
ACQUISITION OF PROPERTY AT 38 ALEXANDRA TERRACE SINGAPORE 119932

1. INTRODUCTION

The Board of Directors of Secura Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company was granted an option by 38@AT Pte. Ltd. (the “**Vendor**”) dated 13 May 2016 (the “**Option**”) to purchase a six storey industrial property (the “**Property**”) situated at 38 Alexandra Terrace, Singapore 119932 (the “**Proposed Acquisition**”) for an aggregate consideration of S\$16,500,000 (the “**Consideration**”). The Company has exercised the Option on 30 May 2016.

The Property is situated on freehold land and has a gross floor area of approximately 2,100 square meters.

2. CONSIDERATION

The Consideration was arrived at on a willing-buyer, willing-seller basis, taking into consideration, *inter alia*, the valuation of the Property, and relevant enquiries and references by the Group in relation to the current market prices of freehold properties of similar size. The Consideration will be funded by a combination of the net proceeds from the Company’s Initial Public Offering in January 2016 on the Catalist (“**IPO**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) of approximately S\$4,000,000 allocated for corporate infrastructure improvements and credit facilities from financial institutions.

An option fee of S\$165,000, representing 1% of the Consideration, was paid to the Vendor on the grant of the Option. A further S\$660,000, representing 4% of the Consideration (excluding goods and services tax), was paid on the exercise of the Option to the Vendor’s solicitors, as stakeholders pending completion of the Proposed Acquisition (“**Completion**”). The remaining 95% of the Consideration is payable on Completion.

3. CERTAIN PRINCIPAL TERMS OF THE OPTION

3.1. Conditions

The Proposed Acquisition is subject to, *inter alia*, the Company’s solicitors receiving satisfactory replies to their legal requisitions and applications for interpretation plans to various government departments.

If any of such replies and/or interpretation plans are found to be unsatisfactory then the Option may be rescinded at the Company’s option and in such event the Vendor shall forthwith refund to the Company all monies paid by the Company but without any interest, compensation or deduction whatsoever and thereupon neither party shall then have any other claim or demand against the other for costs, damages, compensation or otherwise.

3.2. Completion

Completion is expected to take place on 25 July 2016, being the date falling eight (8) weeks from the date of exercise of the Option.

4. VALUATION OF THE PROPERTY

Based on a valuation commissioned by the Vendor and conducted by CKS Property Consultants Pte Ltd (“**CKS**”) as at 21 October 2015 (the “**Valuation Report**”), the market value of the Property is S\$19,000,000. The Market Comparison Method of Valuation was adopted in formulating the opinion on the market value of the Property. In adopting this approach, CKS has taken into cognisance transactions of comparable properties, the prevailing market conditions and underlying economic factors that may be of influence to the trend of market prices.

5. RATIONALE

The Board of Directors of the Company is of the view that the Proposed Acquisition is in the Group’s best interests and is pursuant to the Group’s business strategy and proposal to, *inter alia*:

- (a) improve our corporate infrastructure for:
 - (i) the launch our new command centre designed for the provision of remote surveillance and premises security services; and
 - (ii) the establishment of a training centre to conduct cyber security training as well as security training for our own staff and external trainees; and
- (b) consolidate and expand our corporate headquarters to accommodate our corporate functions and various business units, vis-à-vis the present situation where these corporate functions are occupying rented premises at various locations. With a centralised location for the Group, it would enhance management oversight and operational efficiencies and foster closer interaction among staff,

as disclosed in our offer document dated 20 January 2016.

6. RELATIVE FIGURES COMPUTED PURSUANT TO RULE 1006 OF THE LISTING MANUAL

The relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006 (a) to (e) of Section B of the Listing Manual of the SGX-ST (the “**Listing Manual**”) are set out below and based on the latest unaudited announced consolidated accounts of the Group for the first quarter ended 31 March 2016:

Rule 1006 of the Listing Manual	Bases	Relative Figures
(a)	The net asset value of the assets to be	Not applicable

	disposed of, compared with the Group's net asset value	
(b)	The net profits attributable to the assets acquired, compared with the Group's net profits	Not applicable
(c)	The aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	26.1% ⁽¹⁾
(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
(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	Not applicable

Note:

(1) The market capitalisation of the Company as at 27 May 2016 (being the last market day preceding the date of exercise of the Option during which trades were conducted) is approximately S\$63,200,000.

As the relative figures computed under Rule 1006(c) of the Listing Manual exceeds 5.0% but not 75.0%, the Proposed Acquisition constitutes a discloseable transaction and approval from the Company's shareholders is not required.

7. FINANCIAL EFFECTS OF THE PURCHASE OF PROPERTY

For illustrative purposes only, based on the Group's unaudited Pro Forma Combined Financial Information for the financial year ended 31 December 2015 ("FY2015"), the financial effects of the Proposed Acquisition are as follows:

7.1. Net Tangible Assets per share

	Before the Proposed Acquisition	After the Proposed Acquisition
Net tangible assets (\$'000)	13,560	13,560
Number of issued shares ('000)⁽¹⁾	400,000	400,000
Net tangible assets per share (cents)	3.39	3.39

Note:

- (1) Based on the post-IPO share capital of 400,000,000 ordinary shares which were assumed to be in issue throughout the entire year presented.

7.2. Earnings per share

For illustrative purposes, assuming the Proposed Acquisition had been effected on 1 January 2015, the proforma financial effects of the Proposed Acquisition on the Earnings per Share for the year ended 31 December 2015 would be as follows:-

	Before the Proposed Acquisition	After the Proposed Acquisition
Net profit after tax (S\$'000)	3,534	3,244 ⁽²⁾
Weighted average number of issued shares as at 31 December ('000)⁽¹⁾	400,000	400,000
Earnings per share (cents)	0.88	0.81

Notes:

- (1) Based on the post-IPO share capital of 400,000,000 ordinary shares which were assumed to be in issue throughout the entire year presented.
- (2) The proforma financial effects are determined based on the assumptions of interest costs on bank loan obtained to finance the acquisition as well as other costs incurred in relation to the property such as depreciation charges and property tax.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

9. SERVICE AGREEMENTS

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

10. DOCUMENTS FOR INSPECTION

A copy of the Option and the Valuation Report will be made available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this Announcement.

11. FURTHER ANNOUNCEMENTS

The Company will make further announcements in relation the Proposed Acquisition as and when there are material developments.

BY ORDER OF THE BOARD

Lim Siok Leng
Executive Director and Chief Financial Officer

30 May 2016

*This announcement has been prepared by Secura Group Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, United Overseas Bank Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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 persons for the Sponsor are Mr Khong Choun Mun, Managing Director and Head, Equity Capital Markets and Mr Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6539 1177.