Shareholders has been obtained in general meeting.

## 2.4 Conversion Shares

Assuming that the Convertible Loan is fully disbursed and fully converted at the Conversion Price, the Company will allot and issue up to 166,666,666 Conversion Shares, fractional shares to be disregarded, in accordance with the terms and conditions of the Convertible Loan Agreement.

The Conversion Shares will be issued fully paid-up and free from encumbrances, including any security interests, charges, claims (including pre-emptive rights) or liens, and will rank *pari passu* with and carry all rights similar to the then existing Shares except that they will not rank for any dividend, right, allotment

or other distributions, the record date for which falls on or before the date of allotment and issue of the relevant Conversion Shares.

The Conversion Shares are intended to be issued pursuant to the general share issuance mandate (the “**General Mandate**”) obtained at the annual general meeting of the Company held on 24 November 2023 (“**2023 AGM**”) which, pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 806 of the Catalist Rules, authorises the Directors to allot and issue new Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time the General Mandate was passed, of which the aggregate number of Shares to be issued other than on a *pro rata* basis to the Shareholders shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings).

The number of issued Shares (excluding treasury shares and subsidiary holdings) as at the 2023 AGM was 2,060,340,492 Shares. Accordingly, the maximum number of Shares that may be issued pursuant to the General Mandate other than on a *pro rata* basis is 1,030,170,246 Shares.

As set out in the Company’s announcement dated 3 December 2024, the Company has on 29 November 2024 entered into subscription agreements with certain individual subscribers respectively, in relation to the proposed subscription of an aggregate of up to 166,666,661 new Shares at an issue price of S\$0.003 per Share, amounting to an aggregate consideration of S\$500,000 (“**Proposed Subscription**”). As such, the total number of new Shares that may be issued pursuant to the General Mandate other than on a *pro rata* basis shall not exceed 863,503,585 Shares. Accordingly, the proposed allotment and issue of up to 166,666,666 Conversion Shares, assuming that the Convertible Loan is fully disbursed and fully converted, falls within the limits of the General Mandate.

Assuming that the Convertible Loan is fully disbursed and fully converted, the Conversion Shares will represent approximately 6.83% of the Company’s existing number of issued and paid-up Shares of 2,440,340,492 Shares as at the date of this announcement. Assuming that (i) the Convertible Loan is fully disbursed and fully converted, (ii) the Proposed Subscription is fully subscribed and completed, and (iii) there is no other change to the number of Shares in the Company, the total number of issued and paid-up Shares will increase to 2,773,673,819 Shares and the Conversion Shares will represent approximately 6.01% of the total enlarged number of Shares in the Company immediately after the conversion of the Convertible Loan and the completion of the Proposed Subscription.

Accordingly, assuming that (i) the Convertible Loan is fully disbursed and fully converted, (ii) the Proposed Subscription is fully subscribed and completed, and (iii) there is no other change to the number of Shares in the Company from the date of this announcement up to the date of allotment and issue of the Conversion Shares, upon the issue of the Conversion Shares to the Investor, the Investor will become a new substantial shareholder of the Company. The relevant disclosure of interests as required under the SFA will be made, where necessary.

## **2.5 Conversion Price**

The Conversion Price represents a premium of approximately 20% to the volume weighted average price of the Shares of S\$0.0025 for trades done on the SGX-ST on 28 November 2024, being the last full market day, up to 9:50 a.m. on 29 November 2024 on which the Shares were traded prior to trading halt and signing of the Convertible Loan Agreement.

The Conversion Price was commercially agreed between the Company and the Investor after arm’s length negotiations and taking into account among others, the historical prices of the Shares (in particular, closing prices per Share for the last five (5) full market days on which the Shares were traded on the SGX-ST immediately preceding the signing of the Subscription Agreements), historical trading liquidity of the Shares, and historical financial performance and position of the Group for the latest announced 6-month financial period ended 31 January 2024.

The Conversion Price will be subject to adjustments in the event of, *inter alia*, (i) capitalisation of profits or reserves; (ii) sub-division, consolidation or reclassification of Shares, reorganisations or any other

activities that alter the Company's capital structure; (iii) capital distributions; and/or (iv) rights issues, in accordance with the terms of the Convertible Loan Agreement.

## 2.6 Conditions Precedent for Conversion

The Conversion of the Convertible Loan (or any part thereof) is conditional upon the satisfaction (or otherwise waiver in writing by the Company) of certain conditions precedent set out in the Convertible Loan Agreement ("**Conversion CPs**"), including, *inter alia*:

- (a) trading in Shares on the SGX-ST not being suspended at the time of Conversion;
- (b) the LQN for the listing of and quotation for the Conversion Shares on the Catalist of the SGX-ST being obtained from the SGX-ST, and such approval not being revoked, rescinded or cancelled prior to the Conversion and, where such approval of SGX-ST is subject to conditions, to the extent that any conditions for the listing and quotation of the Conversion Shares on the Catalist are required to be fulfilled on or before the relevant date of Conversion, they are so fulfilled;
- (c) (if applicable) the approval of the Shareholders in an extraordinary general meeting being obtained for the transaction contemplated in the Convertible Loan Agreement;
- (d) the allotment, issue and subscription of the Conversion Shares not being prohibited by any statute, order, rule or regulation or directive promulgated by any applicable legislative, executive or regulatory body or authority of Singapore or any other jurisdiction which is applicable to the Company or the Investor;
- (e) the Company and the Investor not being in breach of any of the representations, warranties, undertakings and covenants in the Convertible Loan Agreement as at the date of Conversion; and
- (f) (if required) the necessary approvals or consents from banks, financial institutions or third parties for the allotment and issue of the Conversion Shares upon Conversion of the Conversion Amount.

For avoidance of doubt, based on the information as at the date of this announcement, condition 2.6(c) above is not applicable as the Company is not required to seek specific approval of the Shareholders in a general meeting to be convened for the allotment and issuance of the Conversion Shares.

## 2.7 Repayment or Prepayment of Convertible Loan

In the event that the Convertible Loan is not fully converted into Conversion Shares and no event of default under the Convertible Loan Agreement has occurred, the Company shall repay to the Investor the outstanding amount of the Convertible Loan and interest accrued thereon, on the Maturity Date.

Under the Convertible Loan Agreement, the Company may also elect to prepay the Convertible Loan (or any part thereof) by serving a written notice to the Investor prior to such prepayment, at any time prior to the Maturity Date, provided that each prepayment amount shall not be lower than 50% of the outstanding Convertible Loan at such prepayment date.

## 2.8 Personal Guarantee

In consideration of the entry by the Investor into the Convertible Loan Agreement, the Guarantor unconditionally and irrevocably agrees, undertakes and guarantees to procure the due and punctual performance by the Company of all its obligations, commitments and undertakings under the Convertible Loan Agreement ("**Guaranteed Obligations**") and to indemnify the Investor against all losses, costs and other liabilities suffered through or arising from any breach by the Company of such obligations (the "**Guarantee**"). Accordingly, should the Company default in the performance of any Guaranteed Obligation, the Guarantor will be required to perform and satisfy (or to procure) the Guaranteed Obligations under default, such that the Investor receives the same benefits as it would have received if the Guaranteed Obligation had been duly performed and satisfied by the Company.

The Guarantee is a continuing guarantee and will remain in force until all the Guaranteed Obligations have been performed or satisfied. The liability of the Guarantor under the Guarantee shall not exceed the liability of the Company.

- 2.9 For the avoidance of doubt, to the extent required under the Catalist Rules, the terms of the Convertible Loan Agreement will not be materially altered to the Investor's advantage, without prior Shareholders' approval in general meeting, save in accordance with the Convertible Loan Agreement.

### 3. INFORMATION ON THE INVESTOR

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

- 3.1 The Investor was incorporated in Singapore on 22 September 2006 and is principally engaged in the business of wholesale trade as an authorised distributor of general cables in Asia Pacific. Mr Ang Kong Meng ("**Mr Ang**") is the sole director and majority shareholder of the Investor by virtue of his 99.92% shareholding in the Investor. Mr Ang is the Executive Chairman and Chief Executive Officer of Datapulse Technology Limited, a company listed on the Main Board of the SGX-ST and primarily operates in hotel and hospitality property investment sectors in South Korea and Singapore. Mr Ang is also the founder of Ang & Co., a public accounting and advisory firm established in 1980, where he gained over 40 years of experience in accounting and business management. He holds a Bachelor of Accountancy from the National University of Singapore and a Master of Business Administration from the University of Honolulu. Additionally, he is a member of the Insolvency Practitioners Association of Singapore. The Investor does not hold any Shares as at the date of this announcement.
- 3.2 The Investor was introduced to the Group through its business contacts and connections. The Investor has expressed an interest to invest in the Company and, as the Company understands, has entered into the Convertible Loan Agreement for financial investment purposes and will not be holding the Conversion Shares on trust or as a nominee. The Company confirms that the Convertible Loan will not result in any material conflict of interest as there are no other relationships between the Investor and the Company. The Investor has entered into the Convertible Loan Agreement purely for investment purposes only, and has no intention of influencing the management of, or exercising control over, the Company, and is not acting in concert with any persons to obtain or consolidate control of the Company.
- 3.3 To the best of the Company's knowledge and save as disclosed in this announcement, the Investor does not have any connection (including business relationships) with the Company, its Directors and substantial shareholders.
- 3.4 The Investor does not fall within any of the categories of persons as set out in Rule 812 of the Catalist Rules. The Conversion Shares will not be issued to the Investor if such issuance would result in a transfer of controlling interest in the Company which is prohibited under Rule 803 of the Catalist Rules unless prior approval of shareholders is obtained.
- 3.5 There is no moratorium imposed on the Conversion Shares.

### 4. RATIONALE OF THE CONVERTIBLE LOAN AND USE OF PROCEEDS

The Directors are of the view that the Convertible Loan is beneficial for the Group as it will (i) strengthen the Group's financial position (if converted) and (ii) improve the Group's cash flow to meet anticipated general working capital requirements (including meeting general overheads, financing requirements and other operating expenses).

The Convertible Loan will allow the Group to raise net proceeds of approximately S\$485,000 (after deducting professional fees and related estimated expenses pertaining to the Convertible Loan of approximately S\$15,000 to be borne by the Company) (the "**Net Proceeds**").

The Company intends to allocate the Net Proceeds as follows:

| <b>Use of Net Proceeds</b>  | <b>Amount<br/>(S\$'000)</b> | <b>Percentage Allocation<br/>(%)</b> |
|---|-----------------------------|--------------------------------------|
| General working capital (including meeting general overheads, financing requirements and other operating expenses of the Group) | 485                         | 100.0                                |
| <b>Total</b>  | <b>485</b>                  | <b>100.0</b>                         |

Pending the deployment of the Net Proceeds, the Company intends to place the Net Proceeds from the Convertible Loan with banks and/or financial institutions or use the Net Proceeds for any other purposes on a short-term basis, as the Directors may deem fit in the interests of the Group.

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

## **5. FINANCIAL EFFECTS OF THE CONVERTIBLE LOAN**

The tables illustrating the financial effects of the Convertible Loan and the allotment and issue of Conversion Shares upon conversion thereof, taken as a whole, on (i) the net tangible assets ("**NTA**") per share of the Group (assuming that the Convertible Loan had been fully disbursed and fully converted at the end of that financial year); and (ii) the loss per share ("**LPS**") of the Group (assuming that the Convertible Loan had been fully disbursed and fully converted at the beginning of that financial year), based on the latest audited consolidated financial statements of the Group for the financial year ended 31 July 2023 ("**FY2023**") are set out below.

For the avoidance of doubt, the financial effects of the Convertible Loan and the allotment and issue of Conversion Shares upon conversion thereof, taken as a whole, on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after the Convertible Loan had been fully disbursed and fully converted. These financial effects do not take into account (i) any other corporate actions announced and undertaken by the Group; and (ii) any fees and expenses to be incurred in relation to the Convertible Loan.

### **5.1 NTA per Share of the Group**

Assuming that the Convertible Loan had been fully disbursed and fully converted on 31 July 2023, the financial effect on the NTA per share of the Group as at 31 July 2023 is as follows:

|   | <b>Before conversion of the<br/>Convertible Loan and<br/>allotment and issue of<br/>Conversion Shares</b> | <b>After conversion of the<br/>Convertible Loan and<br/>allotment and issue of<br/>Conversion Shares</b> |
|---|---|--|
| NTA attributable to equity holders of the Group (S\$'000) | 871   | 1,371  |
| Number of issued Shares ('000)                            | 2,440,340 <sup>(1)</sup>  | 2,607,007  |
| NTA per share (cents) <sup>(2)</sup>                      | 0.036   | 0.053  |

Notes:

- (1) Based on existing number of issued and paid-up Shares of 2,440,340,492 Shares as at the date of this announcement (adjusted for rounding).
- (2) NTA refers to the net assets value attributable to equity holders of the Group less goodwill.

## 5.2 LPS of the Group

Assuming that the Convertible Loan had been fully disbursed and fully converted on 1 August 2022, the financial effect on the LPS of the Group for FY2023 is as follows:

|  | <b>Before conversion of the<br/>Convertible Loan and<br/>allotment and issue of<br/>Conversion Shares</b> | <b>After conversion of the<br/>Convertible Loan and<br/>allotment and issue of<br/>Conversion Shares</b> |
|--|---|--|
| Net loss attributable to equity holders of the Group (S\$'000) | (1,620)   | (1,620)  |
| Number of Shares ('000)  | 2,440,340 <sup>(1)</sup>  | 2,607,007  |
| LPS (cents)  | (0.066)   | (0.062)  |

Note:

- (1) Based on existing number of issued and paid-up Shares of 2,440,340,492 Shares as at the date of this announcement (adjusted for rounding).

## 6. CONFIRMATION BY DIRECTORS

The Directors are of the opinion that:

- (i) after taking into consideration the loans from the controlling shareholders and the operating cash flows of the Group, the working capital available to the Group is insufficient to meet its present requirements. Nevertheless, the controlling shareholders remain committed to provide and/or procure financing for the Group to operate as a going concern and to meet its obligations as and when they fall due; and
- (ii) after taking into consideration the loans from the controlling shareholders, 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.

Notwithstanding the above, the Directors are of the view that the Convertible Loan is beneficial for the Group for such reasons as set out in section 4 of this announcement.

## 7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in this announcement, none of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Convertible Loan, other than through their respective shareholdings (if any) in the Company.

## 8. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Convertible Loan Agreement 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 Convertible Loan, 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 Conversion is subject to the fulfilment of, *inter alia*, the conditions set out above, including the obtaining of the relevant regulatory approvals, 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  
3 December 2024

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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, #21-01 AIA Tower, Singapore 048542.