RECLAIMS GLOBAL LIMITED
(Company Registration No. 201834755M)
(Incorporated in the Republic of Singapore)

PROPOSED SALE OF PROPERTY

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1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of Reclaims Global Limited (the "**Company**") together with its subsidiary (the "**Group**") wishes to announce that its wholly-owned subsidiary, Reclaims Enterprise Pte. Ltd. ("**REPL**") has on 28 April 2025 granted an option to purchase ("**Option**") to Zap Piling Pte Ltd (the "**Purchaser**") for the sale of its property located at 10 Tuas South Street 7, Singapore 637114 (the "**Property**") (the "**Proposed Disposal**") for a cash consideration of S$6.3 million (the "**Purchase Price"** or "**Sale Consideration**") subject to the terms and conditions stated in the Option. The Option is to be exercised within 3 weeks from the date of the Option granted (the "**Option Period**") and will lapse at 4.00 p.m. on 18 May 2025 (the "**Expiry**").

2. INFORMATION ON THE PROPERTY

The Property is a leasehold property granted by the Jurong Town Corporation ("**JTC**") with a tenure of 21 years which commenced on 8 November 2014. It is a part single-storey/part 4-storey industrial building and has a land and a gross floor area of approximately 54,330 square feet and 43,465 square feet respectively.

The balance tenure of the Property is approximately ten (10) years and two (2) months. The Property is currently used by the Group as its registered office and corporate headquarters. Subsequent to the completion of the Proposed Disposal, the Group intends to shift its office to an alternate location to be determined. The Group is in the process of searching for an appropriate location for its office.

Based on the audited consolidated financial statements of the Group for the financial year ended 31 January 2025 ("**FY2025**"), the book value of the Property was approximately S$5.6 million as at 31 January 2025. Based on enquiries with a financial institution on 22 April 2025, the fair market value of the Property was S$6.3 million. The Company has not commissioned for a formal valuation of the Property for the purposes of the Proposed Disposal.

3. INFORMATION ON THE PURCHASER

The Purchaser is a company incorporated in Singapore on 26 January 1989 with its Registered Office situated at 27 Woodlands Industrial Park E1 #02-14 Hiangkie Industrial Building, Singapore 757718. The Purchaser is in the business of foundation works and is a general contractor. The Purchaser is an independent and unrelated third party. The Purchaser is not related to the Directors, controlling Shareholders and their respective associates.

4. SALIENT TERMS OF THE OPTION

4.1 Purchase Price

The Sale Consideration for the Property is S$6.3 million (excluding Goods and Services Tax) in cash and was determined on arm's length negotiations between the Company and the Purchaser and was arrived at on a willing buyer and willing seller basis after taking into consideration prevailing market conditions and the fair market value of the Property based on enquiries with a financial institution on 22 April 2025. The Proposed Disposal was facilitated by SRI Pte Ltd (the "**Property Agent**"). The Property Agent is an independent and unrelated third party. The Property Agent is not related to the Company, its Directors and controlling shareholders and their associates.

The Board had further considered the remaining tenure of the lease and that the Purchase Price represents approximately 1.15 times the book value of the Property as at 28 April 2025, being approximately S$5.45 million.

As at this date, the Company has received a sum of S$63,000, by way of a cheque to REPL upon REPL's acceptance of the Offer to Purchase Agreement issued by the Purchaser.

As part of the offer between the REPL and the Purchaser, REPL agrees to allocate approximately 9,500 square feet of production area within the Property for Purchaser's use, free of charge, commencing from 3 months after the exercise of Option and continuing until the completion of sale.

4.2 Exercise of Option

Under the terms of the Option, the Purchaser may exercise the Option by signing the acceptance page of the Option and delivering the same duly signed Option together with a sum of S$252,000 issued in favour of Reclaims Enterprise Pte Ltd representing 5.0% of the Purchase Price of the Property, less the option money or deposit already paid (the "**Option Fee**"). Upon the acceptance of the Option, it shall become a binding agreement (the "**Agreement**") between REPL and the Purchaser.

4.3 Other salient terms under the Option

4.3.1 In the event that the Option is not validly exercised by the Purchaser during the Option Period, the Option Fee shall be forfeited to REPL.

4.3.2 The Property is sold with vacant possession to be given on completion.

4.3.3 Title to the Property sold shall be properly deduced and free from encumbrances but is subject to the restrictive and other covenants and conditions and reservations affecting the same, if any.

4.3.4 The sale and purchase of the Property shall be subject to the Purchaser receiving satisfactory replies to the legal requisitions to the various Government Departments and local authorities and to all plans so far as such replies relate to the Property.

4.3.5 If before the date of completion the government or other competent authority shall acquire the property or any part thereof or give notice that they may intend to do so at any time whatsoever, then the Purchaser shall have the option to rescind this Agreement whereupon the sale and purchase herein shall be deemed wholly cancelled and abortive and this Agreement shall become null and void and of no further effect whatsoever.

4.3.6 The sale of the Property is subject to the written approval from JTC and any other relevant government authorities being obtained for the sale and purchase of the Property. In the event that the approvals from JTC and any other relevant authorities are not granted for the sale of the Property, all the monies paid by Purchaser shall be refunded in full without any deduction or interest. Neither party shall have any further claims against the other for costs, damages, compensation or otherwise.

4.3.7 REPL and the Purchaser shall apply to JTC within 14 calendar days from the date of exercise of the Option or such other date as the parties shall agree in writing for the approval to the sale and purchase.

4.3.8 The Purchaser shall bear all administrative charges including GST imposed by JTC for the approval to the sale and purchase of the Property.

4.3.9 In the event that the parties' respective application herein are not approved within six (6) weeks from the date of exercise of this Option or such later date as the parties shall agree in writing, then the following shall apply:

(i) if the delay in obtaining JTC's approval is attributable to the Purchaser's default in completing and submitting the requisite forms, documents, particulars and details to JTC, then REPL shall treat this Agreement herein as rescinded and the Deposit including the Option Fee paid by the Purchaser shall be forfeited in favour of the Vendor without prejudice to the Vendor's other rights and/or remedies available to the Vendor.

(ii) if such delay is attributable to JTC and not due to the Purchaser's default as aforesaid, then the Purchaser shall be entitled to treat this Agreement as rescinded and REPL shall forthwith refund to the Purchaser the Deposit including the Option Fee paid by the Purchaser to the REPL herein but without any interest compensation or deduction whatsoever and thereupon neither party shall then claim or demand against the other for costs damages compensation or otherwise.

(iii) if the delay in obtaining JTC's approval is attributable to REPL's default in completing and submitting the requisite forms, documents, particulars and details to JTC, then the Purchaser shall be entitled to treat this Agreement as rescinded and the Vendor shall forthwith refund the Deposit including the Option Fee paid by the Purchaser to the REPL herein but without any interest compensation or deduction whatsoever and thereupon neither party shall then claim or demand against the other for costs damages compensation or otherwise.

4.3.10 REPL and the Purchaser hereby agree that they will accept and observe and perform all the terms and conditions as may reasonably be imposed by JTC pursuant to or in relation to the application for JTC's consent to the sale and purchase of the Property which may be imposed by the JTC in connection with the application for approval.

6. COMPLETION

The Proposed Disposal shall be completed within 6 months from the date of exercise of the Option, or within 2 weeks from the date of the Group's receipt of the JTC's written approval of the sale and purchase of the Property, whichever is later (the "**Completion Date**"), and the balance of the Purchase Price shall be paid at the Company's Solicitor's office on Completion Date.

7. RATIONALE

The Board believes that the Proposed Disposal is in the best interests of the Group and Shareholders, as it will enable the Group to right-size the corporate headquarters, optimize the utilisation of assets and re-allocate resources for working capital purposes.

8. USE OF PROCEEDS AND GAIN ON THE PROPOSED DISPOSAL

Based on the audited consolidated financial statements of the Group for the financial year ended 31 January 2025 ("**FY2025**"), the excess of the Sale Consideration over the book value of the Property is approximately S$0.7 million. The Company expects to receive net proceeds of approximately S$6.1 million from the Proposed Disposal. The net proceeds from the Proposed Disposal will be used for investment into another premise to be determined, which will serve as the new corporate headquarters. Any excess will then be used for working capital purposes.

Pending the deployment of the unutilised proceeds for the purposes mentioned above, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, or used for any other purpose on a short-term basis, as the Directors may deem appropriate in the interests of the Group.

9. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The financial effects of the Proposed Disposal set out below are purely for illustrative purposes only and do not reflect the future financial position of the Company or the Group after completion. The financial effects of the Proposed Disposal have been computed based on the audited consolidated financial statements of the Group for FY2025.

For the purpose of of illustrating the financial effects, the financial effects have been prepared based on the assumption that the costs and expenses incurred or to be incurred in connection with the Proposed Disposal shall be disregarded.

9.1 Net Tangible Assets ("NTA")

The effect of the Proposed Disposal on the audited NTA of the Group for FY2025, assuming that the Proposed Disposal had been completed at the end of FY2025 is as follows:

As at 31 January 2025	Before the Proposed Disposal	After the Proposed Disposal
NTA (S$'000)	33,758	34,438
Number of issued shares ('000)[1]	131,000	131,000
NTA per share (cents)	25.8	26.3

(1) Based on the total number of issued ordinary shares in the capital of the Company ("**Shares**") of 131,000,000 as at 31 January 2025.

9.2 Earnings per Share ("EPS")

The effect of the Proposed Disposal on the earnings per share of the Group for FY2025, assuming that the Proposed Disposal had been completed at the beginning of FY2025 is as follows:

FY2025	Before the Proposed Disposal	After the Proposed Disposal
Profit after tax and non-controlling interests (S$'000)	5,567	6,243
Number of issued shares ('000)[1]	131,000	131,000
EPS (cents)	4.25	4.77

(1) Based on the total number of Shares ("**Shares**") of 131,000,000 as at 31 January 2025.

10. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE CATALIST RULES

The relative figures for the Proposed Disposal computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Section B: Rules of Catalist (the "**Catalist Rules**"), based on the latest announced consolidated financial statements of the Group for FY2025 are as follows:

Rule	Basis	Relative Figure
1006 (a)	Net asset value of the assets to be disposed of, compared with the group's net asset value	16.6% (1)
1006 (b)	Net profits attributable to the assets acquired or disposed or, compared with the group's net profits	1.2%(2)
1006 (c)	Aggregate value of the consideration given or received, compared with the issuer's market capitalisation, based on the total number of issued shares excluding treasury shares	16.0%(3)
1006 (d)	Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not Applicable(4)
1006 (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	Not Applicable(5)

Notes:

(1) Based on the net asset value of the Group of S$33,758,000 as at 31 January 2025 and the net asset value of the Property of S$5,620,000 as at 31 January 2025.

(2) Based on the rental income of S$75,000 for FY2025 and the profit before tax of S$6,454,000 of the Group for FY2025.

(3) Based on the Sale Consideration of S$6,300,000 and the Company's market capitalisation of approximately S$39,273,000, being the Company's issued ordinary share capital of 131,000,000 Shares (excluding treasury shares and subsidiary holdings) and the volume weighted average price of the Shares on the SGX-ST of S$0.2998 on 7 April 2025, being the last full market day on which the Shares were traded prior to the date of the Option.

(4) The Proposed Disposal is not an acquisition of assets.

(5) The Company is not a mineral, oil or gas company.

As the relative figures computed under Rule 1006 of the Catalist Rules exceeds 5% but does not exceed 50%, the Proposed Disposal constitutes a "discloseable transaction" as defined under Chapter 10 of the Catalist Rules. Accordingly, the approval of shareholders of the Company (the "**Shareholders**") is not required for the Proposed Disposal.

11. SERVICE CONTRACT

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

12. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling Shareholders and their respective associates has any interest, direct or indirect in the Proposed Disposal, other than through their respective shareholdings (if any) in the Company.

13. DOCUMENTS FOR INSPECTION

A copy of the Option dated 28 April 2025 on the Property is available for inspection at the Registered Office of the Company at 10 Tuas South Street 7, Singapore 637114 during normal business hours for 3 months from the date of this announcement.

Shareholders who wish to inspect the Option dated 28 April 2025 shall make an appointment at email address: general@reclaims-enterprise.com.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

15. FURTHER ANNOUNCEMENTS

The Company will make further announcements to keep Shareholders informed, as and when there are material updates and developments in respect of the Proposed Disposal.

16. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. In particular, Shareholders and potential investors should note that completion of the Proposed Disposal is subject to fulfilment of various conditions as set out in the Option and there is no certainty or assurance that the Proposed Disposal will be completed. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.

BY ORDER OF THE BOARD

Tan Kok Huat
Executive Director and Chief Executive Officer
28 April 2025

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*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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. The contact person for the Sponsor is Ms Audrey Mok (Telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.*