



RESOURCES GLOBAL DEVELOPMENT LIMITED

(Company Registration No. 201841763M)

(Incorporated in the Republic of Singapore)

IMPACT OF THE COVID-19 PANDEMIC ON THE GROUP'S BUSINESS AND OPERATIONS

The board of directors (the "**Board**") of Resources Global Development Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to update shareholders of the Company ("**Shareholders**") on the impact of coronavirus disease 2019 ("**Covid-19**") pandemic on the Group's business and operations in Indonesia.

RECENT DEVELOPMENT

In early January 2021, seven (7) crew members from one of the Group's tugboats ("**Pacific Five tugboat**") were tested positive for Covid-19 infection and were all placed under quarantine ("**Recent Event**"), in accordance with the local Indonesia requirements. Pursuant to further testing (being the COVID-19 Polymerase Chain Reaction Test), test results on five (5) of these crew members remained positive. Since early January 2021, the management of the Group ("**Management**") has implemented certain safety measures to contain the virus in order not to spread to the rest of the healthy crew members on the Pacific Five tugboat, and also to other crew members of the Group's remaining seven tugboats.

Due to the Recent Event, the Pacific Five tugboat has been grounded by the relevant Indonesia Authority ("**Authority**") until further notice. The remaining seven tugboats (with seven accompanying barges) and a bulk carrier owned by the Group remain fully operational.

During the period when the Pacific Five tugboat is being grounded, the Management will deploy other tugboats to tow the accompanying barge of Pacific Five tugboat, for the Group's coal shipping operations ("**Alternative Arrangement**"). In the short term, the Alternative Arrangement will mitigate the risk of down-time of Pacific Five tugboat.

IMPACT ON THE GROUP'S FINANCIALS

In view of the Alternative Arrangement, the Management does not expect the Recent Event to have major disruption to the Group's operations in the short term. Accordingly, in the short term, the Recent Event is not expected to have any material impact on the Group's net tangible assets per share and earnings per share for the current financial year ending 31 December 2021. However, as the COVID-19 situation continues to evolve and in the event the Pacific Five tugboat is grounded by the Authority

for a prolonged period of time, the Alternative Arrangement may result in a strain on the capacity of the Group's coal shipping business.

The Management is working closely with the Authority to ensure that the Group complies with all applicable regulations in Indonesia and to have the grounding of Pacific Five tugboat lifted as soon as practical.

FURTHER UPDATES

The Board will continue to monitor the situation closely and assess the impact of the COVID-19 pandemic on the Group. The Board will update Shareholders as and when there are material updates on the situation and developments. In the meanwhile, the Board wishes all employees, stakeholders and Shareholders good health and to stay safe in this time of pandemic.

BY ORDER OF THE BOARD

Francis Lee
Executive Director and Chief Executive Officer
20 January 2021

*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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