

**APPENDIX DATED 9 APRIL 2021**

**THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt about its contents or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

*Unless otherwise defined, capitalised terms used on this cover shall have the same meaning as ascribed to them in the section titled “DEFINITIONS” of this Appendix.*

This Appendix is issued by Resources Global Development Limited (the “**Company**”). The purpose of the Appendix is to provide Shareholders with the rationale for and information relating to, and to seek Shareholders’ approval for the Proposed Renewal of the IPT General Mandate to be tabled at the 2021 AGM. The Notice of AGM and a proxy form are enclosed with the 2020 Annual Report, and are published on (i) the SGX-ST’s website at <https://www.sgx.com/securities/company-announcements>; and (ii) the Company’s corporate website at <https://rgd.sg/newsroom-press-release/>.

This Appendix has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, ZICO Capital Pte. Ltd., in accordance with Rule 226(2)(b) of the Catalist Rules.

This Appendix has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made, or reports contained in this Appendix.

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.



**RESOURCES GLOBAL DEVELOPMENT LIMITED**  
(Company Registration Number: 201841763M)  
(Incorporated in the Republic of Singapore)

**APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING  
IN RELATION TO  
THE PROPOSED RENEWAL OF THE IPT GENERAL MANDATE**

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## DEFINITIONS

For the purpose of this Appendix, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

- “2020 Annual Report”** : The annual report of the Company for FY2020
- “2020 AGM”** : The last annual general meeting of the Company held by way of electronic means on 21 May 2020
- “2021 AGM”** : The annual general meeting of the Company to be held by way of electronic means on Monday, 26 April 2021 at 2.00 p.m.
- “AGM”** : The annual general meeting of the Company
- “Appendix”** : This appendix dated 9 April 2021 in relation to the Proposed Renewal of the IPT General Mandate
- “associate”** : (a) in relation to any Director, Chief Executive Officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary, or in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Associated Company”** : In relation to a corporation, means:
- (a) any corporation in which the corporation or its subsidiary has, or the corporation and its subsidiary together have, a direct interest in voting shares of not less than 20.0% but not more than 50.0% of the total votes attached to all the voting shares in the corporation; or
  - (b) any corporation, other than a subsidiary of the corporation or a corporation which is an associated company by virtue of paragraph (a), the policies of which the corporation or its subsidiary, or the corporation together with its subsidiary, is or are able to control or influence materially

<b>“Audit Committee”</b>	:	The audit committee of the Company for the time being or from time to time, as the case may be
<b>“BKPM”</b>	:	<i>Badan Koordinasi Penanaman Modal</i> , Indonesia Investment Coordinating Board
<b>“Board” or “Board of Directors”</b>	:	The board of directors of the Company for the time being or from time to time, as the case may be
<b>“Catalist”</b>	:	The Catalist board of the SGX-ST
<b>“Catalist Rules”</b>	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Chief Executive Officer” or “CEO”</b>	:	The chief executive officer of the Company for the time being
<b>“Chief Financial Officer” or “CFO”</b>	:	The chief financial officer of the Company for the time being
<b>“Companies Act”</b>	:	The Companies Act (Chapter 50) of Singapore, as may be amended, modified or supplemented from time to time
<b>“Company”</b>	:	Resources Global Development Limited
<b>“Controlling Shareholder”</b>	:	A person who: <ul style="list-style-type: none"> <li>(a) holds directly or indirectly 15% or more of the total number of issued Shares excluding treasury shares and subsidiary holdings in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholders; or</li> <li>(b) in fact exercises control over the Company</li> </ul>
<b>“Director”</b>	:	A director of the Company for the time being or from time to time, as the case may be
<b>“Founding Shareholders”</b>	:	Mr Juhadi, Mr Arifin Tan, Mr Djunaidi Hardi, Mr Arifin Ang and Mr Limas Ananto, who collectively hold 100% of Deli International Resources Pte. Ltd., a Controlling Shareholder of the Company
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“HBA”</b>	:	<i>Harga Batubara Acuan</i> , an index promulgated by the Indonesian Ministry of Energy and Mineral Resources
<b>“ICI”</b>	:	Indonesian Coal Index

<b>“immediate family”</b>	:	In relation to a person, means the person’s spouse, child, adopted child, step-child, sibling and parent
<b>“Interested Person”</b>	:	(a) a Director, Chief Executive Officer, or Controlling Shareholder; or  (b) an associate of any such Director, Chief Executive Officer, or Controlling Shareholder
<b>“Interested Person Transaction”</b>	:	A transaction between an entity at risk and an Interested Person
<b>“IPT General Mandate”</b>	:	The general mandate obtained from the Shareholders pursuant to Chapter 9 of the Catalist Rules, authorising the Company and its subsidiaries, in their ordinary course of business, to enter into the transactions specified in paragraph 2.6 of this Appendix with any Mandated Interested Persons which are necessary for its day-to-day operations, provided that all such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders, subject to the guidelines and review procedures for such transactions as set out in paragraph 2.8 of this Appendix
<b>“IUP-OPK”</b>	:	<i>Izin Usaha Pertambangan Operasi Produksi Khusus</i> , Specific Operation Production Mining Business License for transportation and trading of coal
<b>“Latest Practicable Date”</b>	:	1 April 2021, being the latest practicable date prior to the issue of this Appendix
<b>“Listing”</b>	:	The admission of the Company to Catalist on 31 January 2020
<b>“Mandated Interested Person”</b>	:	Any person as defined in paragraph 2.5 of this Appendix
<b>“Mandated Interested Person Transaction”</b>	:	Any transaction as defined in paragraph 2.6 of this Appendix
<b>“MEMR”</b>	:	<i>Menteri Energi dan Sumber Daya Mineral</i> , Indonesian Minister of Energy and Mineral Resources
<b>“Notice of AGM”</b>	:	The notice of the 2021 AGM dated 9 April 2021, as enclosed with the 2020 Annual Report and as published on (i) the SGX-ST’s website at <a href="https://www.sgx.com/securities/company-announcements">https://www.sgx.com/securities/company-announcements</a> ; and (ii) the Company’s corporate website at <a href="https://rgd.sg/newsroom-press-release/">https://rgd.sg/newsroom-press-release/</a>
<b>“NTA”</b>	:	Net tangible assets
<b>“Offer Document”</b>	:	The offer document dated 14 January 2020 issued by the Company (registered by the SGX-ST, acting as an agent on behalf of the Monetary Authority of Singapore on 14 January 2020) in respect of the listing of the Company on Catalist

<b>“Proposed Renewal of the IPT General Mandate”</b>	:	Has the meaning ascribed to it in Paragraph 1.1 of this Appendix
<b>“PT DNS”</b>	:	PT Deli Niaga Sejahtera
<b>“PT DPAL”</b>	:	PT Deli Pratama Angkutan Laut
<b>“Recommending Directors”</b>	:	Directors who are regarded as independent for the purposes of making a recommendation on the Proposed Renewal of the IPT General Mandate, namely, Ms Alice Yan, Mr Francis Lee, Mr Hew Koon Chan and Mr Petrus Sucipto
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“SFA”</b>	:	The Securities and Futures Act (Chapter 289) of Singapore, as may be amended, modified or supplemented from time to time
<b>“Shareholders”</b>	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is the CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP whose securities accounts are credited with those Shares. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective securities accounts in the Depository Register maintained by CDP
<b>“Share(s)”</b>	:	Ordinary share(s) in the capital of the Company
<b>“Sponsor”</b>	:	ZICO Capital Pte. Ltd.
<b>“Substantial Shareholders”</b>	:	A person who has an interest (directly or indirectly) in one (1) or more voting Shares and the total votes attaching to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company

### **Currencies and Units**

<b>“S\$” and “cents”</b>	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
<b>“%”</b>	:	Per centum or percentage

The terms **“Depositor”**, **“Depository”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them, respectively, in Section 81SF of the SFA.

The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

The term **“treasury shares”** shall have the meaning ascribed to it in Section 76H of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof and not otherwise defined in this Appendix, shall have the same meaning assigned to it under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Appendix shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in figures included in this Appendix between the amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

## LETTER TO SHAREHOLDERS

### RESOURCES GLOBAL DEVELOPMENT LIMITED

(Company Registration Number: 201841763M)

(Incorporated in the Republic of Singapore)

#### Directors

Ms Alice Yan  
(Independent Non-Executive Chairman)  
Mr Francis Lee  
(Executive Director and Chief Executive Officer)  
Mr Salim Limanto  
(Executive Director and Chief Operating Officer)  
Mr Hew Koon Chan  
(Independent Non-Executive Director)  
Mr Petrus Sucipto  
(Independent Non-Executive Director)

#### Registered Office

80 Raffles Place  
#25-01 UOB Plaza 1  
Singapore 048624

9 April 2021

**To: The Shareholders of Resources Global Development Limited**

Dear Sir / Madam

#### PROPOSED RENEWAL OF THE IPT GENERAL MANDATE

##### 1. INTRODUCTION

- 1.1 We refer to the Notice of AGM enclosed with the 2020 Annual Report. Pursuant to Chapter 9 of the Catalist Rules, the Directors intend to seek Shareholders' approval at the 2021 AGM for the proposed renewal of the IPT General Mandate ("**Proposed Renewal of the IPT General Mandate**").
- 1.2 The purpose of this Appendix is to provide Shareholders with information relating to and explain the rationale for the Proposed Renewal of the IPT General Mandate.
- 1.3 Shareholders should read this Appendix carefully and consider the recommendation of the Recommending Directors in paragraph 4 of this Appendix.

##### 2. PROPOSED RENEWAL OF THE IPT GENERAL MANDATE

###### 2.1 BACKGROUND

The IPT General Mandate was adopted by the Company's sole shareholder on 23 December 2019, and was effective pursuant to Rule 920(2) of Chapter 9 of the Catalist Rules by way of the Offer Document from the date of Listing and was expressed to take effect until the earlier of the following: (a) the conclusion of the Company's first AGM following the date of the Listing, or the date by which the next AGM of the Company required by law to be held; or (b) the first anniversary of the Listing. The IPT General Mandate was renewed at the 2020 AGM, and will expire upon the conclusion of the forthcoming AGM scheduled to be held on 26 April 2021. Pursuant to Rule 920 of



the Catalist Rules, the Company will seek Shareholders' approval for the Proposed Renewal of the IPT General Mandate.

The Proposed Renewal of the IPT General Mandate will enable the Group, in its ordinary course of business, to enter into the Interested Person Transactions specified in paragraph 2.6 below with any Mandated Interested Persons, provided that such transactions are made on normal commercial terms, will not be prejudicial to the interests of the Company and its minority Shareholders, and in accordance with the guidelines and review procedures for such transactions set out in paragraph 2.8 of this Appendix.

## 2.2 PARTICULARS OF THE IPT GENERAL MANDATE TO BE RENEWED

The categories of transactions, entities at risk and Interested Persons (save for PT AJE, PT AMJ and PT MMPJ which ceased to be an Interested Person of the Group with effect from 14 August 2020, 2 October 2020 and 2 October 2020, respectively, as described further in paragraph 2.5 of this Appendix) to which the Proposed Renewal of the IPT General Mandate will apply are the same as that of the IPT General Mandate adopted at the Listing which was last renewed at the 2020 AGM.

The renewed IPT General Mandate will take effect from the passing of the Ordinary Resolution 8 relating thereto at the 2021 AGM, and will (unless revoked or varied by the Company in a general meeting) continue in force until the conclusion of the next AGM. Approval from Shareholders will be sought for the renewal of the IPT General Mandate at the next AGM and each subsequent AGM, subject to satisfactory review by the Audit Committee of its continued relevance and application to the transactions with the Mandated Interested Persons, and its confirmation that the methods and review procedures for the transactions with the Mandated Interested Persons are sufficient to ensure that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

## 2.3 CHAPTER 9 OF THE CATALIST RULES

Chapter 9 of the Catalist Rules governs transactions in which a listed company or any of its subsidiaries or associated companies enters into or proposes to enter into with a party who is an Interested Person of the listed company. The objective of Chapter 9 (as stated in Rule 901 of the Catalist Rules) is to guard against the risk that the Interested Persons could influence a listed company, its subsidiaries or associated companies to enter into transactions with Interested Persons that may adversely affect the interests of the listed company or its shareholders.

Pursuant to Rule 905 of the Catalist Rules, a listed company must make an immediate announcement of any Interested Person Transaction of a value equal to, or more than, three per cent. (3%) of the group's latest audited NTA. If the aggregate value of all transactions entered into with the same Interested Person during the same financial year amounts to three per cent. (3%) or more of the group's latest audited NTA, the listed company must make an immediate announcement of the latest transaction and all future transactions entered into with that same Interested Person during that financial year.

Pursuant to Rule 906 of the Catalist Rules, a listed company must obtain shareholder approval for any Interested Person Transaction of a value equal to, or more than:

- (a) five per cent. (5%) of the group's latest audited NTA; or
- (b) five per cent. (5%) of the group's latest audited NTA, when aggregated with other transactions entered into with the same Interested Person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

The above requirements for immediate announcement and/or for shareholders' approval do not apply to any transaction below S\$100,000, and certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk and hence excluded from the ambit of Chapter 9 of the Catalist Rules.

Rule 920 of the Catalist Rules, however, permits a listed company to seek a general mandate from its shareholders for recurrent transactions with Interested Persons where such transactions are of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, but not in respect of the purchase or sale of assets, undertakings or businesses. A general mandate is also subject to annual renewal.

#### 2.4 ENTITIES AT RISK CONTEMPLATED UNDER THE IPT GENERAL MANDATE

For the purposes of the IPT General Mandate, an "entity at risk" means ("**EAR Group**"):

- (a) the Company;
- (b) a subsidiary of the Company (excluding subsidiaries listed on the SGX-ST or an approved exchange); and
- (c) an Associated Company of the Company (other than an Associated Company that is listed on the SGX-ST or an approved exchange) over which the Group, or the Group and its interested person(s), has or have control.

#### 2.5 MANDATED INTERESTED PERSONS CONTEMPLATED UNDER THE IPT GENERAL MANDATE

The IPT General Mandate will apply to the Mandated Interested Person Transactions (as defined in paragraph 2.6 of this Appendix) that are carried out between any of the entity within the EAR Group with:

- (a) PT Sumber Alam Makmur Utama ("**PT SAMU**")

PT SAMU is a coal mining company incorporated in Indonesia. The Founding Shareholders and their associates collectively hold an aggregate interest of more than 30% in PT SAMU.

- (b) PT Sarolangun Ketalo Coal ("**PT SKC**")

PT SKC is a coal mining company incorporated in Indonesia. The Founding Shareholders and their associates collectively hold an aggregate interest of more than 30% in PT SKC.

Collectively, PT SAMU and PT SKC shall be referred to as "**Mandated Interested Persons**" and each a "**Mandated Interested Person**", all being Interested Persons.

For the avoidance of doubt, prior to the date of this Appendix, certain entities covered under the IPT General Mandate (which was adopted at Listing and last renewed at the 2020 AGM) had ceased to be Interested Persons of the Group<sup>1</sup>. Notwithstanding this, the terms and conditions of the IPT General Mandate relating to transactions between any of the entity within the EAR Group with the Mandated Interested Persons remain the same.

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<sup>1</sup> These entities are PT Angsana Jaya Energi ("**PT AJE**"), PT Akbar Mitra Jaya ("**PT AMJ**") and PT Megah Mulia Persada Jaya ("**PT MMPJ**"), which ceased to be an Interested Person of the Group with effect from 14 August 2020, 2 October 2020 and 2 October 2020, respectively, as the aggregate interest of the Founding Shareholders in PT AJE, PT AMJ and MMPJ fell below 30% as at the date of this Appendix. Consequently, each of PT AJE, PT AMJ and PT MMPJ ceased to be an associate of the Founding Shareholders, and is accordingly, not an Interested Person of the Group.

## 2.6 **NATURE OF THE INTERESTED PERSON TRANSACTIONS CONTEMPLATED UNDER THE IPT GENERAL MANDATE**

The Group is principally engaged in (a) the procurement and sale of coal for domestic and export sales ("**Coal Trading Business**"); and (b) the provision of chartering services of tugboats, barges and bulk carrier to our customers to transport coal within the Indonesian territories. The Mandated Interested Persons are either coal mine owners or coal mining companies in the region of Indonesia. The EAR Group may purchase coal from the Mandated Interested Persons to fulfil the Group's customers' demand for coal ("**Mandated Interested Person Transactions**").

Transactions between the Mandated Interested Persons and the Group which do not fall within the ambit of the IPT General Mandate shall be subject to the relevant provisions of Chapter 9 of the Catalist Rules and/or other applicable provisions of the Catalist Rules and/or an applicable law. In particular, any transactions outside the scope of the IPT General Mandate which exceed 5.0% of the Group's audited NTA will require independent Shareholders' approval. Transactions which fall within the ambit of the IPT General Mandate will not be separately subject to Rules 905 and 906 of the Catalist Rules.

## 2.7 **RATIONALE FOR AND BENEFITS OF THE PROPOSED RENEWAL OF THE IPT GENERAL MANDATE**

Pursuant to the IUP-OPK granted by BKPM to PT DNS to conduct the Group's Coal Trading Business, PT DNS is permitted to source for coal from approved coal mines. As at the Latest Practicable Date, PT SAMU and PT SKC have not commenced production as further exploration work and feasibility studies have to be conducted on such coal mines.

Given the nature of the Group's Coal Trading Business, the Group envisaged that the Mandated Interested Person Transactions when commenced, are likely to occur from time to time, in the ordinary course of business. In view of the time-sensitive and recurrent nature of the Mandated Interested Person Transactions, it would be advantageous for the Group to obtain the IPT General Mandate to enable the EAR Group, in the ordinary course of business, to enter into the Mandated Interested Person Transactions which are necessary for the Group's day-to-day-operations, provided that the Mandated Interested Person Transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Group and the minority Shareholders of the Company. The IPT General Mandate will allow the Group's Coal Trading Business to purchase coal that meet the requirements and specifications from trusted and established suppliers, thereby ensuring the sustainability of the Group's operations.

The IPT General Mandate and its subsequent renewal on an annual basis would eliminate the need to announce, or to announce and convene separate general meetings from time to time to seek independent Shareholders' approval, thereby easing administrative and financial costs, without compromising the EAR Group's business activities.

The IPT General Mandate is intended to facilitate transactions in the normal course of business of the EAR Group which are transacted from time to time with the Mandated Interested Persons, provided that they are carried out on arm's length basis and are on normal commercial terms, and are not prejudicial to the interests of the Group and the minority Shareholders. In accordance with the requirements of Chapter 9 of the Catalist Rules, the Group will (a) disclose in the Company's annual report the aggregate value of transactions conducted with the Mandated Interested Persons pursuant to the IPT General Mandate during the financial year (as well as in the annual reports for subsequent financial years that the IPT General Mandate continues to be in force); and (b) announce the aggregate value of transactions conducted with the Mandated Interested Persons pursuant to the IPT General Mandate for the financial periods that the Company is required to report on pursuant to Rule 705 of the Catalist Rules.

## 2.8 GUIDELINES AND REVIEW PROCEDURES UNDER THE IPT GENERAL MANDATE

To ensure that the Mandated Interested Person Transactions are carried out on an arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the Group and the minority Shareholders, the Group has established the following procedures under the IPT General Mandate ("**IPT Guidelines and Review Procedures**"):

- (a) All Mandated Interested Person Transactions shall be conducted in accordance with the Group's usual business practices and policies, at the prevailing market rates or prices, and on terms which are no less favourable to the Group as compared to the terms extended by unrelated third-parties (including, where applicable, preferential rates, prices, commissions or discounts accorded to customers or purchasers who have a long-term contract with the Group) or otherwise in accordance with applicable industry norms.
- (b) Before entering into any purchase agreement with the Mandated Interested Person, the purchasing department will review to ensure that the Mandated Interested Person remains on the list of the Group's approved suppliers.
- (c) Where possible, the Group will negotiate for an annual purchase agreement with the Mandated Interested Person. Whilst the Group does not maintain any coal stockpiles, the entry into such annual purchase agreement will allow the Company to secure a reliable and consistent source of coal for the Group's Coal Trading Business, which will in turn allow the Group to better negotiate for coal sale contracts with its customers. Prior to the entry into the annual purchase agreement with the Mandated Interested Person, the Company will compare the terms offered by the Mandated Interested Person with the terms offered by at least two (2) other unrelated third-party coal suppliers for similar annual purchase arrangement. The Group will only enter into such annual purchase agreement if the terms offered by the Mandated Interested Person are the same or more favourable than the terms offered by unrelated third-party coal suppliers. In particular, the selling price offered by the Mandated Interested Person shall not be higher than the prevailing coal price index, in particular the ICI and/or HBA (where relevant), and the discount offered by the Mandated Interested Person shall not be lower than the discounts offered by unrelated third-party coal suppliers. When comparing agreements, the Group will also take into account pertinent factors such as the size of the order, the quality of the coal, the shipping terms (whether it is inclusive or exclusive of cost, insurance, and freight), and proximity of the coal mine and delivery logistics.
- (d) For placement of orders with the Mandated Interested Person under the annual purchase agreement, the purchasing department will ensure that the orders are placed in accordance to the terms already agreed in the annual purchase agreement.
- (e) For placement of orders which is not covered by an annual purchase agreement, the purchasing department will obtain at least two (2) quotations from unrelated third-party coal suppliers for comparison. When comparing quotations, the purchasing department will take into account pertinent factors as set out in paragraph (c) above.
- (f) In the event that there is no such unrelated third-party quotations or only one unrelated third-party quotation is obtained, the Group shall compare the selling prices quoted by the Mandated Interested Persons against the prevailing coal price index, in particular the ICI and/or HBA (where relevant). The selling price quoted by the Mandated Interested Persons shall not be higher than the prevailing index price. Any discount represented by the selling price quoted by the Mandated Interested Persons shall not exceed the range of discounts enjoyed by the Group for similar transactions in the most recently completed financial year.

When comparing transactions, the Group will take into account pertinent factors as set out in paragraph (c) above.

Approval threshold(s) for the Mandated Interested Person Transactions

The approval thresholds for each Mandated Interested Person Transaction are as follows:

<b>Value of Mandated Interested Person Transactions</b>	<b>Approval Authority</b>
Equals to or below 3% of the latest audited NTA of the Group	Finance Manager
Exceeds 3% but below 5% of the latest audited NTA of the Group	Finance Manager and the CEO or CFO
Exceeds 5% of the latest audited NTA of the Group	Finance Manager, the CEO or CFO, and an Independent Director

All executed Mandated Interested Person Transactions (commencing from the date of the renewed IPT General Mandate at the 2021 AGM till the conclusion of the next AGM) will be tabled to one of the Company's Independent Directors for review and endorsement when the cumulative value of the Mandated Interested Person Transactions (excluding those already reviewed and endorsed or approved by an Independent Director) exceeds 5% of the latest audited NTA of the Group.

In the review of the Mandated Interested Person Transactions, the Independent Director may at his/her discretion obtain independent advice.

If any of the approval authority has an interest in a Mandated Interested Person Transaction, he/she will abstain from any review, deliberation or decision making in respect of that Mandated Interested Person Transaction.

**2.9 ADDITIONAL PROCEDURES FOR INTERESTED PERSON TRANSACTIONS**

Since the Listing, the Company has implemented the following procedures for the identification of Interested Persons and the recordkeeping of all Interested Person Transactions:

- (a) The Company's finance team will maintain a list of Interested Persons and their Associates (which is to be updated immediately if there are any changes) to enable identification of the Interested Persons. The list shall be reviewed on a quarterly basis by the CFO and subject to such verifications or declarations as required by the Audit Committee for such period as determined by them. This list shall be disseminated to all relevant staff for identification of Interested Person Transaction on a timely basis;
- (b) The Company will maintain a register of Interested Person Transactions, including the Mandated Interested Person Transactions (the "**IPT Register**"). The IPT Register will also record any Interested Person Transaction that are below S\$100,000 in value, although such transactions are not required to be aggregated under Chapter 9 of the Catalist Rules. The CFO shall review the IPT Register on a quarterly basis;
- (c) All documents related to the Mandated Interested Person Transactions will be filed in a separate file ("**IPT Mandate File**") for ease of tracking and monitoring. The IPT Mandate File will contain all forms and checklists in relation to the Mandated Interested Person Transactions. The IPT Mandate File will also contain invoices and payment vouchers in relation to the Mandated Interested Person Transactions. The CFO will review the IPT Mandate File on a monthly basis;
- (d) The Audit Committee shall review the IPT Register and the IPT Mandate File on a quarterly basis (or on such other frequency as the Audit Committee may deem necessary) to

ascertain that the IPT Guidelines and Review Procedures have been complied with. Such review includes the examination of the transactions and supporting documents or such other data deemed necessary by the Audit Committee. The Audit Committee may request for additional information pertaining to the transactions under review from independent sources, advisers or valuers as it deems fit;

- (e) The internal auditors of the Company will, on an annual basis, review the IPT Mandate File to ascertain that the IPT Guidelines and Review Procedures have been adhered to. Any discrepancies or significant variances from the Group's usual business practices and pricing policies will be highlighted to the Audit Committee; and
- (f) If during any of its periodic reviews, the Audit Committee is of the view that the IPT Guidelines and Review Procedures have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the Company are conducted, it will take such actions as it deems appropriate and/or institute additional procedures as necessary (such as, where relevant, to seek a fresh Shareholders' general mandate for the Mandated Interested Person Transactions) to ensure that the Mandated Interested Person Transactions will be conducted on arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the Group and the minority Shareholders.

## 2.10 DISCLOSURE UNDER THE CATALIST RULES

The Company will announce the aggregate value of transactions conducted with the Mandated Interested Person(s) pursuant to the IPT General Mandate for the relevant financial periods which the Company is required to report on pursuant to Rule 705 of the Catalist Rules and within the time frame required for such announcements.

Disclosure will also be made in the Company's annual report of the aggregate value of transactions conducted with the Mandated Interested Person(s) pursuant to the IPT General Mandate during the financial year, and in the annual reports for subsequent financial years that the IPT General Mandate continues in force, in accordance with the requirements of Chapter 9 of the Catalist Rules.

The name of the Interested Person, nature of relationship and the corresponding aggregate value of the transactions with the Interested Person will be presented in the following format (or in such other form as the Catalist Rules may require from time to time):

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year/period under review (excluding transactions less than S\$100,000 and transactions conducted under the Shareholders' general mandate pursuant to Rule 920 of the Catalist Rules)	Aggregate value of all interested person transactions conducted under the Shareholders' general mandate pursuant to Rule 920 of the Catalist Rules during the financial year/period under review (excluding transactions less than S\$100,000)
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## 2.11 **STATEMENT OF THE AUDIT COMMITTEE**

Pursuant to Rule 920(1)(c) of the Catalist Rules, the Audit Committee confirms that:

- (a) the methods and procedures for determining the transaction prices of the Mandated Interested Person Transactions have not changed since the IPT General Mandate was given by the Shareholders (i.e. the date of the Offer Document); and
- (b) the methods and procedures referred to in sub-paragraph (a) above are sufficient to ensure that the Mandated Interested Person Transactions carried out thereunder will be on normal commercial terms and will not be prejudicial to the interests of the Group and the minority Shareholders.

If, during the periodic reviews by the Audit Committee, the Audit Committee is of the view that the review procedures are inadequate or inappropriate to ensure that the relevant transactions with the Mandated Interested Person will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, or in the event of any amendment to Chapter 9 of the Catalist Rules, the Audit Committee will, in consultation with the Board, take such action as it deems proper in respect of such procedures and/or modify or implement such procedures as may be necessary and direct the Company to revert to Shareholders for a fresh mandate based on the new guidelines and procedures for the Mandated Interested Person Transactions.

## 2.12 **ABSTENTION FROM VOTING**

Pursuant to Rule 920(1)(b)(viii) of the Catalist Rules, Deli International Resources Pte. Ltd. will abstain, and has undertaken to ensure that its associates will abstain, from voting on Ordinary Resolution 8 in relation to the Proposed Renewal of the IPT General Mandate.

In addition, the Company will procure that Deli International Resources Pte. Ltd. and/or any of its associates will also decline to accept appointment as proxy for any Shareholder to vote in respect of the Proposed Renewal of the IPT General Mandate, unless the Shareholder concerned shall have given instructions in his proxy form as to the manner in which his votes are to be cast in respect of the Proposed Renewal of the IPT General Mandate; and the Company shall disregard votes cast by Deli International Resources Pte. Ltd. and/or any of its associates in respect of their holdings of Shares (if any) in relation to the Proposed Renewal of the IPT General Mandate.

### 3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the shareholdings of Directors and Substantial Shareholders of the issued Shares of the Company as recorded respectively in the Register of Directors' Shareholdings and Substantial Shareholders, are as follows:

Name of Directors	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
<b>Directors</b>				
Alice Yan	-	-	-	-
Francis Lee	-	-	-	-
Salim Limanto <sup>(1)</sup>	-	-	-	-
Hew Koon Chan	-	-	-	-
Petrus Sucipto	-	-	-	-
<b>Substantial Shareholders (other than Directors)</b>				
Deli International Resources Pte. Ltd.	75,000,000	83.3	-	-
Juhadi <sup>(2)(3)</sup>	-	-	75,000,000	83.3
Arifin Tan <sup>(2)</sup>	-	-	75,000,000	83.3
Djunaidi Hardi <sup>(1)(2)(3)</sup>	-	-	75,000,000	83.3

**Notes:**

- (1) Mr Salim Limanto, the Executive Director and Chief Operating Officer, is the son of Mr Djunaidi Hardi.
- (2) Deli International Resources Pte. Ltd. is the Controlling Shareholder of the Company. Deli International Resources Pte. Ltd. is a private limited company incorporated in Singapore on 5 September 2006. The shareholders of Deli International Resources Pte. Ltd. are Mr Arifin Tan (25.0%), Mr Djunaidi Hardi (25.0%), Mr Juhadi (20.0%), Mr Limas Ananto (15.0%) and Mr Arifin Ang (15.0%). Mr Juhadi, Mr Arifin Tan and Mr Djunaidi Hardi are deemed to be interested in the Shares owned by Deli International Resources Pte. Ltd. by virtue of Section 4 of the SFA.
- (3) Mr Juhadi, Mr Djunaidi Hadi, Mr Limas Ananto and Mr Arifin Ang are siblings.

Saved as disclosed in this Appendix, none of the Directors or Substantial Shareholders have any interest, direct or indirect, in the Proposed Renewal of the IPT General Mandate other than through their respective shareholdings in the Company.

### 4. DIRECTORS' RECOMMENDATION

The Executive Director and Chief Operating Officer of the Company, Mr Salim Limanto, who is the son of Mr Djunaidi Hardi (one of the Founding Shareholders), will abstain from making any recommendations in connection with the Proposed Renewal of the IPT General Mandate.

Having fully considered the rationale for and benefits of the IPT General Mandate set out in Section 2.7 of this Appendix, the Recommending Directors believe that the Proposed Renewal of the IPT General Mandate is in the best interests of the Company and its minority Shareholders.



The Recommending Directors are of the opinion that the IPT Guidelines and Review Procedures as set out in Section 2.8 of this Appendix for determining transaction prices of the Mandated Interested Person Transactions are sufficient to ensure that the Mandated Interested Persons will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. Accordingly, the Recommending Directors recommend that Shareholders vote in favour of Ordinary Resolution 8 relating to the Proposed Renewal of the IPT General Mandate as set out in the Notice of AGM.

In giving the recommendations above, the Recommending Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs and constraints of any individual Shareholder. As different Shareholders have different investment objectives and profiles, the Directors recommend that any Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

## **5. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Resolution, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

## **6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company at 80 Raffles Place, #25-01 UOB Plaza 1, Singapore 048624, during normal business hours from the date of this Appendix up to and including the date of the 2021 AGM:

- (a) the Constitution of the Company; and
- (b) the 2020 Annual Report.

Yours faithfully

For and on behalf of the Board of  
**RESOURCES GLOBAL DEVELOPMENT LIMITED**

Francis Lee  
Executive Director and Chief Executive Officer

**9 April 2021**