



**RESOURCES GLOBAL DEVELOPMENT LIMITED**

(Company Registration No. 201841763M)  
(Incorporated in the Republic of Singapore)

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**PURCHASE OF OFFICE PREMISE**

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**1. INTRODUCTION**

- 1.1 The board of directors (the “**Board**” or the “**Directors**”) of Resources Global Development Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had on 12 July 2021, entered into an option to purchase (the “**Option**”) with an unrelated third party, LPH Investment Holdings Pte. Ltd. (the “**Vendor**”), to purchase an office unit at 144 Robinson Road, #11-02 Robinson Square, Singapore 068908 (the “**Property**”) (the “**Purchase**”) for a cash consideration of S\$3,236,750 (the “**Purchase Consideration**”), comprising purchase price of S\$3,025,000 and applicable Goods and Services Tax of S\$211,750.

**2. PRINCIPAL TERMS OF THE PURCHASE**

**2.1 Information on the Property and the Vendor**

The Property is a freehold office unit, covering an area of approximately 1,184 square feet. The Company purchased the Property to be used as the Company's office premises upon expiry of its existing tenancy. The Company is currently occupying office premise located at 144 Robinson Road, #07-01 Robinson Square, Singapore 068988 (“**Existing Office Premises**”), and the tenancy agreement will expire in June 2022.

The Property was sourced through a property agent and none of the Vendor nor directors and shareholders of the Vendor has any relationships (including business relationship) with the Directors or substantial shareholders of the Company and their respective associate.

**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.

As at the date of this announcement, the Company has placed a deposit of S\$161,837.50 (“**Deposit**”), being the 5% of the Purchase Consideration payable upon the Option being granted. The remaining balance of the Purchase Consideration is payable to the Vendor upon the completion of the Purchase (“**Completion**”). The Completion date is expected to be on 4 October 2021.

No independent valuation was commissioned by the Company for the purpose of the Purchase.

### 2.3 Sources of Funds for the Purchase

The Deposit was funded through the Company's internal resources.

On 8 July 2021, the Company entered into a loan agreement with the Company's controlling shareholder, Deli International Resources Pte. Ltd. ("**DIR**"), whereby DIR agreed to extend a loan of S\$1.0 million ("**DIR Loan**") to the Company ("**DIR Loan Agreement**"). The DIR Loan is unsecured, interest-free with a loan tenure of 12 months extendable upon a written request by the Company. The purpose of the DIR Loan is to partially finance the Purchase and the renovation of the Property. DIR, being the controlling shareholder of the Company, is an "interested person" for the purposes of Chapter 9 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst ("**Catalist Rules**"). However, as the DIR Loan is interest-free, there is no value at risk to the Company.

The remaining balance of the Purchase Consideration (after taking into account the Deposit paid and the DIR Loan) of approximately S\$2.6 million shall be funded by external bank borrowings ("**Bank Loan**") to be taken up by the Company. The Company's Executive Director and Chief Operating Officer, Salim Limanto, will be the personal guarantor for the Bank Loan.

### 3. SALIENT TERMS OF THE OFFER TO PURCHASE

The salient terms of the Purchase, are:

- (i) the Purchase is subject to "The Singapore Law Society's Conditions of Sale 2020" (the "**Conditions**") in so far as the Conditions and terms and conditions of the Option are not contrary to or in conflict with the following:
  - (a) Conveyancing & Law of Property (Conveyancing) Rules 2011 as promulgated under the Conveyancing & Law of Property Act; and
  - (b) Singapore Academy of Law (Conveyancing Money) Rules 2011 as promulgated under the Singapore Academy of Law Act (Cap 294A) (if applicable).
- (ii) the title of the Property shall be properly deduced and free from encumbrances on completion;
- (iii) the Property is sold subject to existing tenancy agreement;
- (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; and
- (v) the Purchase shall be completed at the office of the Vendor's solicitors within 12 weeks upon exercising the Option.

### 4. RATIONALE FOR THE PURCHASE

The Directors are of the view that the Purchase is in the best interests of the Group as the ownership of the Property will, in the long run, allow savings in rental charges as well as to hedge against impending inflationary pressure.

## 5. RELATIVE FIGURE UNDER RULE 1006 OF THE CATALIST RULES

The relative figures for the Purchase as computed on the bases set out in Rule 1006 of the Catalist Rules 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 <sup>(1)</sup>
(b)	The net profits attributable to the assets acquired, as compared with the Group’s net profits	Not applicable <sup>(2)</sup>
(c)	The consideration for acquisition compared with the Company’s market capitalisation	16.7% <sup>(3)</sup>
(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 <sup>(4)</sup>
(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

### Notes:

- (1) Rule 1006(a) of the Catalist Rules is not applicable as the transaction is not in relation to disposal of assets.
- (2) Rule 1006(b) of the Catalist Rules is not applicable as the Property is not a revenue-generating asset.
- (3) Computed based on the Purchase Consideration of approximately S\$3.24 million and the Company’s market capitalisation of approximately S\$19.4 million. The market capitalisation of the Company was computed based on the issued share capital of the Company of 90,000,000 ordinary shares (“Shares”) and the volume weighted average price of S\$0.215 per Share on 2 July 2021 (being the last day on which there were Shares traded prior to the date of the Option).
- (4) Rule 1006(d) of the Catalist Rules is not applicable as the Purchase Consideration is to be satisfied entirely by way of cash payment, and no equity securities will be issued by the Company as consideration.

As the relative figure under Rule 1006(c) of the Catalist Rules exceeds 5% but does not exceed 75%, the Purchase constitutes a “discloseable transaction” within the meaning of Chapter 10 of the Catalist Rules. Accordingly, approval of the shareholders of the Company is not required for the Purchase.

## 6. FINANCIAL EFFECT OF THE PURCHASE

### 6.1 Assumptions

The pro forma financial effects of the Purchase are presented for illustrative purposes only and are not intended to be indicative or reflective of the actual future financial position of the Company or the Group after the completion of the Purchase.

The pro forma financial effects of the Purchase have been computed based on the audited consolidated financial statements of the Group as at 31 December 2020 (“FY2020”), on the following bases and assumptions:

- (a) the financial effect on the consolidated net asset value (“NAV”) per Share is computed based on the assumption that the Purchase was completed on 31 December 2020;
- (b) the financial effect on the consolidated earnings per share (“EPS”) is computed based on the assumption that the Purchase was completed on 1 January 2020, and the Company’s office premises are operated at the Property (instead of the Existing Office Premise which is leased by the Company) on 1 January 2020;
- (c) interest charges to be incurred on the Bank Loan to partially fund the payment of the Purchase Consideration have been disregarded; and
- (d) expenses to be incurred in respect of the Purchase have been disregarded.

### 6.2 NAV per Share

	Before the Purchase	After the Purchase
NAV attributable to the equity holders of the Company <sup>(1)</sup> as at 31 December 2020 (S\$’000)	22,014	22,017
Number of shares (excluding treasury shares) (’000)	90,000	90,000
NAV per Share (S\$ cents)	24.5	24.5

Note:

(1) The Group does not have any intangible assets as at 31 December 2020.

### 6.3 EPS

	Before the Purchase	After the Purchase
Net gain attributable to shareholders in FY2020 (S\$’000)	3,081	3,169
Weighted average number of shares (excluding treasury shares) (’000)	88,811	88,811
Earnings per Share (S\$ cents)	3.5	3.6

## 7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As disclosed above, save for DIR (a controlling shareholder of the Company) and Salim Limanto, none of the Directors or substantial shareholders of the Company and their respective associates has any interest, direct or indirect, in the DIR Loan or the Purchase (other than in his capacity as Director or shareholder of the Company, as the case may be).

**8. 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.

**9. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Options and the DIR Loan Agreement are available for inspection at the operating office of the Company at 144 Robinson Road, #07-01 Robinson Square, Singapore 068988 during normal business hours for three months from the date of this announcement.

**By Order of the Board**

**FRANCIS LEE**  
**Executive Director and Chief Executive Officer**  
**28 July 2021**

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

*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.*

*The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.*