



(Incorporated in the Republic of Singapore on 14 August 2015)
(Company Registration Number: 201531866K)

DISPOSAL OF PROPERTY

1. INTRODUCTION

The board of directors (the “**Directors**” or “**Board**”) of Secura Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its subsidiary, Secura Security Printing Sdn Bhd. (“**SSPSB**”) has granted an option (“**Option**”) to Perfect Plastic Sdn. Bhd. (the “**Buyer**”) to purchase two factories (the “**Properties**”) located at No. 59 & 61, Jalan TPP 1/1, Taman Industri Puchong, Batu 12, Jalan Puchong, 47100 Puchong, Selangor Darul Ehsan (the “**Proposed Disposal**”) for an aggregate consideration of RM7,000,000 (equivalent to approximately S\$2,345,000) (the “**Consideration**”). The Buyer has exercised the Option on 8 June 2018.

The Properties are situated on freehold land and have a gross land area of approximately 1,784 square meters.

The Buyer is a company incorporated in Malaysia. None of the directors or shareholders of the Buyer is related to the Directors, controlling shareholders of the Company and their respective associates.

2. CONSIDERATION

The Consideration was arrived at on a willing-buyer, willing-seller basis, taking into consideration, *inter alia*, the valuation of the Properties, and relevant enquiries and references by the Group in relation to the current market prices of freehold properties of similar size in the vicinity.

An option fee of RM140,000 representing 2% of the Consideration, was paid by the Purchaser on the grant of the Option. A further RM560,000 representing 8% of the Consideration, will be paid on the signing of the formal Sale and Purchase Agreement (“**SPA**”) which shall be within 90 days from the date of exercise of the Option. The remaining 90% of the Consideration is payable on completion of the Proposed Disposal (“**Completion**”) but a further one (1) month extension may be granted to the Buyer to enable the settlement of the balance sum provided that interest shall be chargeable on the unpaid balance at 5% per annum calculated on a daily basis

3. CERTAIN PRINCIPAL TERMS OF THE OPTION

3.1 Conditions

The Proposed Disposal is subject to satisfactory legal requisitions and the Buyer obtaining loan approval for the financing of the purchase of the Properties.

3.2 Completion

Completion shall take place on 5 December 2018 or earlier.

4. VALUATION OF THE PROPERTIES

Based on a valuation commissioned by the Buyer as at 27 April 2018 (the “**Valuation Report**”), the aggregate market value of the Properties is RM7,000,000 (equivalent to approximately S\$2,345,000). The Market Comparison Method of Valuation was adopted in formulating the opinion on the market value of the Properties. In adopting this approach, factors such as transactions of comparable properties, the prevailing market conditions and underlying economic factors that may be of influence to the trend of market prices were taken into account.

As at 31 March 2018, the aggregate book value of the Properties was approximately S\$2,420,000. As such, the loss on disposal of the Properties would be approximately S\$75,000.

5. RATIONALE

The Properties are currently held for rental purposes. The Company decided to dispose of the Properties after taking into consideration the challenges of the upkeep of the premises.

The Board is of the view that the Proposed Disposal is in the Group’s best interests.

The net proceeds from the Proposed Disposal will be placed in short-term deposits and/or used for the Group’s working capital purposes, as the Board may in their absolute discretion, deem appropriate.

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

The relative figures for the Proposed Disposal computed on the bases set out in Rule 1006 (a) to (e) of Section B of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”) and based on the latest announced unaudited consolidated accounts of the Group for the first quarter ended 31 March 2018 are set out below:

Rule 1006 of the Listing Manual	Bases	Relative Figures
(a)	Net asset value of assets to be disposed of compared to the Group’s net asset value	5.4% ⁽¹⁾
(b)	Net loss attributable to the assets to be disposed, compared with the Group’s net profits	-37.4% ⁽²⁾
(c)	Aggregate value of the Consideration, compared with the Company’s market capitalisation	7.3% ⁽³⁾
(d)	Number of equity securities issued by the Company as consideration for the Proposed Disposal, 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	Not Applicable

	proved and probable reserves	
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Notes:

- (1) The net asset value of the Properties was approximately S\$2,420,000. The Group's net asset value as at 31 March 2018 was approximately S\$44,689,000.
- (2) The Group's profit before tax for the financial period ended 31 March 2018 was approximately S\$688,000. The loss before tax attributable to the Properties was approximately S\$257,000 after including stamp duty payment, capital gain taxes and professional fees payable to property agent and solicitor.
- (3) The Company's market capitalisation of approximately S\$32.0 million was computed based on the Company's existing issued and paid-up share capital of 400,000,000 shares and the volume-weighted average price of S\$0.08 per share on 7 June 2018, being the last market day preceding the date of exercise of the Option, on which the Company's shares were traded.

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

7. FINANCIAL EFFECTS OF THE DISPOSAL OF PROPERTIES

For illustrative purposes only, the financial effects of the Proposed Disposal are based on the Group's audited financial statement for the financial year ended 31 December 2017 ("FY2017").

7.1 Net tangible assets per share

Assuming the Proposed Disposal had been effected on 31 December 2017, the effects of the Proposed Disposal on the net tangible assets per share of the Group as at 31 December 2017 would be as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Net tangible assets (S\$'000)⁽¹⁾	42,437	42,180
Number of issued shares ('000)	400,000	400,000
Net tangible assets per share (cents)	10.61	10.55

Note:

- (1) Net tangible assets refers to total assets less total liabilities and intangible assets, net of non-controlling interests.

7.2 Earnings per share

Assuming the Proposed Disposal had been effected on 1 January 2017, the effects of the Proposed Disposal on the earnings per share of the Group for FY2017 would be as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Net loss after tax (S\$'000)	1,913	2,170 ⁽¹⁾
Weighted average number of issued shares ('000)	400,000	400,000
Loss per share (cents)	0.48	0.54

Note:

- (1) The financial effects are determined based on the assumptions of disposal loss after including stamp duty payment, capital gain taxes and professional fees payable to property agent and solicitor.

8. 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 Disposal.

9. DOCUMENTS FOR INSPECTION

A copy of the Option 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.

10. FURTHER ANNOUNCEMENTS

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

BY ORDER OF THE BOARD

Lim Siok Leng
Executive Director and Chief Financial Officer

8 June 2018

*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 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.

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