

ABUNDANTE LIMITED

Company Registration No. 197902587H
(Incorporated In The Republic Of Singapore)

PURCHASE OF PROPERTY LOCATED AT 10 NEYTHAL ROAD SINGAPORE 628576

1. INTRODUCTION

The Board of Directors of Abundante Limited (the “Company”, together with its subsidiaries, the “Group”) wishes to announce that its indirect wholly-owned subsidiary, TMC Concrete Pumping Services Pte. Ltd. (the “Purchaser”) had on 18 November 2024 been granted an Option to Purchase (the “Option”) the property located at 10 Neythal Road Singapore 628576 (the “Property”) by Sarawood Trading Pte Ltd (the “Vendor”) upon payment of a sum of S\$32,500 (the “Option Fee”) (the “Proposed Acquisition”).

The Option Fee represents 1% of the total consideration for the purchase of the Property of S\$3,250,000 (the “Consideration”).

The Purchaser has on 29 November 2024 exercised the Option upon payment of a sum of S\$130,000 being 4% of the Consideration (the “Deposit”) to the Vendor’s solicitors.

2. INFORMATION ON THE PROPERTY, THE VENDOR AND RATIONALE FOR THE PROPOSED ACQUISITION

The Property sits on a land which is under JTC Corporation (“JTC”), with a leasehold tenure of sixty (60) years with effect from 1 February 1971. The Property has an approximate land area of 4,003 square meters and consists of a factory building with an approximate gross floor area of 1,494 square meters.

The Vendor is a Singapore incorporated company, having its registered office address at 10 Neythal Road Singapore 628576. To the best of the Company’s knowledge, the Vendor, its directors and its shareholder and their respective associates are not related to the Group.

The Proposed Acquisition is intended to be used as the Group’s workshop for the servicing, maintenance & repair of construction equipment & machinery and the storage of equipment and accessories.

The Company is of the view that the Proposed Acquisition is in the best interests of the Company and its shareholders as the Property is expected to enhance the Group’s operational efficiencies via the following:

- (a) having its own premise will facilitate smoother and more efficient workflow; and
- (b) the longer lease term allows the Group to have more flexibility in its planning.

3. CONSIDERATION

The Consideration for the Proposed Acquisition was arrived at on a willing-buyer, willing-seller basis, after taking into consideration various commercial factors such as, recent past transacted prices of neighbouring properties of similar sizes and prevailing market conditions. As such, no valuation was conducted on the Property. The Consideration will be financed by internally generated funds.

4. EXPIRY OF OPTION

The Option shall expire at 4.00 p.m. (Singapore time) on 16 December 2024 and will be null and void if not exercised by the Purchaser in accordance with the terms of the Option. A further S\$130,000 is payable to the Vendor’s solicitors, as stakeholders on the exercise of the Option.

5. MATERIAL TERMS AND CONDITIONS OF THE PROPOSED ACQUISITION

The Proposed Acquisition is subject to and conditional upon approvals being obtained from JTC, National Environment Agency (“NEA”) and all relevant authorities for the Purchaser’s proposed use of the Property (the “Approvals”).

If the Approvals are not granted, the Option may be terminated by a notice in writing served on the Vendor’s solicitors by the Purchaser whereupon the Vendor shall refund to the Purchaser the Option Fee and the Deposit and thereafter the Option shall be null and void.

6. COMPLETION

The Proposed Acquisition shall be completed and the balance of the Consideration shall be paid at the office of the Vendor’s solicitors on the date falling:

- (a) four (4) weeks from the date of JTC’s in-principle approval (or equivalent) for the sale and purchase of the Property;
- (b) where JTC requires an environmental site assessment (the “ESA”) to be carried out to the Property, four (4) weeks from the date when JTC confirms that the results of the ESA are satisfactory to JTC; or
- (c) where JTC requires decontamination works to be carried out to the Property, four (4) weeks from the date when JTC confirms that the decontamination works are satisfactory to JTC, whichever is the latest.

Upon payment of the balance of the Consideration, the Vendor shall execute to the Purchaser a proper and registrable assurance or transfer of the Property or such other mode of assurance as JTC may provide, such assurance to be prepared by and at the expense of the Purchaser.

7. DISCLOSEABLE TRANSACTION

The Proposed Acquisition constitutes a discloseable transaction for the purposes of Chapter 10 of the listing manual (the “Listing Manual”) of the Singapore Exchange Securities Trading Limited (“SGX-ST”), as the relative figures computed under Rule 1006(c) of the SGX-ST Listing Manual exceed 5% but do not exceed 20%. Please see below relative figures of the Proposed Acquisition using the applicable bases of comparison set out in Rule 1006 of the SGX-ST Listing Manual based on the latest announced unaudited consolidated financial statements of the Group for the half year ended 31 August 2024.

Rule 1006	Bases	Relative Figures
(a)	Net asset value of assets to be disposed of, compared with the Group’s net asset value.	Not applicable as this concerns a proposed acquisition and is not a disposal.
(b)	Net profits attributable to the assets acquired or disposed of, compared with the Group’s net profits.	Not applicable as the proposed acquisition is in respect of a property and not an operating entity.
(c)	Aggregate value of the consideration to be given or received, compared with the Company’s market capitalization based on the total number of issued shares excluding treasury shares.	17.3% ⁽¹⁾

(d)	Number of equity securities to be issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable as the consideration for the proposed acquisition is cash.
(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable as the Company is not a mineral, oil or gas company.

Note:

- (1) The Company's market capitalization of S\$18,772,344 is determined by multiplying the number of shares of the Company in issue of 104,290,800 ordinary shares by the weighted average price of such shares on SGX-ST of S\$0.18 (as of 15 November 2024), being the last market day preceding the date of the Option.

8. FINANCIAL EFFECTS

The financial effects of the Proposed Acquisition have been prepared based on the latest audited consolidated financial statements of the Group for the full year ended 29 February 2024 ("FY2024"), on the following assumptions:

- (a) the effect on the earnings per share ("EPS") of the Group is based on the assumption that the Proposed Acquisition had been effected at the beginning of FY2024;
- (b) the effect on the net tangible assets ("NTA") per share of the Group is based on the assumption that the Proposed Acquisition had been effected at the end of FY2024; and
- (c) estimated expenses related to the Proposed Acquisition of S\$140,000.

EPS

	Before the Proposed Acquisition	After the Proposed Acquisition
Net profit attributable to owners of the Company (S\$'000)	1,143	1,000
Number of issued shares ('000)	104,291	104,291
EPS (cents)	1.10	1.00

NTA

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA (S\$'000)	18,352	18,212
Number of issued shares ('000)	104,291	104,291
NTA per share (cents)	17.60	17.46

Note:

NTA per share based on issued share capital at the end of the year excludes non-controlling interest's share of the Group's net assets.

9. SERVICE CONTRACT

No person will be appointed to the Board of the Company, and no service contract will be entered into by the Company, in connection with the Proposed Acquisition.

10. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, save through their shareholdings (if any) in the Company.

11. CAUTION IN TRADING

Shareholders and potential investors should exercise caution when trading in shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other advisors.

12. DOCUMENTS FOR INSPECTION

A copy of the Option is available for inspection during normal office hours at the registered office of the Company at 160 Paya Lebar Road #07-09 Orion @ Paya Lebar, Singapore 409022 for three (3) months from the date of this announcement.

By Order of the Board
Lee Sai Sing
Executive Director
29 November 2024