

GLOBAL PALM RESOURCES HOLDINGS LIMITED

(Company Registration No. 200921345M)
(Incorporated in the Republic of Singapore)

PURCHASE OF OFFICE SPACE

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**” or the “**Directors**”) of Global Palm Resources Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s 95%-owned subsidiary in Indonesia, PT Prakarsa Tani Sejati (“**PT Prakarsa**”) had on 1 September 2021, entered into an agreement (the “**Agreement**”) with an unrelated third party, PT. Srikandiamond Motors (the “**Vendor**”), to purchase a right to purchase an office unit at Level 38, Units D, E and F of Treasury Tower located in the Sudirman Central Business District at Lot 28, Jl. Jend. Sudirman Kav. 52-54 (the office unit would be referred to as the “**Property**”) under the agreement with PT. Sumbercipta Griyautama (the developer of the Property, the “**Developer**”) dated 7 July 2021 (the “**Purchase**”) for a cash consideration of IDR 79.2 billion (or approximately S\$7,444,800 based on an exchange rate of IDR1 : S\$0.000094) (the “**Purchase Consideration**”), inclusive of the Value Added Tax.

2. PRINCIPAL TERMS OF THE PURCHASE

2.1 Information on the Property

The Property is a strata title office unit with an area of approximately 1,361 square metres. It is currently vacant and will be delivered with vacant possession on Completion (as defined below). PT Prakarsa purchased the right from Vendor to acquire the Property to be used as the Group’s office premises upon Completion (as defined below).

2.2 Purchase Consideration

The Purchase Consideration was arrived at based on arm’s length negotiations between the parties, after taking into account prevailing market conditions, including current transacted and asking sale prices of the commercial properties in the same building and the immediate neighbouring area.

The Purchase Consideration shall be paid by PT Prakarsa on completion of the Purchase (“**Completion**”), upon execution of the transfer of rights deed to be entered into between the Vendor, PT Prakarsa and the Developer. Completion is slated to take place on or before 14 October 2021.

2.3 Sources of Funds for the Purchase

The Purchase Consideration will be funded through the Group’s internal resources and fully paid up in cash on Completion.

2.4 Salient terms of the Purchase

The salient terms of the Purchase include the following:

- (i) PT Prakarsa shall obtain a bank guarantee in favour of the Vendor in the amount of IDR 4,272,350,000 no later than 14 days after the date of the Agreement;
- (ii) Full payment of the Purchase Consideration and the cancellation of the bank guarantee shall be made on Completion;

- (iii) The title shall be properly deduced and free from encumbrances on Completion;
- (iv) The Purchaser shall purchase with full notice of the actual state and condition of the Property and the Purchaser shall not raise or make any objections in respect of the same;
- (v) The Purchase shall be completed on or before 14 October 2021; and
- (vi) Any failure by the Purchaser to close the acquisition upon Completion would entitle the Vendor to disburse the funds in the bank guarantee.

3. RATIONAL FOR THE PURCHASE

The Directors are of the view that the Purchase is in the best interests of the Group to own a permanent operating office located in the Sudirman Central Business District in Jakarta, instead of having to lease and to be subjected to the uncertainty of the changes of the rental terms upon expiry of each rental period.

4. RELATIVE FIGURE UNDER RULE 1006 OF THE LISTING MANUAL

The relative figures for the Purchase as computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “Listing Manual”) and the audited financial statements of the Group for the financial year ended 31 December 2020 (“FY2020”) are as follows:

Rule 1006	Bases	Relative figures (%)
(a)	The net asset value of the assets to be disposed of, as compared with the Group’s net value asset value	Not applicable
(b)	The net profits attributable to the assets acquired, as compared with the Group’s net profits	Not applicable
(c)	The consideration for acquisition compared with the Company’s market capitalisation	19.53% ⁽¹⁾
(d)	The 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
(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. This 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

Note:

- (1) Based on the Purchase Consideration and the Company’s market capitalisation of approximately S\$38.1 million. The market capitalisation of the Company was computed based on the issued share capital of the Company of 250,200,976 ordinary shares (“Shares”) and the volume weighted average price of S\$0.1523 per Share on 26 August 2021 (being the last day on which the Shares were traded prior to the date of the Agreement).

As the relative figure under Rule 1006(c) of the Listing Manual exceeds 5% but does not exceed 20%, the Purchase constitutes a “discloseable transaction” under Rule 1010 of the Listing Manual. Accordingly, the Company is required to make an immediate announcement of the

Purchase but the Purchase shall not be subject to the approval of shareholders of the Company in a general meeting.

5. FINANCIAL EFFECT OF THE PURCHASE

The Purchase is not expected to have any material impact on the earnings per share or the net tangible assets of the Group.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company and their respective associates has any interest, direct or indirect, in the Purchase, other than through their respective shareholdings in the Company (if any).

7. SERVICE CONTRACTS

No person will be appointed as a Director to the Board in connection with the Purchase. Accordingly, no service contract in relation thereto will be entered into between the Company and any such person.

8. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the following document is available for inspection at the registered office of the Company at 105 Cecil Street, #24-01 The Octagon, Singapore 069534 during normal business hours for three months from the date of this announcement:

- (a) the Agreement (Deed No. 01 dated 1 September 2021 by and between PT Prakarsa Tani Sejati and PT Srikandiamond Motors, made before Simon Yos Sudarso, SH, Notary in Jakarta).

By Order of the Board

Dr Tan Hong Kiat @ Suparno Adijanto
Executive Chairman and CEO

2 September 2021