



SAMURAI 2K AEROSOL LIMITED
(Company Registration Number 201606168C)
(Incorporated in the Republic of Singapore)

ACQUISITION OF PROPERTIES LOCATED IN JOHOR BAHRU

1 INTRODUCTION

- 1.1 The board of directors (“**Board**” or “**Directors**”) of Samurai 2K Aerosol Limited (“**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly owned subsidiary, Samurai 2K Aerosol Sdn Bhd (“**Purchaser**”), had on 22 April 2022 entered into a Sale and Purchase Agreement (“**SPA**”) with Trilink Pyramid Sdn. Bhd. (“**Vendor**”), an unrelated third party, in respect of the purchase of four (4) adjacent shops lots on en bloc basis, free from all encumbrances, known as Plot 9, Plot 10, Plot 11 and Plot 12 (“**Properties**”) in a development project by the Vendor known as “Platino Avenue”.

2 INFORMATION RELATING TO THE PROPERTIES AND THE VENDOR

The Properties are held under master title Geran 413473 Lot 32666 situated in the Mukim of Tebrau, District of Johor Bahru, State of Johor., measuring approximately 3,173 square metres.

The Vendor is a company incorporated in Malaysia and is a subsidiary of IOI Properties Group Berhad. The Vendor is the developer of Platino Avenue. The Vendor is not related to the Company, the Directors and controlling shareholders of the Company, and their respective associates.

3 RATIONALE

The acquisition of the Properties is part of the Group’s long-term growth plan. The Group intends to utilise the Properties for its own use. With this acquisition, it will enable the Company to facilitate the growth of its digital transformation activities.

4 SALIENT TERMS OF THE SPA

4.1 Consideration

Pursuant to the terms and conditions of the SPA, the total purchase consideration for the Properties is RM22,216,000.00 (“**Consideration**”) which shall be satisfied by the Purchaser in the following manner:

- (a) The deposit of RM2,221,600.00 (“**Deposit**”) shall be payable to the Vendor or Vendor’s Solicitors upon execution of the SPA; and
- (b) The balance purchase price of RM19,994,400.00 shall be payable to the Vendor on or before Completion (as defined in Paragraph 4.2).

The Consideration was arrived at pursuant to arm’s length negotiations, on a willing-buyer, willing-seller basis, taking into consideration the developer’s selling price and the acquisition of the Properties on an en bloc basis directly from the developer who is the Vendor. The acquisition of Properties will be funded through a combination of internal resources and bank borrowings.

4.2 Completion

The vacant possession of the Properties to be given to the Purchaser within fourteen (14) days upon issuance of the Certificate of Completion and Compliance (“**CCC**”) by the Vendor’s Architect. Completion of the SPA is expected to take place three (3) months from the date of issuance of the CCC to the Properties (“**Completion**”).

5. RELATIVE FIGURES

The relative figures for the acquisition of Properties computed on the bases set out in Rule 1006 of the SGX-ST Listing Manual Section B: Rules of Catalyst (“Catalist Rules”) are as follows:

Catalist Rules	Content	Relative Figures (%)
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group’s net asset value. This basis is not applicable to an acquisition of assets.	Not applicable
Rule 1006(b)	Net profits attributable to the assets acquired, compared with the Group’s net profits.	Not applicable ⁽¹⁾
Rule 1006(c)	The aggregate value of the consideration given or received, compared with the Company’s market capitalisation based on the total number of issued shares excluding treasury shares.	6.24% ⁽²⁾
Rule 1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable
Rule 1006(e)	The 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. The 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

Notes:

⁽¹⁾ No profits will be generated from the Properties as the Company intends to use it as the Company’s corporate office.

⁽²⁾ The total purchase consideration of the Properties is RM22,216,000.00 or S\$7,097,763.58. The Company’s market capitalisation is S\$113,752,027.58 on 12 April 2022, being the last full market day preceding the date of the SPA on which shares were last traded on the SGX-ST. The Company’s market capitalisation was determined by multiplying the number of shares in issue (excluding treasury shares) of 334,564,787 shares by the volume weighted average price of the Company’s shares of S\$0.340 per share on 12 April 2022.

As the relative figure set out under Rule 1006(c) exceeds 5% but does not exceed 75%, the acquisition of Properties constitutes a “Discloseable Transaction” as defined under Chapter 10 of the Catalyst Rules.

6. FINANCIAL EFFECTS OF THE ACQUISITION

The financial effects of the acquisition set out below are for illustrative purpose only and do not reflect the actual future financial performance or position of the Group after Completion.

The financial effects of the acquisition have been computed based on the audited consolidated financial statements of the Group for the financial year ended 31 March 2021 (“FY2021”)

6.1 Net tangible assets (“NTA”) per share

Assuming that the acquisition had been completed on 31 March 2021, the financial effects of the acquisition on the Group’s NTA per share as at 31 March 2021 would be as follows:

	Before Acquisition	After Acquisition
NTA (RM’000)	87,616	87,616
Number of shares (’000)	329,763 ⁽¹⁾	329,763 ⁽¹⁾
NTA per share (RM sen)	26.57	26.57

Note:

⁽¹⁾ The number of shares had been adjusted to take into consideration the share split which was completed on 25 June 2021.

6.2 Earnings per share (“EPS”)

Assuming that the acquisition had been completed on 1 April 2020, the financial effects of the acquisition on the Group’s EPS for FY2021 would be as follows:

	Before Acquisition	After Acquisition
Profit for the financial year attributable to equity holder of the Company (RM'000)	17,505	16,411
Weighted average number of ordinary shares ('000)	329,763 ⁽¹⁾	329,763 ⁽¹⁾
EPS (RM sen)	5.31	4.98

Note:

(1) The number of shares had been adjusted to take into consideration the share split which was completed on 25 June 2021.

7. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders has any interest, direct or indirect, in the acquisition of the Properties, other than through their respective shareholdings in the Company.

8. SERVICE CONTRACT

No person is proposed to be appointed to the Board in connection with the acquisition of the Properties. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

9. DOCUMENT FOR INSPECTION

The SPA will be made available for inspection during normal business hours at the Company’s registered office at 133 North Bridge Road, #08-03 Chinatown Point, Singapore 059413 for three (3) months from the date of this announcement.

By Order of the Board

Ong Yoke En
Executive Director and Chief Executive Officer
22 April 2022

This announcement has been prepared by Samurai 2K Aerosol Limited (the “Company”) and its contents have been reviewed by UOB Kay Hian Private Limited (the “Sponsor”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.