



## RESOURCES GLOBAL DEVELOPMENT LIMITED

(Company Registration No. 201841763M)

(Incorporated in the Republic of Singapore)

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### CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2021

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*This announcement has been prepared by Resources Global Development Limited (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 Catalist.*

*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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#### **Background**

The Company, and together with its subsidiaries, the “**Group**”) was listed on Catalist on 31 January 2020. The Group is an established coal trader and coal shipping company in Indonesia. The Group procures thermal coal from coal mines located in South Kalimantan for domestic sales and exports. It also owns a relatively young and well-maintained fleet of Indonesian-flagged vessels, comprising eight (8) sets of tugboat and barge and one (1) bulk carrier, providing chartering services to transport coal within the Indonesian territories. For more information, please visit the Company’s website at [www.rgd.sg](http://www.rgd.sg).

# **RESOURCES GLOBAL DEVELOPMENT LIMITED**

Condensed Interim Financial Statements  
For the six months ended  
30 June 2021

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**A. Condensed interim consolidated statement of profit or loss and other comprehensive income**

	Note	GROUP		Increase/ (Decrease)
		H1 2021	H1 2020	
		S\$ (Unaudited)	S\$ (Unaudited)	%
<b>Revenue</b>	4	<b>62,450,309</b>	39,204,047	59.3
Cost of sales and services		<b>(52,517,869)</b>	(34,678,922)	51.4
Gross profit		<b>9,932,440</b>	4,525,125	119.5
Interest income		<b>77,257</b>	56,230	37.4
Other income		<b>14,520</b>	244,425	(94.1)
Administrative expenses		<b>(977,027)</b>	(2,826,129)	(65.4)
Finance costs		<b>(202,811)</b>	(328,576)	(38.3)
<b>Profit before tax</b>	6	<b>8,844,379</b>	1,671,075	429.3
Tax expense	7	<b>(1,275,264)</b>	(424,991)	200.1
<b>Profit for the financial period</b>		<b>7,569,115</b>	1,246,084	507.4
<b>Other comprehensive (loss)/income</b>				
<i>Item that may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising from consolidation		<b>(642,676)</b>	196,017	NM
<b>Other comprehensive (loss)/income for the financial period, net of tax</b>		<b>(642,676)</b>	196,017	NM
<b>Total comprehensive income for the financial period</b>		<b>6,926,439</b>	1,442,101	380.3
<b>Profit for the financial period attributable to:</b>				
Equity holders of the Company		<b>5,908,093</b>	784,308	653.3
Non-controlling interests		<b>1,661,022</b>	461,776	259.7
		<b>7,569,115</b>	1,246,084	507.4
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company		<b>5,518,930</b>	902,917	511.2
Non-controlling interests		<b>1,407,509</b>	539,184	161.0
		<b>6,926,439</b>	1,442,101	380.3
<b>Earnings per share for the profit for the period attributable to the owners of the Company during the period<sup>(1)</sup></b>				
<b>Basic &amp; Diluted (SGD in cent)</b>		<b>6.6</b>	0.9	633.3

"NM" denotes not meaningful.

"H1 2021" denotes six months period ended 30 June 2021.

"H1 2020" denotes six months period ended 30 June 2020.

Note:

(1) The basic and diluted earnings per share was calculated based on the weighted average number of shares on issue of 90,000,000 in H1 2021 (H1 2020: 87,609,890).

## B. Condensed interim statements of financial position

	Note	GROUP		COMPANY	
		30 June	31 December	30 June	31 December
		2021	2020	2021	2020
		S\$	S\$	S\$	S\$
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>Non-current assets</b>					
Property, plant and equipment	10	30,767,976	30,652,759	94,206	143,759
Deferred tax assets		10,024	8,387	-	-
Other receivables	11	-	2,557	-	-
Investment in subsidiaries		-	-	2,061,028	2,061,028
		<b>30,778,000</b>	<b>30,663,703</b>	<b>2,155,234</b>	<b>2,204,787</b>
<b>Current assets</b>					
Inventories		2,450,108	1,990,903	-	-
Trade and other receivables	11	8,184,255	11,272,365	677,860	4,006,433
Contract assets		624,733	390,026	-	45,949
Cash and cash equivalents		16,174,778	5,845,187	1,116,412	1,378,759
		<b>27,433,874</b>	<b>19,498,481</b>	<b>1,794,272</b>	<b>5,431,141</b>
<b>Total assets</b>		<b>58,211,874</b>	<b>50,162,184</b>	<b>3,949,506</b>	<b>7,635,928</b>
<b>Non-current liabilities</b>					
Liabilities for post-employment benefits		398,742	336,585	-	-
Borrowings	12	67,822	4,816,076	-	43,455
		<b>466,564</b>	<b>5,152,661</b>	<b>-</b>	<b>43,455</b>
<b>Current liabilities</b>					
Trade and other payables	13	11,844,623	6,409,550	171,777	4,018,588
Contract liabilities		1,640,313	1,617,592	-	-
Borrowings	12	122,353	115,989	86,302	85,187
Tax payable		771,372	426,182	-	-
		<b>14,378,661</b>	<b>8,569,313</b>	<b>258,079</b>	<b>4,103,775</b>
<b>Total liabilities</b>		<b>14,845,225</b>	<b>13,721,974</b>	<b>258,079</b>	<b>4,147,230</b>
<b>Net assets</b>		<b>43,366,649</b>	<b>36,440,210</b>	<b>3,691,427</b>	<b>3,488,698</b>
<b>Equity</b>					
Share capital	14	5,701,262	5,701,262	5,701,262	5,701,262
Retained earnings/(accumulated losses)		23,359,412	17,451,319	(2,009,835)	(2,212,564)
Currency translation reserve		(1,527,392)	(1,138,229)	-	-
<b>Equity attributable to equity holders of the Company</b>		<b>27,533,282</b>	<b>22,014,352</b>	<b>3,691,427</b>	<b>3,488,698</b>
Non-controlling interests		15,833,367	14,425,858	-	-
<b>Total equity</b>		<b>43,366,649</b>	<b>36,440,210</b>	<b>3,691,427</b>	<b>3,488,698</b>

### C. Condensed interim statements of changes in equity

GROUP	Attributable to equity holders of the Company			Total S\$	Non-controlling interests S\$	Total equity S\$
	Share capital S\$	Retained earnings S\$	Currency translation reserve S\$			
<b>Balance at 1 January 2021 (Audited)</b>	5,701,262	17,451,319	(1,138,229)	22,014,352	14,425,858	36,440,210
Profit for the financial period	-	5,908,093	-	5,908,093	1,661,022	7,569,115
Other comprehensive loss						
Currency translation differences arising from consolidation	-	-	(389,163)	(389,163)	(253,513)	(642,676)
Remeasurement of post-employment benefits liabilities	-	-	-	-	-	-
Other comprehensive loss for the financial period, net of tax	-	-	(389,163)	(389,163)	(253,513)	(642,676)
Total comprehensive income/(loss) for the financial period	-	5,908,093	(389,163)	5,518,930	1,407,509	6,926,439
<b>Balance at 30 June 2021 (Unaudited)</b>	<u>5,701,262</u>	<u>23,359,412</u>	<u>(1,527,392)</u>	<u>27,533,282</u>	<u>15,833,367</u>	<u>43,366,649</u>

GROUP	← Attributable to equity holders of the Company →			Total S\$	Non-controlling interests S\$	Total equity S\$
	Share capital S\$	Retained earnings S\$	Currency translation reserve S\$			
<b>Balance at 1 January 2020 (Audited)</b>	3,000,000	14,386,211	(585,983)	16,800,228	13,152,434	29,952,662
Profit for the financial period	-	784,308	-	784,308	461,776	1,246,084
Other comprehensive income						
Currency translation differences arising from consolidation	-	-	118,609	118,609	77,408	196,017
Re-measurement of post-employment benefits liabilities	-	-	-	-	-	-
Other comprehensive income for the financial period, net of tax	-	-	118,609	118,609	77,408	196,017
Total comprehensive income for the financial period	-	784,308	118,609	902,917	539,184	1,442,101
Issuance of new shares	3,000,000	-	-	3,000,000	-	3,000,000
Share issue expenses	(298,738)	-	-	(298,738)	-	(298,738)
<b>Balance at 30 June 2020 (Unaudited)</b>	<u>5,701,262</u>	<u>15,170,519</u>	<u>(467,374)</u>	<u>20,404,407</u>	<u>13,691,618</u>	<u>34,096,025</u>

<b>COMPANY</b>	<b>Share capital S\$</b>	<b>Accumulated losses S\$</b>	<b>Total equity S\$</b>
<b>Balance at 1 January 2021 (Audited)</b>	5,701,262	(2,212,564)	3,488,698
Profit for the financial period	-	202,729	202,729
<b>Balance at 30 June 2021 (Unaudited)</b>	<u>5,701,262</u>	<u>(2,009,835)</u>	<u>3,691,427</u>

<b>COMPANY</b>	<b>Share capital S\$</b>	<b>Accumulated losses S\$</b>	<b>Total equity S\$</b>
<b>Balance at 1 January 2020 (Audited)</b>	3,000,000	(2,029,325)	970,675
Issuance of new shares	3,000,000	-	3,000,000
Share issue expenses	(298,738)	-	(298,738)
Loss for the financial period	-	(862,607)	(862,607)
<b>Balance at 30 June 2020 (Unaudited)</b>	<u>5,701,262</u>	<u>(2,891,932)</u>	<u>2,809,330</u>



## D. Condensed interim consolidated statement of cash flows

	GROUP	
	H1 2021	H1 2020
	S\$	S\$
	(Unaudited)	(Unaudited)
<b>Cash flows from operating activities</b>		
Profit before tax	8,844,379	1,671,075
Adjustments for:		
Depreciation of property, plant and equipment	2,137,165	2,101,170
Post-employment benefits	68,412	-
Interest income	(77,257)	(56,230)
Interest expense	202,811	328,576
Operating cash flows before working capital changes	11,175,510	4,044,591
Change in operating assets and liabilities:		
Inventories	(459,205)	(50,202)
Receivables	2,855,961	4,086,150
Payables	3,124,409	(4,140,095)
Currency translation difference	(219,315)	80,551
Cash generated from operations	16,477,360	4,020,995
Interest received	77,257	56,230
Taxes paid	(921,717)	(675,408)
<b>Net cash generated from operating activities</b>	<b>15,632,900</b>	<b>3,401,817</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment, representing net cash used in investing activity	(373,705)	(1,895,796)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of share placements	-	3,000,000
Transaction costs directly attributable to issue of share placements	-	(298,738)
Interest paid	(202,811)	(328,576)
Repayment of advances from a related party	-	(500,000)
Prepayment of lease liabilities	(83,869)	(110,920)
Repayment of bank loan	(4,640,000)	-
<b>Net cash (used in)/generated from financing activities</b>	<b>(4,926,680)</b>	<b>1,761,766</b>
<b>Net increase in cash and cash equivalents</b>	<b>10,332,515</b>	<b>3,267,787</b>
Effect of exchange rate changes on cash and cash equivalents	(2,924)	773
Cash and cash equivalents at beginning of financial period	5,845,187	7,971,299
<b>Cash and cash equivalents at end of financial period</b>	<b>16,174,778</b>	<b>11,239,859</b>

## **E. Notes to the condensed interim consolidated financial statements**

### **1 Corporate information**

Resources Global Development Limited (Co. Reg. No. 201841763M) is incorporated on 12 December 2018 and domiciled in Singapore. On 31 January 2020, the Company was listed on the Catalist Board of Singapore Exchange Securities Trading Limited.

The principal place of business of the Company is located at 144 Robinson Road, #07-01 Robinson Square, Singapore 068908.

The principal activities of the Group are:

- (a) Coal Trading Business
- (b) Coal Shipping Services

The Company's immediate and ultimate holding company is Deli International Resources Pte. Ltd., incorporated in Singapore.

### **2 Basis of preparation**

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

#### **2.1 New and amended standards adopted by the Group**

A number of amendments to the standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### **2.2 Use of estimates and judgements**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### **3 Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### **4 Segment and revenue information**

The Group is organised into the following main business segments:

- Segment 1: Coal Trading Business
- Segment 2: Coal Shipping Services

Inter-segment revenue is eliminated on consolidation. There is no inter-segment revenue during the current and previous financial year.

Inter-segment assets and liabilities are eliminated to arrive at the total assets and liabilities reported in the consolidated statement of financial position.

#### **Segment results**

Management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Income taxes are managed on a group basis and operating results of the investment holding company are not allocated to operating segments. Sales between operating segments are on terms agreed by the group companies concerned.

#### **Segment assets**

The amounts provided to the management with respect to total assets are measured in a manner consistent with that of the condensed interim financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segment except for deferred tax assets, prepaid taxes and assets of the Singapore entities. These assets are classified as unallocated assets.

#### **Segment liabilities**

The amounts provided to the management with respect to total liabilities are measured in a manner consistent with that of the condensed interim financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments other than tax payable and liabilities of the Singapore entities. These liabilities are classified as unallocated liabilities.

## 4.1 Reportable segments

	Coal Trading Business S\$	Coal Shipping Services S\$	Consolidated S\$
<b>H1 2021</b>			
<b>Revenue:</b>			
External customers	53,421,535	9,028,774	62,450,309
Total Revenue	53,421,535	9,028,774	62,450,309
<b>Segment Profit:</b>	6,153,278	3,457,548	9,610,826
Interest income	57,216	20,025	77,241
Finance Cost	(5,292)	(196,204)	(201,496)
Unallocated corporate expenses	-	-	(642,192)
Profit before tax	6,205,202	3,281,369	8,844,379
Income tax expense			(1,275,264)
Profit for the financial period			7,569,115
<b>Assets</b>			
Segment assets	22,216,770	34,098,656	56,315,426
Unallocated assets			1,896,448
			58,211,874
<b>Liabilities</b>			
Segment liabilities	10,255,330	3,560,443	13,815,773
Unallocated liabilities			1,029,452
			14,845,225
<b>Other segment information</b>			
Capital Expenditure	2,290	2,750,279	2,752,569
Unallocated capital expenditure			1,499
			2,754,068
Depreciation	29,682	2,056,430	2,086,112
Unallocated corporate depreciation			51,053
			2,137,165
Other non-cash expenses	9,504	58,908	68,412

	Coal Trading Business S\$	Coal Shipping Services S\$	Consolidated S\$
<b>H1 2020</b>			
<b>Revenue:</b>			
External customers	32,392,678	6,811,369	39,204,047
Total Revenue	32,392,678	6,811,369	39,204,047
<b>Segment Profit:</b>	1,550,905	1,252,833	2,803,738
Interest income	29,483	26,740	56,223
Finance Cost	(7,859)	(318,420)	(326,279)
Unallocated corporate expenses	-	-	(862,607)
Profit before tax	1,572,529	961,153	1,671,075
Income tax expense			(424,991)
Profit for the financial period			1,246,084
<b>Assets</b>			
Segment assets	9,098,195	37,952,783	47,050,978
Unallocated assets			1,397,557
			48,448,535
<b>Liabilities</b>			
Segment liabilities	2,694,123	11,147,251	13,841,374
Unallocated liabilities			511,136
			14,352,510
<b>Other segment information</b>			
Capital Expenditure	-	10,550	10,550
Unallocated capital expenditure			4,152
			14,702
Depreciation	30,530	2,020,090	2,050,620
Unallocated corporate depreciation			50,550
			2,101,170
Other non-cash expenses	-	-	-

## 4.2 Disaggregation of Revenue

### H1 2021

	GROUP		
	Coal Trading Business	Coal Shipping Services	Total
	S\$	S\$	S\$
<b>Types of goods or service:</b>			
Sale of coals	53,421,535	-	53,421,535
Rendering of coal shipping services	-	9,028,774	9,028,774
Total revenue	53,421,535	9,028,774	62,450,309
<b>Timing of revenue recognition:</b>			
At a point in time	53,421,535	-	53,421,535
Over time	-	9,028,774	9,028,774
Total revenue	53,421,535	9,028,774	62,450,309
<b>Geographical information:</b>			
Indonesia	45,587,616	9,028,774	54,616,390
China	7,833,919	-	7,833,919
Total revenue	53,421,535	9,028,774	62,450,309

### H1 2020

	GROUP		
	Coal Trading Business	Coal Shipping Services	Total
	S\$	S\$	S\$
<b>Types of goods or service:</b>			
Sale of coals	32,392,678	-	32,392,678
Rendering of coal shipping services	-	6,811,369	6,811,369
Total revenue	32,392,678	6,811,369	39,204,047
<b>Timing of revenue recognition:</b>			
At a point in time	32,392,678	-	32,392,678
Over time	-	6,811,369	6,811,369
Total revenue	32,392,678	6,811,369	39,204,047
<b>Geographical information:</b>			
Indonesia	32,392,678	6,811,369	39,204,047
China	-	-	-
Total revenue	32,392,678	6,811,369	39,204,047

## 5 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2021 and 31 December 2020:

Note	GROUP		COMPANY	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
	S\$	S\$	S\$	S\$
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>Financial Assets</b>				
At Amortised Costs	23,916,036	16,711,318	1,762,929	5,356,104
<b>Financial Liabilities</b>				
At Amortised Costs	12,034,798	11,327,055	258,079	4,132,670

## 6 Profit before tax

### 6.1 Significant items

	GROUP	
	H1 2021	H1 2020
	S\$	S\$
<b>Income</b>		
Interest income	77,257	56,230
Government grant income <sup>(1)</sup>	14,520	244,425
<b>Expenses</b>		
Interest on bank loans	193,824	312,619
Interest on lease liabilities	7,672	9,468
Depreciation of property, plant and equipment	2,137,165	2,101,170
Foreign exchange (gain)/loss, net	(287,552)	1,180,761

Note:

- (1) Government grant income consists of Grant for Equity Market Singapore Scheme (“**GEMS**”) and Jobs Support Scheme (“**JSS**”).

GEMS is a listing grant provided by the Singapore Government to encourage potential issuers to list on the Singapore Exchange (“**SGX**”) by co-funding part of the eligible expenses. The Group received S\$200,000 during H1 2020 in related to the grant. There was no such grant during H1 2021.

Government grant income of S\$14,520 (H1 2020: S\$44,425) was recognized during the financial year under the JSS in H1 2021. Under the JSS, the Singapore Government will co-fund gross monthly wages paid to each local employee through cash subsidies with the objective of helping employers retain local employees during the period of economic uncertainty. In determining the recognition of the JSS grant income, management has evaluated and concluded that the period of economic uncertainty commenced in April 2020 when the COVID-19 pandemic started affecting the Group’s operations.

## 6.2 Related party transactions

The following significant transactions took place between the Group and the related parties at terms agreed by the parties:

	GROUP	
	H1 2021 S\$	H1 2020 S\$
Purchases from related parties	-	20,643,558 <sup>(1)</sup>
Repayment of advances to a related party	-	500,000 <sup>(2)</sup>

Notes:

- (1) The Group purchased coal from its related parties, PT Angsana Jaya Energi ("**PT AJE**") and PT Akbar Mitra Jaya ("**PT AMJ**") in H1 2020.

Each of PT AJE and PT AMJ are coal mining company incorporated in Indonesia and they ceased to be an interested person of the Group with effect from 14 August 2020 and 2 October 2020 respectively, as the equity interest of the Founding Shareholders in PT AJE and PT AMJ fell below 30% and consequently PT AJE and PT AMJ ceased to be an associate of the Founding Shareholders<sup>(4)</sup>.

- (2) The Group repaid an advance due to Ever Grace International Trading Limited ("**Ever Grace**") in H1 2020. Ever Grace is an investment holding company incorporated in Hong Kong which is indirectly owned by Ms Lenny Limanto<sup>(3)</sup>. With effect from 7 July 2021, Ms Lenny no longer has any equity shares in Ever Grace and consequently Ever Grace ceased to be an associate company of the Founding Shareholders<sup>(4)</sup>.

- (3) Ms Lenny Limanto is the sister of Mr Salim Limanto (Executive Director of the Company), the daughter of Mr Djunaidi Hardi, and the niece of Mr Arifin Ang, Mr Juhadi and Mr Limas Ananto. Each of Mr Djunaidi Hardi, Mr Arifin Ang, Mr Juhadi and Mr Limas Ananto is a Founding Shareholder<sup>(4)</sup>.

- (4) Founding Shareholders refer to Mr Djunaidi Hardi, Mr Arifin Ang, Mr Juhadi, Mr Arifin Tan, and Mr Limas Ananto. The Founding Shareholders are deemed to be interested in the shares of the Company held by Deli International Resources Pte. Ltd. (the controlling shareholder of the Company).

## 7 Tax Expense

The Group calculates the period income tax expenses using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or losses are:

	H1 2021 S\$	H1 2020 S\$
Current income tax expense	1,277,058	425,647
Deferred income tax credit	(1,794)	(656)
	1,275,264	424,991



## 8 Net Asset Value

	GROUP		COMPANY	
	30 June 2021 S\$	31 December 2020 S\$	30 June 2021 S\$	31 December 2020 S\$
Net asset value per ordinary share <sup>(1)</sup>	30.6	24.5	4.1	3.9

Note:

(1) Calculated based on the net asset value attributable to equity holders of the Company over the issued and allotted total shares of 90,000,000 as at 30 June 2021 and 31 December 2020.

## 9 Fair Value of assets and liabilities

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making measurements. The fair value hierarchy have the following levels:

- a) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- b) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. derived from prices); and
- c) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of other financial assets and liabilities (excluding lease liabilities) of the Group are reasonable approximation of their fair values due to relatively short-term maturity of these financial instruments.

## 10 Property, plant and equipment

During H1 2021, the Group purchased assets amounting to S\$2,754,068 (H1 2020: S\$14,702) and no disposal of assets during H1 2021 (H1 2020: Nil). Included in the purchases of H1 2021 are (i) a commitment of down payment of S\$2,333,385 for 2 sets of tugboat and barge ("**New TBBG**"), representing 30% of the purchase cost; (ii) S\$297,895 dry docking cost incurred for the existing vessels; and (iii) vessels equipment of S\$121,462.

The Group has a capital commitment of about S\$5.4 million (equivalent to about US\$4 million) representing the remaining 70% of the purchase cost of the New TBBG, payable over 12 months by instalment.

## 11 Trade and other receivables

	GROUP		COMPANY	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
<b>Current</b>				
Trade receivables	7,687,599	10,801,771	-	3,962,425
Other receivables	3,862	46,874	600,000 <sup>(1)</sup>	770
Advance payment to suppliers	191,292	69,013	-	-
Deposits	49,797	14,929	46,517	14,150
Grant receivables	-	8,960	-	8,960
Prepaid taxes	63,179	38,114	-	-
Prepayments	188,526	172,437	31,343	20,128
VAT receivables	-	120,267	-	-
	8,184,255	11,272,365	677,860	4,006,433
<b>Non-current</b>				
Other deposits	-	2,557	-	--

Note:

- (1) Included in other receivables of the Company as at 30 June 2021 was management service fee receivable from PT Deli Niaga Sejahtera on services rendered (31 December 2020: Nil).

## 12 Borrowings

	GROUP		COMPANY	
	30 June 2021 S\$	31 December 2020 S\$	30 June 2021 S\$	31 December 2020 S\$
<u>Amount repayable within one year or on demand</u>				
Secured <sup>(1)</sup>	36,051	30,802	-	-
Unsecured	86,302	85,187	86,302	85,187
	122,353	115,989	86,302	85,187
<u>Amount repayable after one year</u>				
Secured <sup>(1)</sup>	67,822	67,621	-	-
Unsecured	-	4,748,455	-	43,455
	67,822	4,816,076	-	43,455

Note:

- (1) The Group's borrowings are in connection with the financing of company motor vehicles and secured by the rights of the leases of these motor vehicles.

### 13 Trade and other payables

	GROUP		COMPANY	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Trade payables	9,053,019	5,638,307	-	3,770,203
Other payables	155,634	358,098	29,086	605
Payable for purchase of New TBBG	2,333,385	-	-	-
Accrued operating expenses	302,585	398,585	142,691	233,220
Deferred grant income	-	14,560	-	14,560
	11,844,623	6,409,550	171,777	4,018,588

### 14 Share capital

	The Group and the Company			
	30 June 2021		31 December 2020	
	Number of shares	Amount	Number of shares	Amount
	S\$	S\$	S\$	S\$
Beginning of interim period / financial year	90,000,000	5,701,262	75,000,000	3,000,000
Issue of new shares pursuant to the Placement on 30 January 2020	-	-	15,000,000	3,000,000
Resultant issued and paid-up share capital immediately after the IPO on 31 January 2020	90,000,000	5,701,262	90,000,000	6,000,000
Share issue expenses	-	-	-	(298,738)
End of interim period / financial year	90,000,000	5,701,262	90,000,000	5,701,262

The Company did not have any treasury shares, subsidiary holdings or other convertibles as at 30 June 2021, 31 December 2020 and 30 June 2020.

#### 14.1 A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company does not have any treasury shares during and as at the end of the current financial period reported on

#### 14.2 A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company does not have subsidiary holdings during and as at the end of the current financial period report on.

### 15 Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

## F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES

### 1. Review

The condensed consolidated statement of financial position of Resources Global Development Limited and its subsidiaries as at 30 June 2021 and the related condensed consolidation profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

#### 1.1 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts take to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable. The latest audited financial statements of the Group for the financial year ended 31 December 2020 are not subject to any adverse opinion, qualified opinion or disclaimer of opinion.

### 2. Review of performance of the Group

#### Review of consolidated statement of comprehensive income of the Group

##### (A) Revenue

Total revenue increased by S\$23.2 million (59.3%), from S\$39.2 million in H1 2020 to S\$62.4 million in H1 2021. The breakdown of revenue by business and geographical segment is set out below:

<u>Business Segment</u>	<u>H1 2021</u>		<u>H1 2020</u>	
	<u>S\$</u>	<u>%</u>	<u>S\$</u>	<u>%</u>
Coal Trading Business	53,421,535	85.5	32,392,678	82.6
Coal Shipping Services	9,028,774	14.5	6,811,369	17.4
Total	62,450,309	100.0	39,204,047	100.0

  

<u>Geographical Segment</u>	<u>H1 2021</u>		<u>H1 2020</u>	
	<u>S\$</u>	<u>%</u>	<u>S\$</u>	<u>%</u>
Indonesia	54,616,390	87.5	39,204,047	100.0
China	7,833,919	12.5	-	-
Total	62,450,309	100.0	39,204,047	100.0

##### *Coal Trading Business*

Revenue from Coal Trading Business increased by S\$21.0 million (64.9%), from S\$32.4 million in H1 2020 to S\$53.4 million in H1 2021. The increase was mainly due to increase in the average selling price from S\$42.0 per metric ton ("mt") in H1 2020 to S\$57.7 per mt in

H1 2021, coupled with increase in the sales volume from about 771,000 mt in H1 2020 to about 926,000 mt in H1 2021.

In geographical terms, revenue from Coal Trading Business in H1 2021 were derived from sales to Indonesia (87.5%) (H1 2020: 100%) and China (12.5%) (H1 2020: NIL), as the Group took efforts in late FY2020 (financial year ended 31 December 2020) to expand and diversify its customer base beyond Indonesia, in particular to China.

#### *Coal Shipping Services*

Revenue from Coal Shipping Services increased by S\$2.2 million (32.6%), from S\$6.8 million in H1 2020 to S\$9.0 million in H1 2021. The increase was mainly due to (i) increase in shipping volume by about 0.4 million mt (28.6%) from 1.4 million mt in H1 2020 to 1.8 million mt in H1 2021, attributed to the improved shipping efficiency with faster turnaround time taken for each shipping trip; (ii) increase in demurrage income from S\$299,000 in H1 2020 to S\$391,000 in H1 2021; and (iii) increase of freight rate in the transshipment services.

Revenue from Coal Shipping Services were entirely derived from Indonesia.

### **(B) Gross profit**

Gross profit increased by S\$5.4 million (119.5%) from S\$4.5 million in H1 2020 to S\$9.9 million in H1 2021, while the gross profit margin increased by 4.4 percentage points from 11.5% in H1 2020 to 15.9% in H1 2021. The breakdown of the gross profit margin by business segment is set out as below:

<b>Business Segment</b>	<b>H1 2021 S\$</b>	<b>H1 2020 S\$</b>
<b>Coal Trading Business</b>		
Gross profit	6,138,047	2,819,625
Gross profit margin	11.5%	8.7%
<b>Coal Shipping Services</b>		
Gross profit	3,794,393	1,705,500
Gross profit margin	42.0%	25.0%
<b>Overall</b>		
Gross profit	9,932,440	4,525,125
Gross profit margin	15.9%	11.5%

#### *Coal Trading Business*

Gross profit of Coal Trading Business increased by S\$3.3 million (117.7%), from S\$2.8 million in H1 2020 to S\$6.1 million in H1 2021, mainly due to higher gross profit margin and additional volume from export sales to China.

Gross profit margin increased by 2.8 percentage points from 8.7% in H1 2020 to 11.5% in H1 2021. The increase was mainly due to the change in our purchasing arrangement with our suppliers. In H1 2021, we did spot purchase instead of a fixed formula pricing used in H1 2020. Our ability to buy early in a rising price trend resulted in a higher gross profit margin.

### *Coal Shipping Services*

Gross profit of Coal Shipping Services increased by S\$2.1 million (122.5%), from S\$1.7 million in H1 2020 to S\$3.8 million in H1 2021 was in line with the increase in sales activities by this segment in H1 2021.

Gross profit margin from this segment increased by 17.0 percentage points, from 25.0% in H1 2020 to 42.0% in H1 2021. The increase was mainly due to (i) improved shipping efficiency with shorten turnaround trip resulted in more shipments in H1 2021; (ii) increase in freight rate for transshipment services in H1 2021; and (iii) increase in demurrage income received by the Company in H1 2021.

### **(C) Interest income**

Interest income, which comprised interest from bank and fixed deposit, increased by S\$21,000 (37%), from S\$56,000 in H1 2020 to S\$77,000 in H1 2021. The increase was mainly due to higher cash amounts placed with financial institutions for time deposits during H1 2021.

### **(D) Other income**

Other income decreased by S\$229,000 (94.1%) from S\$244,000 in H1 2020 to S\$15,000 in H1 2021.

Other income in H1 2020 mainly relates to a one-off S\$200,000 listing grant from the Monetary Authority of Singapore under the Grant for Equity Market Singapore (or **GEMS**) pursuant to the Company's successful Initial Public Offering ("**IPO**") in January 2020, and wage support grant from the Singapore government under the Jobs Support Scheme ("**JSS Grant**").

Other income in H1 2021 only comprise JSS Grant.

### **(E) Administrative expenses**

Administrative expenses decreased by S\$1.8 million (65.4%), from S\$2.8 million in H1 2020 to S\$1.0 million in H1 2021. The decrease was mainly due to (i) foreign exchange gain of S\$0.3 million attained in H1 2021 compared to foreign exchange loss of S\$1.2 million incurred in H1 2020, attributed to the exchange rate fluctuation of Indonesian Rupiah (IDR) against the United States Dollar (US\$); and (ii) one-off IPO expenses of S\$0.4 million incurred in H1 2020.

### **(F) Finance costs**

Finance costs decreased by S\$0.1 million (38.3%), from S\$0.3 million in H1 2020 to S\$0.2 million in H1 2021. The decrease was mainly due to partial repayment of a bank during the period, from a principal amount of S\$8 million in H1 2020 to S\$4.8 million in H1 2021. The bank loan was fully repaid in June 2021.

### **(G) Tax expense**

In Indonesia, our Coal Shipping Services is being taxed by the Indonesian tax authorities based on 1.2% tax rate of revenue generated, whereas our Coal Trading Business is being taxed based on 22% tax rate of profit before tax.

Tax expense increased by S\$0.9 million (200.1%), from S\$0.4 million in H1 2020 to S\$1.3 million in H1 2021. The increase was mainly due to an increase in both the revenue for Coal Shipping Services and profit before tax for Coal Trading Business in H1 2021.

### **(H) Profit for the financial period**

As a result of the above, profit for the financial period increased by S\$6.4 million (507.4%) from S\$1.2 million in H1 2020 to S\$7.6 million in H1 2021.

## **Review of statement of financial position of the Group**

### **(I) Non-current assets**

Non-current assets increased by S\$114,000 (0.4%), from S\$30.7 million as at 31 December 2020 to S\$30.8 million as at 30 June 2021, mainly due to the commitment of S\$2.3 mil down payment for the New TBBG contracted during H1 2021, partially offset by a S\$2.1 mil of depreciation charges recognized in H1 2021.

### **(J) Current assets**

Current assets increased by S\$7.9 million (40.7%), from S\$19.5 million as at 31 December 2020 to S\$27.4 million as at 30 June 2021. The net increase was mainly due to the following:

#### *Inventories*

Inventories increased from S\$2.0 million as at 31 December 2020 to S\$2.4 million as at 30 June 2021. The increase relates to the fuel inventory in the vessels as at 30 June 2021.

#### *Trade and other receivables*

Trade and other receivables decreased by S\$3.1 million (27.4%), from S\$11.3 million as at 31 December 2020 to S\$8.2 million as at 30 June 2021. The net decrease was mainly due to improved collection by the Company of trade receivables in H1 2021.

#### *Contract assets*

Contract assets increased by S\$0.2 million (60.2%), from S\$0.4 million as at 31 December 2020 to S\$0.6 million as at 30 June 2021. mainly due to an increase in services rendered but not yet billed in H1 2021, in respect of the Coal Shipping Services.

#### *Cash and cash equivalents*

Cash and cash equivalents increased by S\$10.4 million (176.7%), from S\$5.8 million as at 31 December 2020 to S\$16.2 million as at 30 June 2021. Please refer to the section entitled "Review of Cash Flow of the Group" below for information on the increase in cash and cash equivalents.

### **(K) Non-current liabilities**

Non-current liabilities decreased by S\$4.7 million (90.9%), from S\$5.2 million as at 31 December 2020 to S\$0.5 million as at 30 June 2021. The net decrease was mainly due to the following:

#### *Borrowings*

Borrowings decreased by S\$4.7 million (98.6%), from S\$4.8 million as at 31 December 2020 to S\$68,000 as at 30 June 2021. The decrease was mainly attributable to the full repayment of a bank loan in H1 2021.

#### *Liabilities for post-employment benefits*

Liabilities for post-employment benefits relate to the retirement funds payable to the Indonesian employees of the Group. Such liabilities increased by S\$0.1 million (18.5%), from S\$0.3 million as at 31 December 2020 to S\$0.4 million as at 30 June 2021, due mainly to charges incurred in H1 2021.

### **(L) Current liabilities**

Current liabilities increased by S\$5.8 million (67.8%), from S\$8.6 million as at 31 December 2020 to S\$14.4 million as at 30 June 2021. The increase was mainly due to the following:

#### *Trade and other payables*

Trade and other payables increased by S\$5.4 million (84.8%), from S\$6.4 million as at 31 December 2020 to S\$11.8 million as at 30 June 2021, mainly due to the increase in trade volume of Coal Trading Business in H1 2021 and an accrual for the down-payment to the shipyard for the purchase of the New TBBG.

#### *Tax payable*

Tax payable increased by S\$0.4 million (81.0%), from S\$0.4 million as at 31 December 2020 to S\$0.8 million as at 30 June 2021. The increase was in line with the increased revenue and profit attained by the Group in H1 2021.

### **(M) Working capital position**

As a result of the above, the working capital of the Group improved by S\$4.5 million (40.8%) from S\$10.9 million as at 31 December 2020, to S\$15.4 million as at 30 June 2021.



### **Review of cash flow of the Group**

During H1 2021, net cash generated from operating activities amounted to approximately S\$15.6 million. This comprises positive operating cash flows before changes in working capital of S\$11.2 million, adjusted by net working capital inflow of S\$5.3 million, interest received and taxes paid of S\$77,000 and S\$0.9 million, respectively.

Net cash used in investing activities of S\$0.4 million in H1 2021 relates to the vessel docking costs.

Net cash used in financing activities of S\$4.9 million in H1 2021 was mainly due to (i) repayment of bank loan of S\$4.6 million, and (ii) payment of interest expenses of S\$0.2 million.

As a result of the above, cash and cash equivalents increased by S\$10.3 million (176.7%), from S\$5.8 million as at 31 December 2020 to S\$16.2 million as at 30 June 2021.

**3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement has been previously disclosed to shareholders.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting year and the next 12 months.**

The coal industry has gone through a very positive recovery in the first half of 2021, with tight supply and a healthy demand.

#### *Coal Trading Business*

Coal supply in Indonesia remains tight mainly due to the adverse weather condition during the monsoon period, and the pandemic situation. Coupled with this, is the increased demand coming from both local and export markets. As a result, coal prices have increased substantially between the comparative periods under review.

#### *Coal Shipping Services*

Riding the similar positive wave in the coal industry, our coal shipping services have also seen very healthy improvement in the shipping volume and rates. At the same time, the international freight market has also given a positive boost to the sector.

We have placed an order for 2 new sets of tugboat and barge in H1 2021 to be delivered in the 2<sup>nd</sup> half of FY2021. This will bring our tug and barge to a total of 10 sets and a total carrying capacity of 82,000mt. This acquisition is part of our fleet expansion strategy to maintain our level of services to our customers.

#### *Update on the Group's Operations in relation to the COVID-19 Pandemic*

The Board wishes to update that all of the Group's current fleet of vessels and coal trading activities remain fully operational. The Group will continue to implement precautionary measures to ensure that the workplace remain safe for its employees and to reduce impact of disruption to operations.

**5. Dividend**

**(a) Any dividend recommended/declared for the current financial year reported on?**

Nil.

**(b) Any dividend recommended/declared for the corresponding year of the immediately preceding financial year?**

Nil.

**(c) Date payable**

Not applicable.

**(d) The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined**

Not applicable.

**(e) If no dividend has been declared/recommended, a statement to the effect and the reason(s) for the decision.**

No dividend has been declared or recommended for H1 2021, as the Group is conserving its cash for growth and expansion.

**6. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has obtained a general mandate from shareholders of the Company for interested person transactions in respect of the purchase of coal from PT Sumber Alam Makmur Utama ("PT SAMU") and PT Sarolangun Ketalo Coal ("PT SKC").

Name of interested person	Nature of relationship	Aggregate value of all IPTs (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$'000)
-	-	-	-

**7. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalyst Rules**

The Company confirms that all the required undertakings under Rule 720(1) of the Catalyst Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalyst Rules.

**8. Negative assurance on condensed interim financial statements pursuant to Rule 705(5) of the Catalist Rules**

To the best of our knowledge and belief, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and the Company for the half year ended 30 June 2021 to be false or misleading in any material aspect.

**9. Disclosure pursuant to Rule 706A of the Catalist Rules**

The Company did not acquire or dispose shares in an entity which will result in that entity in becoming or ceasing to be, a subsidiary or associated company of the Company, or result in a change in the Company's shareholding percentage in a subsidiary or associated company, during H1 2021.

**BY ORDER OF THE BOARD**

**Francis Lee**  
**Executive Director and CEO**

**Salim Limanto**  
**Executive Director and COO**

**13 August 2021**