



RESOURCES GLOBAL DEVELOPMENT LIMITED

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

BUSINESS UPDATES

The board of directors (the “**Board**”) of Resources Global Development Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to provide an update on the Group’s business operations.

Coal Trading Business

In Indonesia, supplies of thermal coal remain tight going into the second half of 2021, while local and export demands continue to be strong. This has lifted the benchmark GAR 4,200 kcal/kg grade on the Indonesian Coal Index (“**ICI 4**”) to record levels. The ICI 4 continued to climb from about US\$65 per metric tonne (“**mt**”) at end of June 2021, to over US\$90/mt at end of September 2021¹.

The Group benefited from the aforesaid trend and registered higher revenue of over S\$70 million for the nine-month period ended 30 September 2021 (“**9M 2021**”), representing an increase of about 60% from the same period in 2020. This lifted both the Group’s gross margin and net profit substantially for the Coal Trading Business in 9M 2021.

Coal Shipping Services

One of the Group’s new tugboat and barge (“**TBBG**”) has commenced operation on 1 November 2021 and the other set of TBBG is expected to be operational at end of November 2021. This will bring the Group’s total number of TBBG to 10 sets as of end November 2021.

With shipping volumes and rates improving due to strong business demands, the Group’s shipping segment continued to grow and recorded higher revenue of over S\$14 million in 9M 2021, representing an increase of about 49% from the same period in 2020. This has lifted both the Group’s gross margin and net profit substantially for the Coal Shipping Services in 9M 2021.

Business Outlook

Though the ICI 4 has retreated to below US\$83/mt in November 2021, barring any unforeseen circumstances, the Group expects to remain profitable for the financial year ending 31 December 2021. The Company will continue to monitor the situation as the COVID-19 pandemic develops, and will provide an update as and when necessary.

By Order of the Board

FRANCIS LEE
Executive Director and Chief Executive Officer
18 November 2021

¹ The Argus/Coalindo Indonesian Coal Index Report.

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.

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