

ASSET ACQUISITIONS AND DISPOSALS::PROPOSED DISPOSAL OF PROPERTY AND PLANT & EQUIPMENT AT PULAU INDAH SELANGOR

Issuer & Securities

Issuer/ Manager

ENVICTUS INTERNATIONAL HOLDINGS LIMITED

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No

Announcement Details

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PROPOSED DISPOSAL OF PROPERTY AND PLANT & EQUIPMENT AT PULAU INDAH SELANGOR

Announcement Reference

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Submitted By (Co./ Ind. Name)

SURENTHIRARAJ S/O SAUNTHARARAJAH AND KOK MOR KEAT

Designation

COMPANY SECRETARIES

Description (Please provide a detailed description of the event in the box below)

Please refer to the attachment.

Attachments

[EIHL_20220131.pdf](#)

Total size =219K MB



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- (A) **THE PROPOSED DISPOSAL OF THE PROPERTY LOCATED AT PULAU INDAH, SELANGOR; AND**
(B) **THE PROPOSED DISPOSAL OF THE PLANT AND EQUIPMENT LOCATED AT PULAU INDAH, SELANGOR**
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1. INTRODUCTION

The Board of Directors (the “**Board**”) of Envictus International Holdings Limited (“the **Company**”) and together with its subsidiaries, the “**Group**”) refers to its earlier announcement dated 31 March 2021 in relation to the Proposed Property Disposal and the Proposed Plant Disposal (the “**Disposal Announcement**”).

All capitalised terms in the announcement shall, unless otherwise defined herein, have the same meaning ascribed to them in the Disposal Announcement.

2. REVISION TO THE TERMS OF THE PROPOSED PROPERTY DISPOSAL AND THE PROPOSED PLANT DISPOSAL

Under the terms of the Property SPA and the Plant SPA, the Purchaser shall issue the Property Purchase Notice and the Plant Purchase Notice from the period between 2 years to 5 years from the date of the Property SPA and the Plant SPA respectively and PBSB and DFSSB had undertaken to sell the Property and Plant respectively to the Purchaser within 2 years to 5 years from the date of the Property SPA and Plant SPA accordingly.

The parties have agreed to bring forward the completion of the Proposed Property Disposal and the Proposed Plant Disposal. In this regard, PBSB and the Purchaser have entered into a revised sale and purchase agreement in relation to sale of the Property (the “**Restated Property SPA**”) and DFSSB and the Purchaser have entered into a revised asset sale agreement in relation to the sale of the Plant (“**Restated Plant SPA**”) on 31 January 2022, to reflect the earlier completion of the Proposed Property Disposal and the Proposed Plant Disposal and consequential changes to the terms relating thereto.

The terms of the Restated Property SPA and the Restated Plant SPA supersede the terms of the Property SPA and the Plant SPA respectively. However, the terms of the Restated Property SPA and the Restated Plant SPA are materially similar to the terms of the Property SPA and the Plant SPA respectively, save for revision to the terms relating to the earlier completion of the Proposed Property Disposal and the Proposed Plant Disposal and other consequential changes to the terms relating thereto as summarized in paragraphs 3 and 4 below. **For the avoidance of doubt, there is no change to the consideration to be paid for the Property and the Plant.**

3. EARLIER COMPLETION OF THE PROPOSED PROPERTY DISPOSAL

Under the Property SPA, the Purchaser shall issue the Property Purchase Notice from the period between 2 years to 5 years from the date of the Property SPA and PBSB had undertaken to sell the Property exclusively to the Purchaser within 2 years to 5 years from the date of the Property SPA and not to sell the Property to any other parties within 5 years from the date of the Property SPA other than to the Purchaser.

Under the Restated Property SPA, PBSB and the Purchaser have agreed to bring forward the completion of the Proposed Property Disposal with the date of completion of the

Proposed Property Disposal being 11 February 2022 or 2 business days after the day the conditions precedent to the Proposed Property Disposal are fulfilled, whichever is later.

The consideration for the Proposed Property Disposal remains the same at RM12,000,000, while the manner of payment has been updated in the Restated Property SPA to reflect the earlier completion timeline. Pursuant to the Restated Property SPA, the Purchaser has paid RM840,000, representing 7% of the purchase consideration for the Property, to PBSB prior to the date of the Restated Property SPA and retained the sum of RM360,000 (the "**Retention Sum**"), representing 3% of the purchase consideration for the Property, in satisfaction of the consideration for the Proposed Property Disposal. The Purchaser shall release the Retention Sum on the date of the Restated Property SPA to the Purchaser's solicitors and pay the balance purchase price of RM10,800,000, representing the remaining 90% of the purchase consideration for the Property, to Bank Pertanian Malaysia Berhad (the "**Bank**") to redeem the Property. The Property is currently charged by PBSB to the Bank to secure a loan extended by the Bank to DFSSB.

Under the Restated Property SPA, the completion of the Proposed Property Disposal is conditional upon the Company having obtained the approval of its shareholders for the Proposed Property Disposal and the Proposed Plant Disposal (the "**Shareholders' Approval**") or a waiver from the SGX-ST in respect thereof and PBSB shall procure that such condition precedent is satisfied as soon as possible.

Under the Restated Property SPA, unlike under the Property SPA, it is no longer a condition precedent to the Proposed Property Disposal that PBSB obtain the written consent of the relevant State Authority for the sale and transfer of the Property. Instead, the Purchaser is required to take all necessary steps to apply for such consent on the execution of the Restated Property SPA.

4. EARLIER COMPLETION OF THE PROPOSED PLANT DISPOSAL

Under the Plant SPA, the Purchaser shall issue the Plant Purchase Notice from the period between 2 years to 5 years from the date of the Plant SPA and DFSSB undertakes to sell the Plant exclusively to the Purchaser within 2 years to 5 years from the date of the Plant SPA and not to sell the Plant to any other parties within 5 years from the date of the Plant SPA other than to the Purchaser.

Under the Restated Plant SPA, DFSSB and the Purchaser have agreed to bring forward the completion of the Proposed Plant Disposal with the date of completion of the Proposed Plant Disposal being 11 February 2022 or 2 business days after the day the conditions precedent to the Proposed Plant Disposal are fulfilled, whichever is later.

The consideration for the Proposed Plant Disposal remains the same at RM76,000,000 but the manner of payment has been updated in the Restated Plant SPA to reflect the earlier completion timeline. Pursuant to the Restated Plant SPA, the Purchaser has paid RM5,749,233.96 to DFSSB prior to the date of the Restated Plant SPA in satisfaction of the consideration for the Proposed Plant Disposal. On or before the completion of the Proposed Plant Disposal, the Purchaser shall pay the balance purchase price of RM70,250,766.04 to the Bank to redeem the Plant. The Plant is currently charged by DFSSB to the Bank to secure a loan extended by the Bank to DFSSB.

Under the Restated Plant SPA, the completion of the Proposed Plant Disposal is conditional upon the Company having obtained the Shareholders' Approval or a waiver in respect thereof.

The other conditions precedent to the Proposed Plant Disposal which were contained in the Plant SPA, namely that (i) DFSSB obtains an air quality or environmental permit and (ii) DFSSB performs the scheduled preventive maintenance as recommended by the manufacturer on the manufacturing equipment, have already been satisfied and therefore are no longer included in the Restated Plant SPA.

5. WAIVER APPLICATION LETTER

The Company had on 20 September 2021 submitted an application to the SGX-ST to seek a waiver from the requirement under Rule 1014(2) of the Listing Manual of the SGX-ST to obtain Shareholders' Approval for the Proposed Disposal and will update shareholders on the outcome of such application in due course.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Restated Property SPA and the Restated Plant SPA will be made available for inspection during normal business hours (with prior appointment) at the registered office of the Company for three (3) months from the date of this announcement.

7. CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution in trading their shares in the Company as the Proposed Property Disposal and the Proposed Plant Disposal are subject to conditions precedent and there is no certainty or assurance as at the date of this announcement that the Proposed Property Disposal or the Proposed Plant Disposal will be completed. In the event that shareholders and potential investors are in doubt when dealing in the shares of the Company, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

Further announcement(s) will be made as appropriate when there are material developments to the Proposed Property Disposal or the Proposed Plant Disposal.

By Order of the Board
ENVICTUS INTERNATIONAL HOLDINGS LIMITED

DATO' JAYA J B TAN
Executive Chairman

31 January 2022