Resources Global Development

STEADY PROGRESSION

ANNUAL REPORT 2021

RESOURCES GLOBAL DEVELOPMENT LIMITED

Our history of being involved in the coal industry can be traced back to around 2005 in South Kalimantan, Indonesia. Over the years, our business has evolved and today, we have established a reputation as a reliable coal trader and coal shipping company in Indonesia.

We procure thermal coal from coal mines located in South Kalimantan for domestic and export sales. We also provide chartering services of tugboats, barges and bulk carrier to transport coal mainly within the Indonesian territories.

Led by an experienced management team, and with the depth and diversity of their technical and operational expertise, we are positioned to tap the opportunities presented by the coal industry in Indonesia and the region.

Resources Global Development Limited (the "Company" or "RGD") was listed on the Catalist board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 31 January 2020 (SGX: QSD).

CONTENT PAGE

This annual report 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 SGX-ST Listing Manual Section B: Rules of Catalist.

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

The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

COAL TRADING BUSINESS

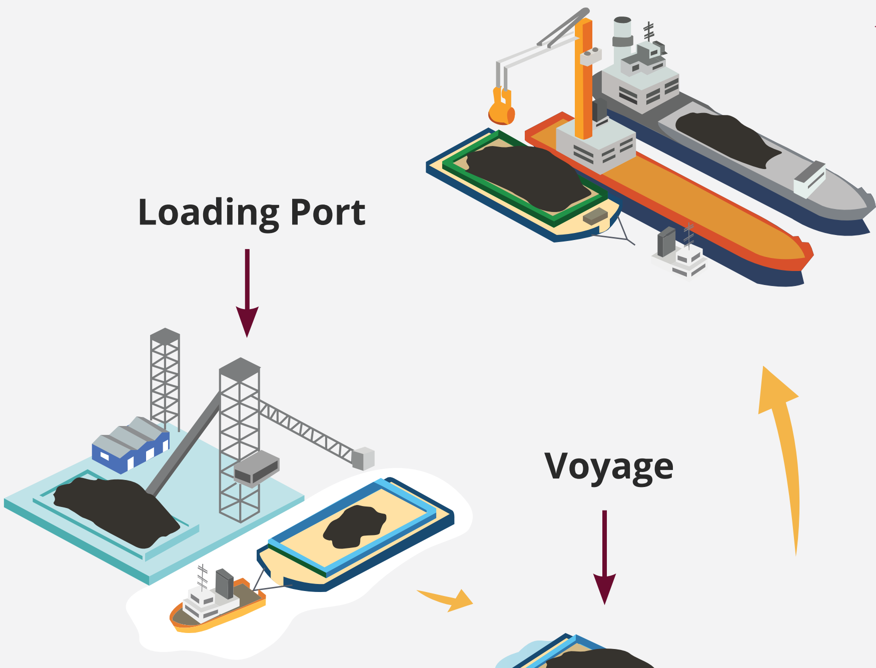
Our Coal Trading Business is carried out mainly through our subsidiary, PT Deli Niaga Sejahtera ("PT DNS"). We procure our supply of thermal coal from coal mines located in South Kalimantan, Indonesia, for domestic and export sales. Customers for our Coal Trading Business are mainly coal traders, who procure coal for domestic end-users operating in various industries, including nickel smelting and cement manufacturing.

PT DNS does not engage in coal futures or derivatives trading and does not maintain any coal stockpiles. It minimises trading risks by sourcing for coal only after securing confirmed sales contracts, i.e. it will typically enter into back-to-back coal sale and purchase contracts with its customers and suppliers respectively.

COAL SHIPPING SERVICES

We operate our Coal Shipping Services through our subsidiary, PT Deli Pratama Angkutan Laut ("PT DPAL"), which covers mainly domestic shipping routes between coal mines located in South Kalimantan, to the Java and Sulawesi islands in Indonesia. Our Coal Shipping Services comprise (i) chartering services; and (ii) transshipment services.

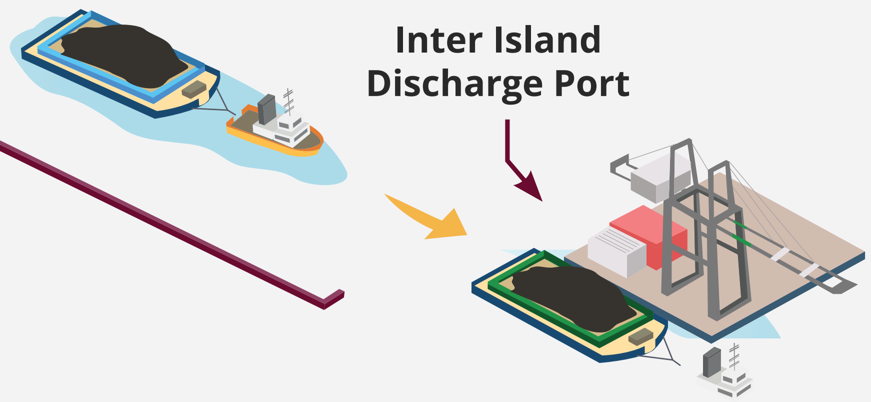
As at 31 December 2021, PT DPAL owns a fleet of eleven (11) Indonesian-flagged vessels, comprising ten (10) tugboats (and including ten (10) accompanying barges) as well as one (1) bulk carrier, with an aggregate estimated carrying capacity of 132,000 deadweight tonnage ("dwt"). We aim to continue to expand our shipping routes to cover China and the region.



Transshipment services:

Coal traders charter our tugboats and barges to transport coal from the local jetties or ports to bulk carriers at a specified anchorage, within a stipulated time for onward transportation to other destinations.

Routes are usually shorter, with faster turnarounds, thus reducing our exposure to the unpredictable conditions in the open seas.

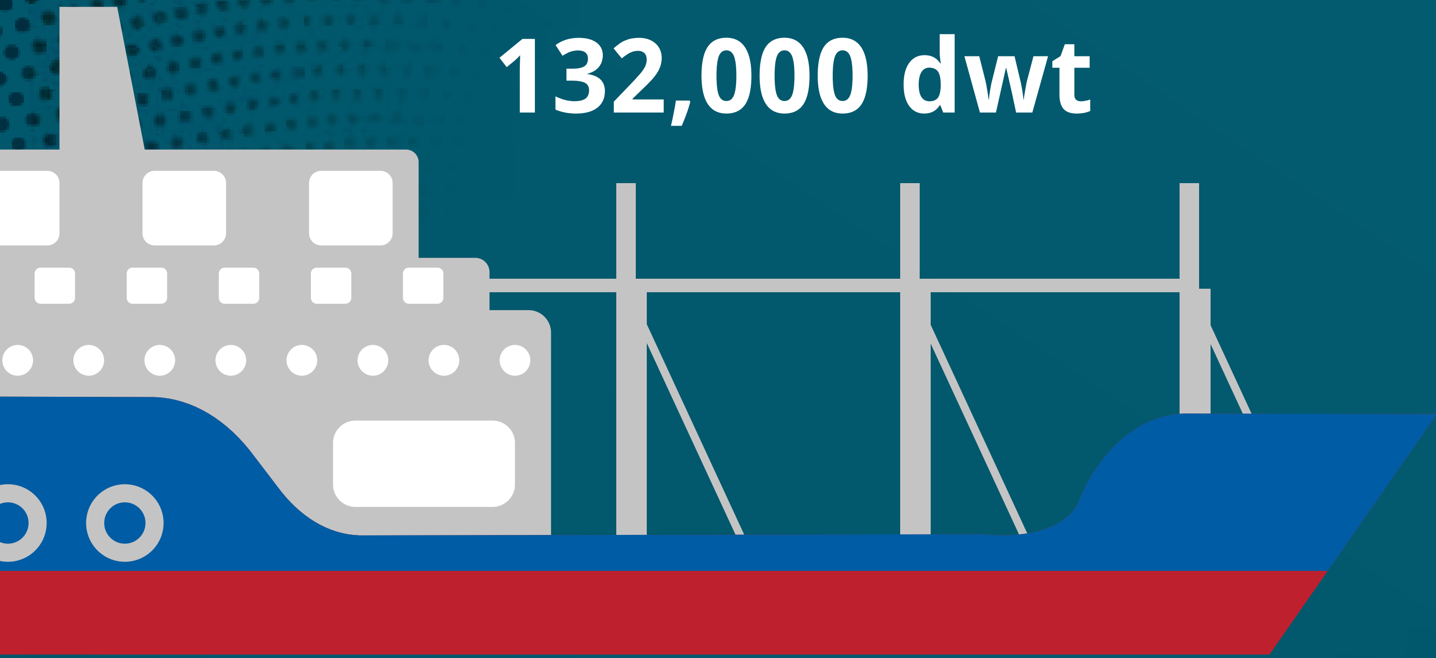


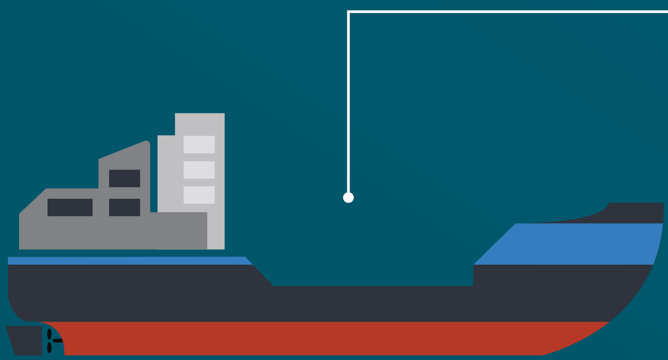
Chartering services:

Coal traders, coal mining companies and third-party freight charter companies charter our vessels and barges on a per voyage basis to transport coal from a specified jetty or loading port, to various regions within Indonesia where their end-customers are located. We aim to continue to expand our shipping routes to cover China and the region.

Owns 11 Indonesian-flagged vessels*
Aggregate estimated carrying capacity

132,000 dwt





1 Bulk Carrier

50,000 dwt

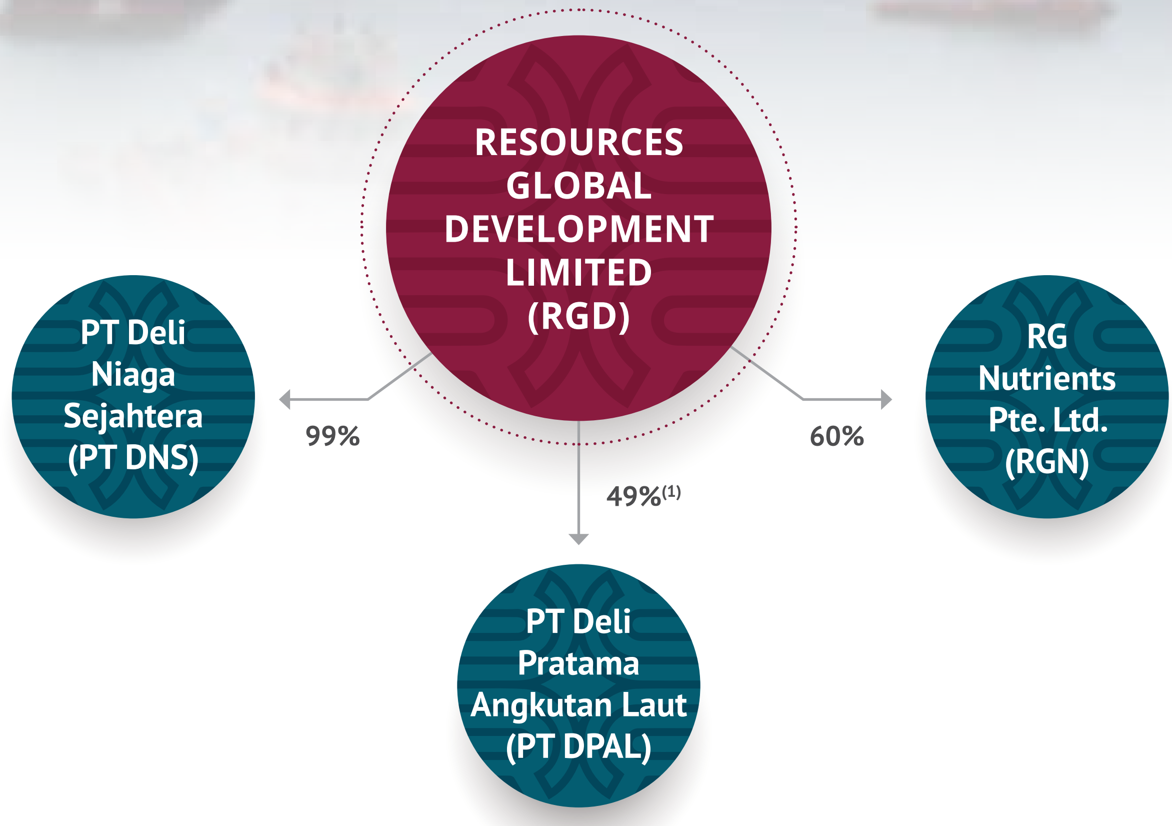
10 Tugboats (and 10 accompanying Barges)

82,000 dwt

In accordance with the relevant cabotage laws in Indonesia, sea transportation activities within Indonesia waters can only be done by Indonesian-flagged vessels manned by Indonesian crew.

**As of 31 December 2021*

CORPORATE STRUCTURE



Subsidiaries	Country of incorporation	Business Scope	Non-controlling Shareholders
PT DNS	Indonesia	Coal Trading Business	1% - PT Deli Indonesia Raya
PT DPAL	Indonesia	Coal Shipping Services	48% - PT Deli Indonesia Raya (Class A Shares) [1] 3% - PT Karya Niaga Gemilang (Class B Shares) [2]
RGN	Singapore	Dormant	25% - Mr Francis Lee 15% - Ms Ma Thandar Yin

Notes:

[1] *Class A Shares:* Ordinary Shares with voting rights

[2] *Class B Shares:* Ordinary Shares with no voting rights

OUR GROWTH JOURNEY

2021

- PT DPAL acquired two (2) new sets of tugboat and barge

2020

- Successfully listed on the Catalist board of the Singapore Exchange on 31 January 2020
- Expanded our Coal Trading Business to China

2019

- PT DPAL acquired two (2) new tugboats and three (3) new barges
- PT DPAL acquired a pre- owned bulk carrier with a carrying capacity of 50,000 dwt

2017

- PT DNS was granted the Specific Operation Production Mining Business Licence for Transportation and Trading of Coal (IUP- OPK) in Indonesia

2013

- Established our coal trading subsidiary, PT Deli Niaga Sejahtera ("PT DNS"), in Indonesia

2012

- PT DPAL acquired its first set of tugboat and barge

2011

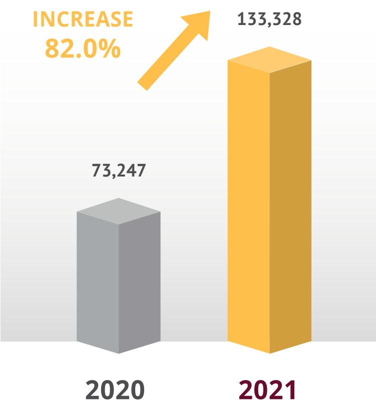
- PT DPAL obtained the Business Licence for Shipping Companies (SIUPAL) in Indonesia

2010

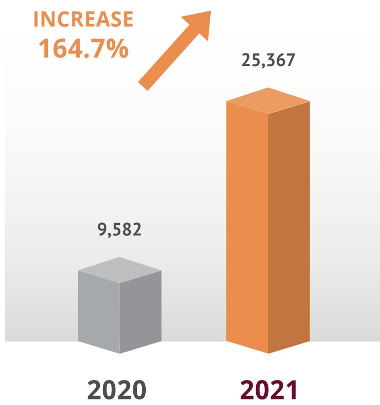
- Established our coal shipping subsidiary, PT Deli Pratama Angkutan Laut ("PT DPAL"), in Indonesia

KEY FINANCIAL DATA

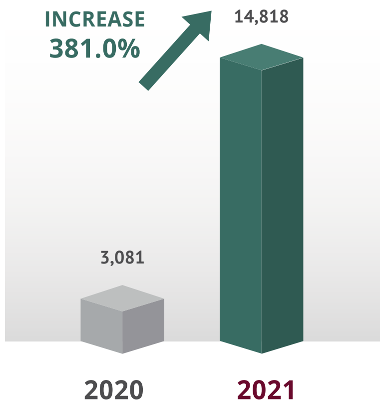
REVENUE
(S$'000)



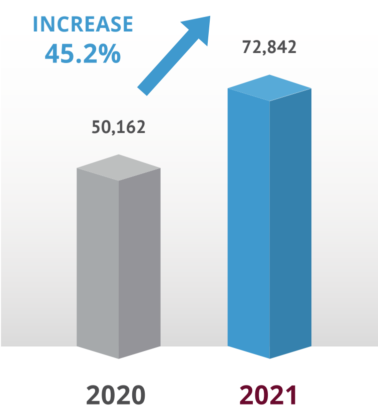
GROSS PROFIT
(S$'000)



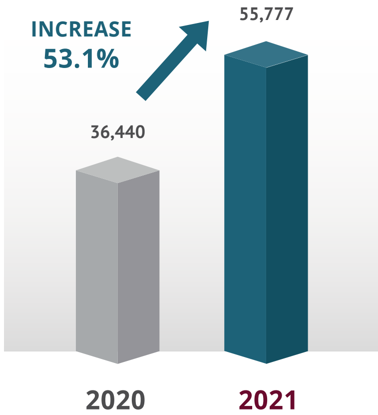
PROFIT ATTRIBUTABLE TO SHAREHOLDERS
(S$'000)



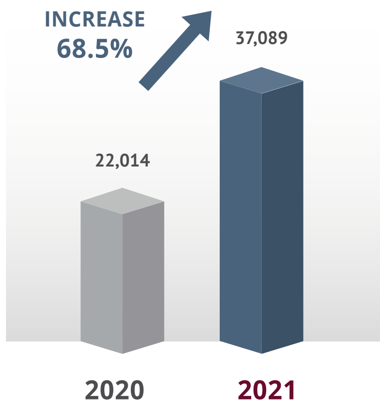
TOTAL ASSETS
(S$'000)



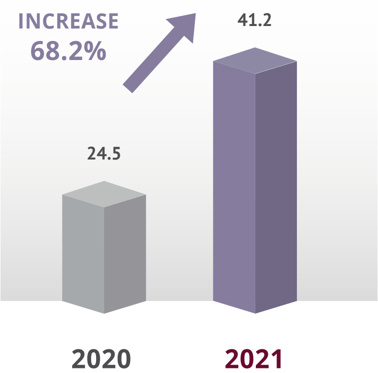
NET ASSETS
(S$'000)



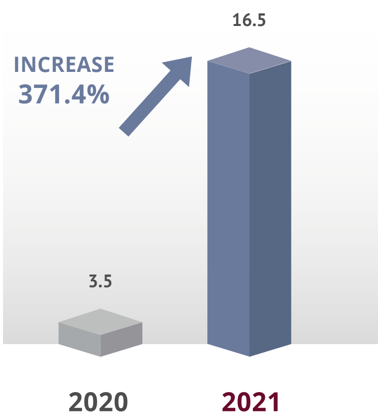
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY
(S$'000)



NET ASSET VALUE PER SHARE [(1)]
(SGD in cents)



EARNINGS PER SHARE [(2)]
(SGD in cents)



Notes:

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

[(2)] Calculated based on the profit attributable to shareholders over the weighted average number of shares on issue of 90,000,000 for FY2021 and 88,811,475 for FY2020.

CHAIRMAN STATEMENT

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I would like to congratulate the management team and staff of Resources Global Development Limited (“RGD”), together with its subsidiaries (the “Group”), for delivering an encouraging set of results for the financial year ended 31 December 2021, despite a challenging economic and operating environment. It displays strong camaraderie and commitment in steering the Group forward.

As RGD continues to pursue growth, it will also strive for the highest level of corporate governance. The Group will continue to conduct its business with uncompromising standards of ethics and compliance with applicable laws and regulations. It also observes a sound system of risk management and internal controls to safeguard the interests of shareholders.

As a player in the coal supply chain, the Group will do its utmost for the environment by embracing responsible coal trading and coal shipping. Stringent standards are in place to ensure that the Group only works with suppliers who are fully compliant with the environmental and social regulations in Indonesia. At the same time, across its shipping operations, the Group aims to minimise its impact on the environment through effective environmental management, covering areas such as pollution and waste management, biodiversity preservation, as well as energy and fuel efficiency.

As Chairman of the Board, let me assure you that the Board is fully committed to its duty to drive RGD ahead – as a well-run listed entity that adheres to the highest standards of accountability to all stakeholders.

Ms Alice Yan
Non-Executive Chairman

CEO STATEMENT

Two years after our listing, we are pleased to declare a maiden dividend of 1 Singapore cent per share, subject to shareholders' approval at the upcoming annual general meeting on 29 April 2022.

DEAR SHAREHOLDERS,

It has been an eventful journey since our listing in January 2020, which was also around the time when the global pandemic started. Like many companies, we had to navigate the unchartered, uncertain path and tackle the business headwinds, amid lockdowns and supply chain disruptions across the world.

In these two years, coal prices saw huge swings. Subdued orders from buyers and a global oversupply drove the Indonesian benchmark coal price to a five-year low in the third quarter of 2020, forcing some Indonesian mines to shut down. Then, towards the end of the second quarter in 2021, on the back of China's economic recovery and global supply issues, thermal coal prices started to surge, reaching its peak in October 2021 at over US$150 per metric tonne.

These headwinds have put our mettle to the test. Thankfully, our industry experience and nimbleness have enabled us to manage the business and associated risks prudently.

The Group's ability to switch between formula-based pricing and spot purchase strategy for coal purchase arrangements have cushioned our Coal Trading Business from the impact of price volatility. For our Coal Shipping Services, at the height of the pandemic, routes were changed due to port restrictions or congestions. We have also raised our shipping efficiency to take in more shipments, while gradually increasing our fleet size.

The end result is improvement in profitability for two consecutive years. Notwithstanding this, we are conscious that the Group is starting from a low base. The road ahead of us remains long and challenging. We will continue to stay nimble and focused in fine-tuning our strategies to sustain growth.

Maiden Dividend

Two years after our listing, we are pleased to declare a maiden dividend of 1 Singapore cent per share, subject to shareholders' approval at the upcoming annual general meeting on 29 April 2022.

FY2021 Financial Performance

For the financial year ended 31 December 2021 ("FY2021"), the Group's net profit attributable to shareholders jumped more than three-fold to S$14.8 million, on the back of an 82.0% increase in revenue to S$133.3 million. Gross profit grew by 164.7% to S$25.4 million, while gross profit margin improved by 5.9 percentage points to 19.0%.

We are particularly heartened that both our business segments had recorded improvement all round in FY2021.

Revenue from Coal Trading Business grew by 90.0% to S$113.2 million as a result of higher average selling prices. Notably, gross profit for this business segment increased more than two-fold to S$16.0 million, while gross profit margin rose 5.5 percentage points to 14.2%. The significant improvement in profitability underscored our flexibility in switching promptly to spot purchase, as well as our ability to purchase coal ahead of the rising price trend.

With shipping volumes and freight rates improving due to strong business demands, revenue from Coal Shipping Services increased by 47.1% to S$20.1 million, on the back of a 40.7% growth in shipping volume to 3.8 million metric tonnes. This was in part due to the addition of two new sets of tugboat and barge which commenced operations in the fourth quarter of 2021. Gross profit rose 112.6% to S$9.3 million, while gross profit margin improved by 14.2 percentage points to 46.3% – reflecting the results of our improved operational efficiency with shorter turnaround time, as well as better management and scheduling for our fleet of vessels.

Strengthening Income Streams Through Diversification

Diversification remains key in strengthening the quality of our income streams. In FY2021, the bulk of our Coal Trading revenue was derived from customers in Indonesia; only a small percentage of revenue was from China as we were hampered by a tight domestic supply. Subject to the easing of domestic coal supply, we aim to expand our Coal Trading customer base beyond Indonesia to cover more of China and Southeast Asia, as these economies gradually recover from the COVID-19 lows.

We are pleased that our Coal Shipping Services recorded revenue outside of Indonesia for the first time, when our 50,000 dwt bulk carrier was deployed to China in the fourth quarter of FY2021. Looking ahead, we will continue to enhance efficiency by increasing shipping routes, maximising the usage of our expanded fleet capacity and pursuing higher value projects.

China and the region remain exciting markets for coal players. In particular, power demand in China has been strong, on the back of a better-than-expected economic recovery recorded thus far, while its coal supply shortage has increased the country's appetite for imports. Where feasible, we aim to tap the associated opportunities and grow the revenue contribution from China and the region for both our business segments.

Looking Ahead

For Indonesia's coal industry, headwinds in 2021, such as weather-related delays, prevailing high coal prices and changing demand dynamics, are expected to continue into 2022. We will stay the course by managing our Coal Trading Business and Coal Shipping Services prudently.

As part of our fleet expansion strategy, two more sets of newly built tugboat and barge will be added to our operations by the third or fourth quarter of the financial year ending 31 December 2022 ("FY2022"). This will raise our tugboat and barge fleet size from the current 10 sets with collective capacity of 82,000 dwt to 12 sets with a total carrying capacity of 98,000 dwt. In FY2022, our Coal Shipping Services will record maiden contribution from these two new sets of tugboat and barge, as well as the first full year contribution from two other tugboats and barges which commenced operations in the fourth quarter of FY2021.

We will continue to strengthen our cash flows to support the Group's growing operations, reducing the need for bank loans. This eliminates exposure to potential rising interest rates.

Impact of War in Ukraine

The war in Ukraine has escalated global commodity prices, including that of thermal coal, to record highs as some countries look to ban imports from Russia. Amid the inflationary pressure, our ability to protect margins is critical in driving the business forward. With our nimbleness and strong relationships with our suppliers, we will work hard to manage costs and maintain our margins.

The Group does not have exposure nor any relationship with counterparties or intermediaries in Russia. Accordingly, we are not exposed to sanctions-related risks.

Demise of Independent Director Mr Petrus Sucipto

We would like to express our deepest condolences to the family of Mr Petrus Sucipto. He passed away in July 2021. We thank him for his contributions to the Board.

New Independent Director

Please join us in welcoming our new Independent Director, Mr Cheong Hock Wee, who was appointed to the Board on 1 September 2021. Mr Cheong's decades of experience in the shipbuilding and marine industry will add strength and new perspectives to the Board.

Appreciation

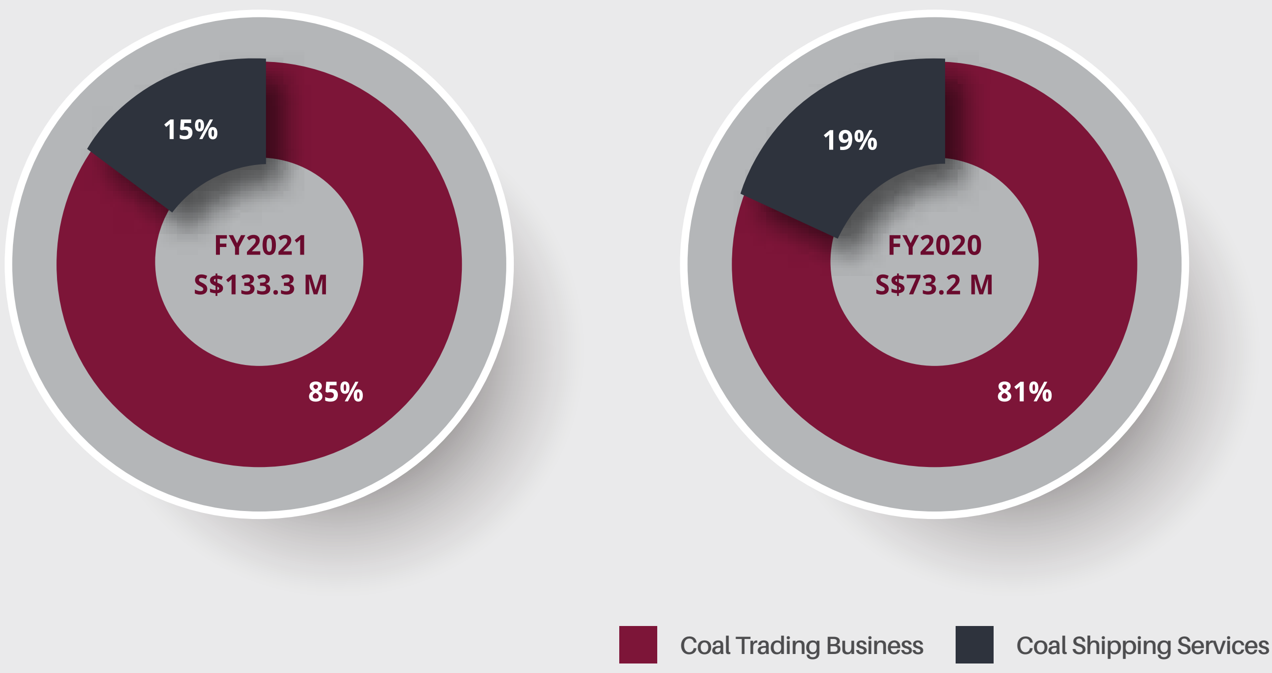
Our heartfelt appreciation goes to all our customers and business partners for their continual support. To all our valued shareholders, thank you for being part of the Group's growth journey.

Mr Francis Lee
CEO

OVERVIEW

Resources Global Development Limited and its subsidiaries ("the Group") achieved a net profit attributable to shareholders of S$14.8 million for the financial year ended 31 December 2021 ("FY2021"), representing an increase of 381.0% compared to S$3.1 million for the financial year ended 31 December 2020 ("FY2020"). Gross profit improved 164.7% to S$25.4 million in FY2021 compared to S$9.6 million in FY2020. Earnings per share increased from 3.5 Singapore cents in FY2020 to 16.5 Singapore cents in FY2021.

GROUP REVENUE BY SEGMENT



REVENUE

The Group achieved record revenue of S$133.3 million in FY2021, approximately 82.0% higher as compared to FY2020. This was mainly due to higher revenue generated by (i) Coal Trading Business which recorded higher average sales price; and (ii) Coal Shipping Services, mainly due to increased shipping volume as a result of improved shipping efficiency and higher freight rate in transshipment services. The higher revenue from Coal Shipping Business was also due to the operational commencement of two sets of tugboat and barge in the fourth quarter of FY2021.

In geographical terms, revenue from Coal Trading Business in FY2021 was derived from sales to Indonesia (93.1%) (FY2020: 90.2%) and China (6.9%) (FY2020: 9.8%). Revenue from Coal Shipping Services in FY2021 was derived from Indonesia (97.2%) (FY2020: 100.0%) and China (2.8%) (FY2020: Nil).

GROSS PROFIT

Gross profit increased from S$9.6 million in FY2020 to S$25.4 million in FY2021, while gross profit margin increased from 13.1% in FY2020 to 19.0% in FY2021. The marked improvement was mainly due to (i) higher gross profit margin generated by the Coal Trading Business as the Group switched its purchasing arrangement with its suppliers, from a fixed formula pricing used in FY2020 to spot purchase in FY2021. The increase in gross profit margin reflected the Group's ability to negotiate early and benefit from a rising price trend; and (ii) higher gross profit margin from Coal Shipping Services as a result of improved shipping efficiency and higher freight rate for the transshipment services.

OTHER INCOME, COSTS AND EXPENSES

Other income decreased from S$280,000 in FY2020 to S$44,000 in FY2021 mainly due to a one-off listing grant obtained in FY2020 from the Monetary Authority of Singapore under the Grant for Equity Market Singapore, pursuant to the Group's successful Initial Public Offering ("IPO") in January 2020. Other income in FY2021 comprised mainly the Jobs Support Scheme Grant from the Singapore government.

Administrative expenses decreased from S$4.2 million in FY2020 to S$2.9 million in FY2021. This was mainly due to foreign exchange gain of S$0.3 million recorded in FY2021, compared to foreign exchange loss of S$1.2 million incurred in FY2020 due to fluctuation in the exchange rate of Indonesian Rupiah against the United States Dollar. In addition, a S$0.3 million of inventories were written off in connection to a waste disposal of vessel fuel in FY2021.

Finance costs decreased from S$0.6 million in FY2020 to S$0.2 million in FY2021, mainly due to full repayment of a bank loan in FY2021.

In line with the Group's improved financial performance in FY2021, tax expense increased from S$0.7 million in FY2020 to S$3.6 million in FY2021.

As a result of the above, net profit for the financial year increased from S$4.5 million in FY2020 to S$19.0 million in FY2021.

BALANCE SHEET REVIEW

Non-current assets increased from S$30.7 million as at 31 December 2020 to S$40.7 million as at 31 December 2021. The increase was mainly due to (i) the purchase of a new office unit in Singapore, an ERP accounting system (recorded as intangible assets), as well as 2 new sets of tugboat and barge; and (ii) dry-docking costs incurred for the vessels in FY2021.

Current assets increased from S$19.5 million as at 31 December 2020 to S$32.2 million as at 31 December 2021. The net increase was attributed mainly to (i) a S$2.2 million increase in inventories as a result of a coal-in-transit awaiting customer's appointed bulk carrier and fuel inventory in the vessels as at 31 December 2021; and (ii) a S$14.5 million increase in cash and cash equivalents. The increase in current assets was partially offset by a S$4.2 million decrease in trade and other receivables due to improved collection by the Group.

Non-current liabilities decreased from S$5.2 million as at 31 December 2020 to S$2.8 million as at 31 December 2021, mainly due to the full repayment of a S$4.7 million bank loan in Indonesia in FY2021, but partially offset by a new bank loan obtained in FY2021 to finance the purchase of a new office unit in Singapore.

Current liabilities increased from S$8.6 million as at 31 December 2020 to S$14.3 million as at 31 December 2021. The increase was mainly due to (i) a S$3.2 million increase in trade and other payables, as a result of a S$4.8 million outstanding balance payable to a shipyard for the purchase of 2 new sets of tugboat and barge, partially offset by a decrease in the trade payable; (ii) S$1.1 million increase in borrowings mainly due to a S$1.0 million unsecured and interest free short-term loan obtained from the Group's immediate holding company to finance the purchase of an office unit in Singapore; and (iii) S$1.2 million increase in tax payable in line with increased revenue and profit attained by the Group in FY2021.

As a result of the above, net equity of the Group increased from S$36.4 million as at 31 December 2020, to S$55.8 million as at 31 December 2021.

CASH FLOWS

The Group's overall cash balance increased from S$5.8 million as at 31 December 2020 to S$20.3 million as at 31 December 2021.

In FY2021, net cash generated from operating activities amounted to S$24.7 million, as a result of (i) higher levels of operating profits for the financial year; and (ii) improved collections.

Cash used in investing activities of S$8.7 million in FY2021 relates mainly to payments in relation to the acquisition of vessels, new office unit in Singapore, ERP accounting system and dry-docking costs.

Cash used in financing activities of S$1.5 million in FY2021 was mainly due to (i) repayment of a bank loan of S$4.7 million but partially offset by a new loan of S$1.0 million from the Group's immediate holding company; and (ii) a new bank loan of S$2.6 million in connection to the purchase of a new office unit in Singapore.

Ms Alice Yan

Independent Non-Executive Chairman

Ms Alice Yan was appointed to our Board on 27 December 2019. She was appointed Independent Non-Executive Chairman on 1 April 2021. She has over 20 years of experience in the financial services industry.

While studying at Santa Monica College in California, USA, Ms Yan worked as a consultant for the school, establishing the International Student Recruitment Program to recruit students in Asia in 1986. After graduation, she interned at Carmichael International Customs House Broker in Los Angeles from 1988 to 1989 as the assistant to the general manager. She started her financial career with Citibank Jakarta from 1990 to 2004, rising to the title of Vice President while serving various roles: fund transfer, cash management, and relationship management for multinational companies and SMEs. Ms Yan next served as Director in Citigroup Private Bank (Singapore) from 2004 to 2005, before moving to Merrill Lynch International Bank Limited (Merchant Bank) (Singapore) as a Director in the Private Bank from 2005 to 2011. Subsequently, she joined Standard Chartered Bank (Singapore) from 2011 to 2013 as a Director in Private Bank, and then Julius Baer (Singapore) as a Director from 2013 to 2014. From 2014 to 2016, Ms Yan was appointed Executive Vice-President and Consumer Banking Group Head at PT Bank ICBC Indonesia. Since 2019, she co-founded Kode 101, a computer science education startup in Indonesia, serving as Chief Executive Officer. Ms Yan is also a member of the Singapore Institute of Directors.

Ms Yan graduated in 1988 from the California State University of Los Angeles, USA, with a Bachelor of Science degree majoring in Business Administration.

Mr Francis Lee

Executive Director and Chief Executive Officer

Mr Francis Lee was appointed to our Board on 15 July 2019. Mr Lee is responsible for the overall management, strategic planning and development, and the expansion and growth of our Group. Mr Lee has over 25 years of experience and expertise in managing companies in the trading, shipping, investment holding and agriculture sectors.

Mr Lee started his career as an auditor in Coopers & Lybrand Singapore, now known as PricewaterhouseCoopers, from 1991 to 1995. From 1995 to 1997, he was the General Manager of Coopers & Lybrand Hla Tun Consultants in Yangon, Myanmar. From 1997 to 1998, Mr Lee joined Kuok (Singapore) Ltd. as the Assistant General Manager in Myanmar. Subsequently from 1998 to 2000, he was transferred to Pacific Carrier Ltd., a subsidiary of Kuok (Singapore) Ltd., where he acted as Group Financial Controller. From 2001 to 2003, he was appointed as Group Financial Controller of Kuok (Singapore) Ltd.. From 2004 to 2015, Mr Lee was appointed the General Manager of the fertiliser department at NewQuest (Trading) Pte. Ltd. (now known as Agrifert Holdings Pte. Ltd.), a subsidiary of Kuok (Singapore) Ltd. As part of his various appointments in the Kuok group of companies, Mr Lee also held various positions, such as Chairman of NewQuest Vietnam Company Ltd. (now known as Agrifert Vietnam Ltd.), a Vietnamese subsidiary of Agrifert Holdings Pte. Ltd. from 2011 to 2019, as General Manager of KSM Strategic Pte. Ltd., a subsidiary in the Kuok group of companies from 2014 to 2015, and as Managing Director in Agri Malar Company Limited (Myanmar) from 2007 to 2019. From 2016 to 2019, he served as the General Manager and Director of Agrifert Trading Pte. Ltd..

Mr Lee previously served as an alternative non-executive director on the board of Beng Kuang Marine Ltd., a company listed on the Main Board of the SGX-ST from 2013 to 2016.

Mr Lee graduated from Monash University, Melbourne, Australia with a Bachelor of Economics (Honours), majoring in accounting and computer science in 1992. He is a member of the CPA Australia.

Mr Salim Limanto

Executive Director and Chief Operating Officer

Mr Salim Limanto was appointed to our Board on 12 December 2018. Mr Limanto is responsible for the overall operations and business development activities of our Group. Mr Limanto has over 11 years of management and business development experience in the coal mining, transportation and trading industries, and has been involved in our Group's business since the inception of PT Deli Niaga Sejahtera ("PT DNS") and PT Deli Pratama Angkutan Laut ("PT DPAL") in 2013 and 2010, respectively.

Mr Limanto started his career in PT Sinar Deli, which was previously one of the domestic coal trading entities of the Deli Coal Group, where he was Head of Sales and Shipping from 2006 to 2018. He is the Director of our subsidiaries, PT DNS and PT DPAL.

Mr Limanto obtained a Bachelor of Economics, majoring in Accountancy, from Universitas Tarumanagara, Jakarta, Indonesia in 2006. He is the eldest son of Mr Djunaidi Hardi and a nephew of Mr Juhadi, Mr Arifin Ang and Mr Limas Ananto, all of whom are the founding shareholders of our Company.

Mr Hew Koon Chan

Independent Non-Executive Director

Mr Hew Koon Chan was appointed to our Board on 27 December 2019.

Mr Hew began working as a process engineer in 1986 for Texas Instruments Singapore Pte. Ltd., a company specialising in the manufacturing and sale of memory integrated circuits. In 1988, he was employed as an investment analyst and rose through the ranks to become Investment Director at Seavi Venture Services Pte. Ltd., a venture capital firm established in the South East Asian region, which is affiliated with Advent International (a global private equity firm headquartered in Boston). Thereafter, he established Integer Capital Pte. Ltd. in 2004 and carried out the role as the Managing Director, providing business consultancy services on corporate mergers and acquisitions.

Mr Hew presently sits on the board of directors of two (2) public listed companies, namely shopper360 Limited and Oiltek International Limited. He was previously appointed as director of several public listed companies such as Brilliant Manufacturing Limited (now known as Nidec Component Technology Co., Ltd.), Speedy-Tech Electronics Limited, Action Asia Limited, Roxy-Pacific Holdings Limited, Nordic Group Limited, DeClout Limited (now known as DeClout Pte. Ltd.), Far East Group Limited and ecoWise Holdings Limited.

Mr Hew graduated from the National University of Singapore with a Bachelor of Engineering (Mechanical) in 1986. In 1987, he graduated from the Singapore Institute of Management with a Graduate Diploma in Financial Management and obtained his Certified Diploma in Accounting and Finance from the Chartered Association of Certified Accountants (UK) in 1988.

Mr Cheong Hock Wee

Independent Non-Executive Director

Mr Cheong Hock Wee was appointed to our Board on 1 September 2021.

Mr Cheong has more than 35 years of experience in the shipbuilding and marine industry. He started his career in 1985 with Far-East Levingston Shipbuilding (now known as Keppel Shipyard) as an engineer, before moving on to Republic of Singapore Navy as Naval Engineering Officer. He later joined a few other shipyard companies in Singapore and held senior positions in Pan-United Corporation Group of Companies, ST Engineering Ltd, ASL Marine Holdings Limited, Jaya Shipbuilding and Engineering Ltd, Singapore Star Shipping Pte. Ltd. and DDW-Pax Ocean Asia Pte. Ltd..

Mr Cheong previously served as a non-independent non-executive director on the board of Beng Kuang Marine Ltd from 2012 to 2014, a company listed on the Main Board of the SGX-ST.

Mr Cheong obtained his Bachelor's Degree in Naval Architecture from University of Hamburg, Germany in 1982 and a Master of Science Degree in Industrial Engineering from National University of Singapore in 1991. He attended the Program for Management Development at Harvard Business School in Boston in 1993.

Mr Yeo Tze Khern Thomas

Chief Financial Officer

Mr Yeo Tze Khern Thomas is the Chief Financial Officer of our Company and is responsible for the accounting and financial functions of our Group.

Mr Yeo started his career as an auditor in Ernst & Young (Singapore) from 1999 to 2002. From 2002 to 2005, he was an audit manager in Ernst & Young Hua Ming (Beijing, China). Subsequently, Mr Yeo joined Lehmanbrown International Accounting (Shanghai, China) as a senior manager from 2005 to 2007. From 2007 to 2009, he was a Director at PKF International Accounting (Shanghai, China). From 2009 to 2018, Mr Yeo acted as the Chief Financial Officer and company secretary of China Mining International Limited, a company listed on the Main Board of the SGX-ST. In 2018, Mr Yeo joined Resources International Development Pte. Ltd. as the Chief Financial Officer, before he was subsequently transferred to our Company. He is the Commissioner of our subsidiaries, PT DNS and PT DPAL.

Mr Yeo graduated with a Bachelor of Business (Marketing) from Monash University, Australia in 1997 and obtained a Master of Practising Accounting from Monash University, Australia in 1999. He is a Chartered Accountant and a member of the Institute of Singapore Chartered Accountants, and a Fellow of CPA Australia and the Hong Kong Institute of Certified Public Accountants.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Alice Yan
Independent Non-Executive Chairman

Francis Lee
Executive Director and
Chief Executive Officer

Salim Limanto
Executive Director and
Chief Operating Officer

Hew Koon Chan
Independent Non-Executive Director

Cheong Hock Wee
Independent Non-Executive Director

AUDIT COMMITTEE

Hew Koon Chan, Chairman
Alice Yan
Cheong Hock Wee

NOMINATING COMMITTEE

Alice Yan, Chairman
Hew Koon Chan
Cheong Hock Wee

REMUNERATION COMMITTEE

Cheong Hock Wee, Chairman
Alice Yan
Hew Koon Chan

COMPANY SECRETARIES

Leong Chuo Ming
Yeo Tze Khern Thomas

REGISTERED OFFICE

144 Robinson Road,
#11-02 Robinson Square,
Singapore 068908

Tel: (65) 6289 6588
Fax: (65) 6243 6612
Email: info@rgd.sg
Website: www.rgd.sg

PRINCIPAL PLACES OF BUSINESS

Singapore
144 Robinson Road,
#11-02 Robinson Square,
Singapore 068908

Indonesia
Grand ITC Permata Hijau,
Lantai 8 Suite B-7/8,
Kec. Grogol Utara,
Jakarta 12210 Indonesia

SHARE TRANSFER AGENT'S OFFICE

B.A.C.S Private Limited
77 Robinson Road,
#06-03 Robinson 77,
Singapore 068896

INDEPENDENT AUDITOR

Baker Tilly TFW LLP
600 North Bridge Road,
#05-01 Parkview Square,
Singapore 188778
Partner-in-charge: Mr Khor Boon Hong
Appointed since 2018

INTERNAL AUDITOR

RSM Risk Advisory Pte. Ltd.
8 Wilkie Road,
#03-08 Wilkie Edge,
Singapore 228095

CONTENT PAGE

CEO's Message to Stakeholders

As an established player in coal trading and coal shipping in Indonesia, the Group strives to exert a positive impact economically, environmentally and socially where we operate. Our operations in Indonesia are surrounded by natural waterbodies, which make us mindful of the impact on the natural biodiversity and sea life in the surrounding area.

The COVID-19 pandemic remains a persistent threat to the safety of our workers and our operations. During these unsettling times, we have stayed committed to prioritising the safety of our staff and workers. Strict safety protocols have been implemented and all employees have been trained on safety preparedness. We operate in strict compliance with the local COVID-19 regulations and measures. As the crisis continues to rapidly evolve, we pledge to protect the health and welfare of our employees and the surrounding communities where the Group operates.

The environment is a key focus area as our operating activities may consume significant amounts of fuel. As such, we have implemented various fuel saving initiatives and successfully reduced the amount of fuels used, through efficient route planning as well as regular maintenance of engines to ensure maximum fuel efficiency and mileage.

We welcome feedback and look forward to continue sharing our sustainable practices with you.

Mr Francis Lee
Chief Executive Officer
Resources Global Development Limited

About This Report

Resources Global Development Limited (hereafter referred to as "RGD" or the "Company"), together with its subsidiaries (the "Group"), is pleased to present the Group's inaugural Sustainability Report (the "Report") covering the period from 1 January 2021 to 31 December 2021 ("FY2021").

This Report summarises the Group's key sustainability issues, its approach to managing them and sustainability targets.

Reporting Principles & Statement of Use

This Report is produced in accordance with the GRI Standards "Core" option for the period from 1 January 2021 to 31 December 2021. The board of directors ("Board" or "Directors") of Resources Global Development Limited has reviewed and approved the reported information, including the material topics. The following principles were applied to determine relevant topics that define the report content and ensure quality of information: (a) GRI principles for defining report content: Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness; and (b) GRI principles for defining report quality: Accuracy, Balance, Clarity, Comparability, Reliability and Timeliness.

Detailed section reference to GRI Standards is found in the GRI Standards Content Index section of this Report.

The Report is also prepared in accordance with the "Comply or Explain" requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST") relating to sustainability reporting under Rule 711B and Practice Note 7F of the SGX-ST Listing Manual Section B: Rules of Catalist ("Catalist Rules"). The GRI standards were selected as it is a globally recognised sustainability reporting standard that is recommended by SGX and represents the global best practices for reporting on economic, environmental and social topics.

Reporting Scope

The scope of the Report covers the Group's coal shipping services in Indonesia and coal trading business operations in Singapore and Indonesia.

Restatements

Not applicable since this is our first sustainability report.

Assurance

We have not obtained external assurance for the sustainability information in this Report. However, internal review and verification mechanisms have been established to ensure quality and accuracy of the narratives and data. We have also engaged a professional firm to assist the Group in identifying the sustainability information to be reported, and complying with GRI Standards and the Catalist Rules

Availability & Feedback

The Group welcomes any feedback in relation to this Report and any aspects concerning its sustainability efforts. Active engagement with all stakeholders is essential to operating our business responsibly.

Please send your comments and suggestions to info@rgd.sg.

Sustainability Strategy Overview

Our ESG Strategy and Focus

Environmental, Social and Governance ("ESG") considerations are important in our journey to build a viable and sustainable business model. The Group emphasises good corporate governance to ensure that the concerns of stakeholders are addressed in our daily decision-making and operations.

With the bulk of our operations residing around natural formations, we have made continuous efforts to limit negative impacts on the environment and preserve natural resources. We prioritise the health and safety of our workers as they drive the performance of our operations. We also wish to help the local community in Indonesia where we operate, by contributing meaningfully to the development of energy infrastructure and employment in the region.

Contribution to the UN SDGs

The Group's business focuses are aligned with the United Nations Sustainable Development Goals ("UN SDGs"). The attainment of the UN SDGs is a continuing global effort and forms part of the Group's long-term focus on sustainability. The Group's contributions to the relevant goals are highlighted below.

UN SDGs	The Group's contribution	Read more in the following section(s)
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Comply fully with all socioeconomic and environmental laws and regulations	Focus 1: Governance and Ethics
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Provide access to high quality coal to customers in Indonesia and China	Focus 2: The Environment
14 LIFE BELOW WATER	Prudently manage discharge to avoid leakage of effluents into water bodies	Focus 2: The Environment
15 LIFE ON LAND	Emphasise responsible and sustainable coal mining practices in supplier engagements	Focus 2: The Environment
8 DECENT WORK AND ECONOMIC GROWTH	Provide work opportunities and a conducive working environment to the local community	Focus 3: Health and Safety Focus 4: Human Resource Development

Stakeholder Engagement and Materiality Assessment

The Group actively engages in meaningful and productive dialogues with our stakeholders and we participate in various industry and government forums to keep abreast of any material stakeholder issues. Key stakeholders are identified based on discussion among senior management, and having considered the recommendations from an external consultant.

We identify key stakeholders as groups which have material impact or could potentially be impacted by our operations. The following table summarises our key stakeholders, engagement platforms and their key concerns.

Stakeholders	Engagement platforms	Key concerns	Our response	Section reference
Suppliers	• Site inspection • Dialogues and meetings	• Environmental compliance • Social compliance including labour laws	• Continuous engagement and ongoing assessment of suppliers' performance	• Focus 2: The Environment
Governments and Regulators	• Ship and safety inspections • Dialogues and meetings	• Environmental compliance • Socio economic compliance	• Implement robust policies and procedures	• Focus 1: Governance and Ethics • Focus 2: The Environment
Customers	• Point of delivery and shipments • Feedback engagements	• Timeliness of delivery • Coal quality	• Perform regular coal supplier assessment and due diligence • Engage customers on shipment quality and act promptly on feedback	• Focus 2: The Environment
Employees	• Safety trainings and inspections • Annual performance appraisal	• Benefits and remuneration • Training and development • COVID-19 safety measures	• Implement comprehensive health and safety policies and practices, including COVID-19 safety measures • Provide training and career development opportunities • Provide meaningful performance appraisals and fair remuneration	• Focus 3: Health and Safety • Focus 4: Human Resource Development
Shareholders & Investors	• Annual general meeting • Financial results, company announcements and annual reports • Investor relations management	• Economic performance • Compliance with laws and regulations • Corporate governance and ethics	• Publish informative annual reports, sustainability reports and announcements • Engage shareholders through annual general meeting	• Focus 1: Governance and Ethics • Focus 2: The Environment • Focus 3: Health and Safety • Focus 4: Human Resource Development

The Group's materiality assessment was conducted based on internal and external stakeholder concerns, and information gathered from its stakeholder engagement.

The following steps were taken to identify and present the relevant material topics in this Report:

1. Identification: Selection of potential Material topics based on the risks and opportunities to the sector.

2. Prioritisation: Material topics are prioritised based on their alignment with the concerns of internal and external stakeholders, including whether they are aligned with key organisational values, policies, operational management systems, goals and targets.

3. Review: Review the relevance of identified material topics by senior management.

4. Validation: Validate selected material topics in the Sustainability Report with the Board.

The following table illustrates the materiality topics finalised after the conclusion of the materiality assessment process, where the impacts occur, along with the relevant focus areas of this Report.

Focus area	Material topics	Where the impact occurs
Focus 1: Governance and Ethics	GRI 205: Anti-corruption	Group-wide
	GRI 207: Tax	
	GRI 418: Customer Privacy	
Focus 2: The Environment	GRI 302: Energy	
	GRI 303: Water and Effluents	
	GRI 304: Biodiversity	
	GRI 305: Emissions	
	GRI 306: Waste	
	GRI 307: Environmental Compliance	
	GRI 308: Supplier Environmental Assessment	
	GRI 414: Supplier Social Assessment	
Focus 3: Health and Safety	GRI 403: Occupational Health and Safety	
Focus 4: Human Resource Development	GRI 202: Market Presence	
	GRI 203: Indirect Economic Impacts	
	GRI 401: Employment	
	GRI 404: Training and Education	
	GRI 405: Diversity and Equal Opportunity	
	GRI 406: Non-discrimination	
	GRI 408: Child Labour	
	GRI 409: Forced or Compulsory Labour	
	GRI 411: Rights of Indigenous Peoples	
	GRI 412: Human Rights Assessment	
	GRI 413: Local Communities	
	GRI 419: Socioeconomic Compliance	

Focus 1: Governance and Ethics

Strong corporate governance practices have enabled the Group to effectively navigate the increasingly complex business environment and ensure that the interests of all relevant stakeholders are considered when making business decisions.

Corporate Compliance

There are several laws and regulations which are applicable to the Group. These include the Code of Corporate Governance 2018, the Catalist Rules and the Companies Act 1967, among others.

Review of new regulations and updates to existing ones are regularly conducted by our employees, secretarial firm and financial auditors. Updates are disseminated to relevant staff and processes are in place to monitor the activities and associated performance on a regular basis.

Additionally, updates on relevant legal, accounting and regulatory developments are typically provided to Directors by way of briefings and presentations. The Company Secretary or external professionals also circulate articles, reports and press releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority ("ACRA") which are relevant to the Directors.

Sustainability Governance and Statement of the Board

The Group has established a Sustainability Task Force ("STF") to implement and manage the Group's sustainability measures. STF reports to the Chief Executive Officer.

The Board considers sustainability issues when formulating the Group's business strategy. The Board approves the material environmental, social and governance factors identified by the STF, and ensures that the factors identified are well-managed and monitored by the STF.

Ethics and Integrity

The Group is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics. It is also committed to full and accurate disclosure in compliance with applicable laws, rules and regulations.

In line with this commitment, the Group operates under a Code of Business Conduct and Ethics, which includes guidelines on Anti-Corruption and Bribery. The Group has a Whistleblowing Policy in place, which has been communicated during formal and informal communications to all employees, major suppliers and business partners. Any forms of fraudulent activities will be escalated to the Chairman of the Audit Committee.

Anti-Corruption

GRI 205-1, 205-2, 205-3

The Group holds a firm stance against corruption and does not tolerate any malpractice, impropriety or statutory non-compliance in the course of business.

The Group has a set of Company Rules and Regulations which requires all employees to act in accordance with the highest standards of personal and professional integrity. All employees of the Group are required to read, understand and comply with the purposes and provisions of the Company Rules and Regulations when they are on-boarded.

In FY2021, there were no cases of fraudulent activities at the Group. Congruent with the Group's zero tolerance policy, any confirmed incidents of corrupt practices will result in dismissal.

There were no instances of corruption involving any business partners and as such, there were no contracts that had to be terminated by the Group or that could not be renewed. There were zero reported cases of corruption brought against the Group during FY2021.

Tax Compliance

GRI 207-1, 207-2, 207-3, 207-4

The Group complies fully with relevant tax laws and regulations in all jurisdictions where we operate, which indirectly supports the local governments and authorities in their economic, environmental and social developmental efforts and objectives. The Group has zero tolerance for any intentional breach of tax laws and regulations.

The Group identifies tax related risks as part of its enterprise risk management framework which is reported regularly to the Company's Audit Committee. Implementation of tax compliance related policies and procedures is delegated to the respective business units and monitored by the Group's Chief Financial Officer.

Relevant staff attend tax related trainings to keep abreast of key changes. The Group also engages qualified professional tax advisors in all jurisdictions to ensure compliance at transactional levels and fulfill required tax filings. Any instances of non-compliance are resolved promptly.

Customer Data Privacy and Security

GRI 418-1

The Group ensures that confidential information related to our customers and suppliers is treated in a safe and secure manner. Employees are reminded to keep documents in a secured location and not to leave sensitive documents unattended.

Socioeconomic Compliance

GRI 419-1

The Group strives to comply fully with all relevant socioeconomic laws and regulations. In FY2021, there were no instances of socioeconomic non-compliance.

Governance and Ethics Targets

Targets for the financial year ending 31 December 2022 ("FY2022")
Zero incidents of non-compliance with the Catalist Rules or Code of Corporate Governance
Zero reported cases of corruption brought against the Group
Zero complaints concerning breaches of customer privacy and losses of customer data
No tax related non-compliance

Focus 2: The Environment

The Group strives to operate in a sustainable manner that complies with local regulatory requirements. Due to the locale of our operations, which is situated close to natural flora and fauna, the Group makes every effort to limit the negative environmental impacts of our shipping activities so as to preserve the longevity of the surrounding natural environment.

Responsible Coal Trading

Coal Sourcing
GRI 307-1

Our sourcing practices comply strictly with all local coal sourcing rules, regulations and best practices. The Group is selective in the suppliers that we approve and engage with to ensure that all our suppliers comply with stringent local environmental and emissions criteria. We ensure that all suppliers are licensed suppliers that have been approved by the Indonesian government. Our supplier initial selection and due diligence process ensures that the coal we source does not come from illegal mines. We ensure that all our approved suppliers match the suppliers listed on the Indonesian government portal.

In FY2021, we have complied fully with all relevant coal sourcing laws and regulations in Indonesia.

Supplier Environmental Assessment
GRI 308-1, 308-2

We evaluate all our coal suppliers regularly to ensure that they remain compliant with regulations and have the proper licence to mine. This has been crucial in helping the Group to navigate the complicated regulatory environment surrounding the coal industry in Indonesia.

Supplier Social Assessment
GRI 414-1, 414-2

Suppliers are monitored for their social impact through media channels and during supplier negotiations. If any suppliers are found to have negative social impacts, such supplier relationships shall be re-evaluated. In FY2021, no suppliers have been found to have significant negative actual or potential social impacts.

Responsible Coal Shipping

Prevention of Pollution
GRI 303-1, 303-2

As a coal shipping company, we have a fundamental responsibility to carefully manage the impact of our operations on the environment. Our operations comply strictly with local environmental laws and regulations. The Group aims to minimise its impact on the environment through effective environmental management across all aspects of its operations, including responsible usage of water on the vessels. Water consumption was 10,465 tons in FY2021.

As part of the Group's initiative to reduce greenhouse gas emission, the high sulphur marine fuel oil in our bulk carrier has been changed to a low sulphur marine fuel oil for international chartering services. Dry-docking for our vessels is also regularly scheduled, which contributes towards cleaner engine for fuel efficiency and lower gas emission.

During FY2021, no water bodies or associated ecosystems were significantly affected by the Group's shipping activities.

Waste Management
GRI 306-1, 306-2, 306-3

The main form of waste generated by the Group's shipping operations is non-hazardous waste, which consists of consumer waste. The Group's operations do not generate any hazardous waste. The Group ensures that that there is no dumping of waste into natural water bodies and always disposes of waste through proper disposal channels.

To promote resource efficiency in our corporate offices, efforts have been made to reuse paper where possible and to purchase paper from suppliers that source from sustainably-managed forests. The suppliers are Program for the Endorsement of Forest ("PEFC") certified and have attained European Union Ecolabel for environmental excellence.

Biodiversity Preservation

GRI 304-1, 304-2

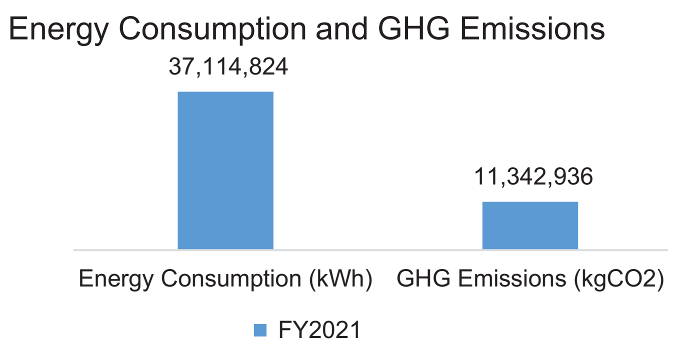
The Group does not have a significant impact on biodiversity as it is not directly involved in the mining of coal. The shipping activities of the Group are conducted in water bodies. To date, there were no recorded significant negative impacts on the biodiversity of surrounding areas in relation to the Group's shipping operations. Nevertheless, the Group will continue to be mindful and monitor the impacts of its shipping activities.

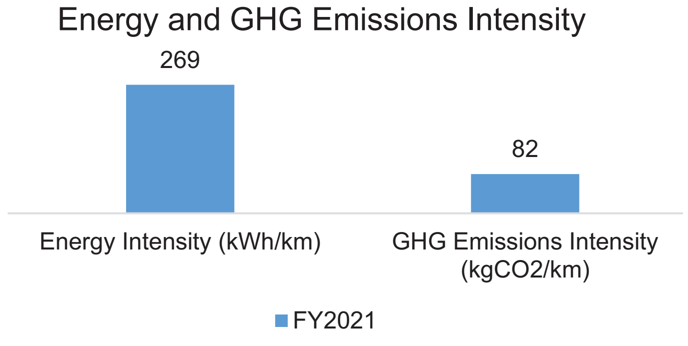
Energy and Fuel Efficiency

GRI 302-1, 302-3, 305-1, 305-2, 305-4, 305-5

Within the Group, energy use for shipping comprises mainly fuel and purchased electricity at our corporate offices. The fuel used by our vessels is predominantly High Speed Diesel Solar ("HSD Solar") or Marine Diesel Oil ("MDO"). The total energy consumption (fuel and purchased electricity) for FY2021 was estimated to be 37,114,824 kilowatt hour ("kWh"). By improving fuel efficiency, the Group can achieve cost savings as well as improve the ability of our vessels to handle long shipments.

Our energy and carbon dioxide ("CO2") intensity is calculated based on kilometres ("km") travelled by the vessels in FY2021. Energy intensity was 269 kWh/km and CO2 intensity was 82 kg/km in FY2021. We aim to reduce our energy intensity despite the growth of our operations in Indonesia by improving our efficiency in operations. Greenhouse gas ("GHG") emissions include CO2 gas and will continue to be tracked as we monitor our environmental impacts.





Recognising the energy intensive nature of the coal shipping industry, we aim to reduce our energy consumption by conducting frequent maintenance on our engines and ensuring that our ships meet all certifications and requirements for sea worthiness.

Environmental Compliance

GRI 307-1

The Group strictly complies with local environmental laws and regulations where we operate. Regular on-site inspections conducted by local authorities during the dry-docking of our vessels ensure their sea-worthiness and that the equipment on board is well functioning. This can in turn mitigate the possibility of environmental incidents at sea.

There was no incident of non-compliance with environmental laws and regulations in FY2021.

Environmental Targets

Targets for FY2022
Comply with Marine Classification mandatory requirements by sending our vessels for dry-docking maintenance every two and a half years
No incidents of environmental non-compliance
Ensure all new suppliers are licensed

Focus 3: Health and Safety

Workplace accidents have the potential to disrupt our business activities and no worker wishes to work in an unsafe environment. To minimise the risk of disruption to our operations, the Group has made the safety of our employees a key priority.

COVID-19 Safety Measures

GRI 403-1

In FY2021, the COVID-19 pandemic continues to pose a safety risk to our employees and workers. During these unsettling times, we stay committed to prioritising their safety.

To ensure the safety and welfare of our staff and workers, we keep abreast of the local COVID-19 safety laws and regulations and implement any new measures as soon as possible to ensure that the working conditions of all staff and workers are in strict compliance with local COVID-19 laws and regulations.

With the current COVID-19 pandemic, we have implemented safe management measures ("SMM") at our shipping sites and vessels, as well as in our Singapore and Indonesia offices to provide a safe working environment for our staff. The SMM include mandating SafeEntry visitor management in Singapore for employees and visitors, temperature taking in the Indonesia office and using video-conferencing instead of conducting face-to-face meetings. We also increased the frequency of cleaning and disinfection in our premises, especially areas with high contact points. All staff are briefed on the SMM and are required to ensure strict enforcement. The Company ensures that adequate personal protection equipment like sanitisers, masks and testing kits are provide in the office and vessels.

As at 31 December 2021, there were no reported incidents of non-compliance with local COVID-19 laws and regulations regarding the working conditions of our employees.

Workplace Health and Safety

GRI 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

The Group provides hospitalisation and surgical ("H&S") insurance to ensure that employees are adequately supported when incidents occur.

The Group prioritises the wellbeing and safety concerns of workers and ensures prompt resolution and remediation should incidents occur, as well as business continuity if such situations arise. When safety incidents occur on board the vessels, the vessel captains shall be in charge of monitoring and follow-up, and take prompt remediation action.

In FY2021, there were no work-related fatalities and no high-consequence work-related injuries. The incidents resulted in 0 hours of man-days lost during FY2021.

Health and Safety Targets

Targets for FY2022
No incidents of non-compliance with COVID-19 safety regulations
No workplace health and safety incidents

Focus 4: Human Resource Development

The Group places an emphasis on continual talent development to ensure that our employees are adaptable to changes in the industry. The on-job training and mentorship also imbue employees with the relevant skills to excel in their line of work.

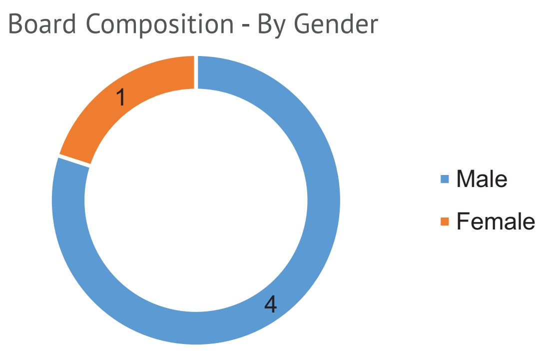
Employee and Board Diversity

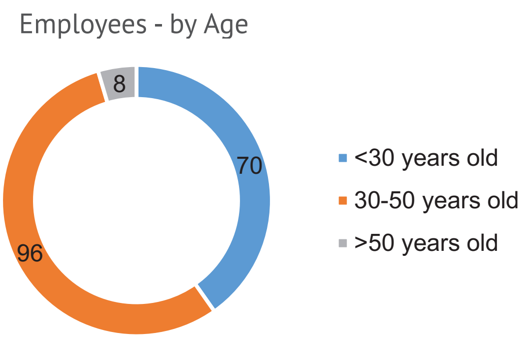
GRI 405-1, 405-2

The Group believes that diversity is essential to its business and prohibits discrimination on the basis of race, nationality, religion, gender, age, sexual orientation, disability, ancestry, social origin, political or other opinion, or any other bias. The Group does not tolerate any form of racial, sexual or workplace harassment and values diversity within its workforce, and thus holds a commitment to the value of equality and treating one another with respect.

The Group is cognizant of the importance of ensuring gender balance in its workforce and providing employment opportunities locally and regionally whenever possible. The Group recognises the importance of having a diverse board in ensuring the diversity of viewpoints during decision making processes.

As at 31 December 2021, the Group's workforce consisted of 174 employees and crews. The Board consists of five (5) Directors. A breakdown of the workforce in FY2021 is presented in the following charts:





Employee Development and Benefits

GRI 401-1, 401-3, 404-1, 404-2, 404-3

The Group develops employees through on-the-job training and mentorship programs, as well as refresher courses to enhance their knowledge and familiarity with operations and processes. Our on-job training are regularly reviewed against our business and operational needs. During FY2021, employees participated in over 26 hours of training programmes.

We take responsibility for the well-being of our employees. Insurance coverage for H&S is provided to employees. The Group also provides support for employees who require parental leave, in accordance with local regulations. In FY2021, while 100% of our employees were entitled to parental leave, no employees had taken parental leave.

Compliance with Labour Laws

GRI 406-1, 408-1, 409-1, 412-1

The Group endeavours to be a socially responsible employer. The Group has transparent mechanisms for reporting labour grievances, and these policies are communicated to all workers through dedicated training and announcements. All employment contracts comply fully with the labour laws and regulations in their respective jurisdictions.

There were no instances of discrimination or use of child labour in FY2021. From our assessment, there are no parts of our operations which are considered to have significant risk for incidents of forced or compulsory labour.

Impact on Local Communities

GRI 411-1, 413-1, 413-2

Where possible, the Group conducts regular inspection for vectors such as mosquito breeding, rodent, flies, cockroaches, etc on our ships to limit the possibility of disease transmission.

The Group ensures that its activities do not violate any rights of indigenous populations in the surrounding areas. In FY2021, there have been no instances of violations involving the rights of indigenous peoples.

Local Employment

GRI 202-2, 203-2

Whenever possible, the Group tries to employ locals in our operations to contribute to the development of talent in the local community. In FY2021, 100% of our management team in Indonesia and Singapore were locals or permanent residents.

Human Resource Development Targets

Targets for FY2022
Continue providing training and mentorship to all employees
No incidences of non-compliance with labour laws and regulations

SGX-ST Five Primary Components Index

S/N	Primary Component	Section Reference
1	Material Topics	Stakeholder Engagement and Materiality Assessment
2	Policies, Practices and Performance	• Sustainability Strategy Overview • Stakeholder Engagement and Materiality Assessment • Focus 1 to 4
3	Board Statement	Sustainability Governance and Statement of the Board
4	Targets	Focus 1 to 4
5	Framework	About This Report

GRI Standards Content Index

GRI Standards	Disclosure Content	Section Reference
102-1	Name of the organisation	Corporate Structure
102-2	Activities, brands, products, and services	Corporate Structure
102-3	Location of headquarters	Corporate Structure
102-4	Location of operations	Corporate Structure
102-5	Ownership and legal form	Corporate Structure
102-6	Markets served	Corporate Structure
102-7	Scale of the organisation	Corporate Structure
102-8	Information on employees and other workers	Focus 4: Human Resource Development
102-9	Supply chain	Responsible Coal Shipping, Responsible Coal Trading
102-10	Significant changes to the organisation and its supply chain	Responsible Coal Shipping, Responsible Coal Trading
102-11	Precautionary principle or approach	Sustainability Strategy Overview
102-12	External initiatives	Sustainability Strategy Overview
102-13	Membership of associations	Sustainability Strategy Overview
102-14	Statement from senior decision-maker	CEO's Message to Stakeholders
102-15	Key impacts, risks, and opportunities	Sustainability Strategy Overview
102-16	Values, principles, standards, and norms of behaviour	Sustainability Strategy Overview
102-17	Mechanisms for advice and concerns about ethics	Ethics and Integrity
102-18	Governance structure	Sustainability Governance and Statement of the Board
102-40	List of stakeholder groups	Stakeholder Engagement and Materiality Assessment

GRI Standards	Disclosure Content	Section Reference
102-41	Collective bargaining agreements	Not Applicable. No collective bargaining agreements.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement and Materiality Assessment
102-43	Approach to stakeholder engagement	Stakeholder Engagement and Materiality Assessment
102-44	Key topics and concerns raised	Stakeholder Engagement and Materiality Assessment
102-45	Entities included in the consolidated financial statements	Notes to the Financial Statements
102-46	Defining report content and topic boundaries	About This Report
102-47	List of material topics	Stakeholder Engagement and Materiality Assessment
102-48	Restatements of information	About This Report
102-49	Changes in reporting	About This Report
102-50	Reporting period	About This Report
102-51	Date of most recent report	Not Applicable. This is the first report prepared by the Group.
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	About This Report
102-54	Claims of reporting in accordance with the GRI Standards	About This Report
102-55	GRI content index	GRI Standards Content Index
102-56	External assurance	About This Report
201-2	Financial implications & other risks & opportunities due to climate change	Sustainability Strategy Overview
202-2	Proportion of senior management hired from the local community	Employee Development and Benefits
203-2	Significant indirect economic impacts	CEO's Message to Stakeholders, Sustainability Strategy Overview
205-1	Operations assessed for risks related to corruption	Anti-Corruption
205-2	Communication and training on anti-corruption policies and procedures	Anti-Corruption
205-3	Confirmed incidents of corruption and actions taken	Anti-Corruption
207-1	Approach to tax	Tax Compliance
207-2	Tax governance, control, and risk management	Tax Compliance
207-3	Stakeholder engagement and management of concerns related to tax	Tax Compliance

GRI Standards	Disclosure Content	Section Reference
207-4	Country-by-country reporting	Tax Compliance
302-1	Energy consumption within the organisation	Energy and Fuel Efficiency
302-3	Energy intensity	Energy and Fuel Efficiency
302-4	Reduction of energy consumption	Energy and Fuel Efficiency
303-1	Interactions with water as a shared resource	Prevention of Pollution
303-2	Management of water discharge-related impacts	Prevention of Pollution
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity Preservation
304-2	Water reused and recycled	Biodiversity Preservation
305-1	Direct (Scope 1) GHG emissions	Energy and Fuel Efficiency
305-2	Energy indirect (Scope 2) GHG emissions	Energy and Fuel Efficiency
305-4	Greenhouse gas emissions intensity	Energy and Fuel Efficiency
305-5	Reduction in GHG emissions	Energy and Fuel Efficiency
306-1	Waste generation and significant waste-related impacts	Waste Management
306-2	Management of significant waste-related impacts	Waste Management
306-3	Waste generated	Waste Management
307-1	Non-compliance with environmental laws and regulations	Coal Sourcing, Environmental Compliance
308-1	New suppliers that were screened using environmental criteria	Supplier Environmental Assessment
308-2	Negative environmental impacts in the supply chain & actions taken	Supplier Environmental Assessment
401-1	New employee hires and employee turnover	Employee Development and Benefits
401-3	Parental leave	Employee Development and Benefits
403-1	Occupational health and safety management system	Focus 3: Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Focus 3: Health and Safety
403-3	Occupational health services	Focus 3: Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Focus 3: Health and Safety
403-5	Worker training on occupational health and safety	Focus 3: Health and Safety
403-6	Promotion of worker health	Focus 3: Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Focus 3: Health and Safety

GRI Standards	Disclosure Content	Section Reference
403-8	Workers covered by an occupational health and safety management system	Focus 3: Health and Safety
403-9	Work-related injuries	Focus 3: Health and Safety
403-10	Work-related ill health	Focus 3: Health and Safety
404-1	Average hours of training per year per employee	Employee Development and Benefits
404-2	Programmes for upgrading employee skills and transition assistance programs	Employee Development and Benefits
404-3	Regular performance and career development review	Employee Development and Benefits
405-1	Diversity of governance bodies and employees	Employee and Board Diversity
405-2	Ratio of basic remuneration of women to men	Employee and Board Diversity
406-1	Incidents of discrimination and corrective actions taken	Employee and Board Diversity
408-1	Operations and suppliers at significant risk for incidents of child labour	Compliance with Labour Laws
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Compliance with Labour Laws
411-1	Incidents & violations involving rights of indigenous peoples	Impact on Local Communities
412-1	Operations that have subject to human rights reviews or impact assessments	Compliance with Labour Laws
412-2	Employee training on human rights policies or procedures	Compliance with Labour Laws
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Compliance with Labour Laws
413-1	Operations with local community engagement, impact assessments, and development programs	Impact on Local Communities
413-2	Operation with significant actual & potential negative impacts on local communities	Impact on Local Communities
414-1	New suppliers screened using social criteria	Supplier Social Assessment
414-2	Negative social impacts in the supply chain & actions taken	Supplier Social Assessment
418-1	Substantiated complaints concerning breaches of customer privacy & losses of customer data	Customer Data Privacy and Security
419-1	Non-compliance with laws & regulations in the social & economic area	Socioeconomic Compliance

The board of directors (the "**Board**" or the "**Directors**") of Resources Global Development Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is committed to maintaining high standards of corporate governance and places importance on its corporate governance processes and systems so as to ensure greater transparency, accountability, and maximisation of long-term shareholder value.

In accordance with Rule 710 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), this report sets out the Group's corporate governance practices for the financial year ended 31 December 2021 ("**FY2021**") with specific reference made to the principles and the provisions of the Code of Corporate Governance 2018 (the "**Code**") issued on 6 August 2018.

The Company confirms that during FY2021, it has complied in all material respects with the principles of the Code to the extent possible, as well as the provisions of the Code (except where otherwise explained). In areas where the Company's practices vary from any provisions of the Code, the Company has stated herein the provision from which it has varied, and appropriate explanations are provided for the variation, and how the practices the Company had adopted are consistent with the intent of the relevant principle of the Code. The Company will continue to assess its needs and implement appropriate practices accordingly.

A. BOARD MATTERS

PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provision 1.1

The Board's principal roles include promoting long-term shareholder value, ensuring that the businesses of the Group are effectively managed and properly conducted by management of the Company ("**Management**") and ensuring proper observance of corporate governance practices, which include putting in place a code of conduct and ethics, setting appropriate tone-from-the-top and desired organisational culture, and ensuring proper accountability within the Group.

The Company has in place policies and procedures for dealing with conflicts of interest. Where the Director faces a conflict of interest, he or she is required to excuse himself or herself from discussions and decision involving the said issue of conflict.

Provision 1.2

Directors understand the Company's business as well as their directorship duties (including their roles as Executive, Non-Executive, and Independent Directors). The Company does not have a formal training program for the Directors, but all newly appointed Directors will undergo an orientation programme where the Directors will be briefed on the Group's strategic direction, governance practices, business, and organisation structure as well as the expected duties of a director of a listed company. To get a better understanding of the Group's business, the Directors will also be given the opportunity to visit the Group's operational facilities and meet with key management personnel. The Company will also arrange for first-time Directors to attend relevant training on the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST and, if necessary, in areas such as accounting, legal and industry specific knowledge as appropriate. The training of Directors will be arranged and funded by the Company. Upon appointment, a newly appointed Director will be provided a formal letter setting out his/her duties and obligations.

Pursuant to Rule 406(3)(a) of the Catalist Rules, a new director who has no prior experience as a director of a company listed on SGX-ST must undergo the training courses set out in Practice Note 4D of the Catalist Rules within one year of the date of appointment. Mr Cheong Hock Wee, an Independent Non-Executive Director appointed to the Company on 1 September 2021, has completed the prescribed training courses set out in Practice Note 4D of the Catalist Rules during FY2021.

The external auditor also briefed the members of the Audit Committee on the developments in accounting standards (where applicable) during the Audit Committee meetings, whilst the Company Secretary and the Sponsor will periodically update the Board on any changes in the requirements of the Companies Act 1967 of Singapore ("**Companies Act**"), the Catalist Rules and corporate governance in Singapore as well as those pertaining to the roles and responsibilities of a director of a listed company.

Provision 1.3

All Directors have objectively discharged their duties and responsibilities as fiduciaries and taken decisions in the best interests of the Group at all times.

In addition to statutory duties and responsibilities, the Board's duties, including the matters to be approved by the

Board, are set out as follows:

a) supervise and approve strategic direction of the Group;

b) review the business practices and risk management of the Group;

c) review the management performance of the Group;

d) review and approve half yearly and full year annual results announcements;

e) review and approve the annual report and audited financial statements;

f) review and approve the dividend policy;

g) review and approve interested person transactions;

h) review and approve major transactions including but not limited to corporate restructuring, mergers and acquisitions, investments, acquisitions, and disposals of assets;

i) review and approve major corporate policies on key areas of operations;

j) ensure that there are policies and safeguards in the system of internal controls to preserve the integrity of assets; and

k) consider sustainability issues such as environmental and social factors as part of its strategic plans.

Provision 1.4

The Board has set up three committees to assist in the execution of the Board's responsibilities. These committees include the Nominating Committee ("**NC**"), the Remuneration Committee ("**RC**") and the Audit Committee ("**AC**") (collectively, the "**Board Committees**" and each a "**Board Committee**"). Each Board Committee carries out its functions within clear written terms of its respective terms of reference ("**TOR**"). The composition and description of each Board Committee are set out in this report. Any change to the TOR for any Board Committee requires the specific written approval of the Board.

All the Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group. The Board Committees report its activities regularly to the Board. Minutes of the Board Committees are regularly provided to the Board and are available to all Board members. The Board acknowledges that while these various Board Committees have the authority to examine particular issues and report back to the Board with their decisions and recommendations, the ultimate responsibility on all matters lies within the Board. The Board Committees have explicit authority to investigate any matter within their TOR, have full access to and co-operation of Management, have resources to enable them to discharge their functions properly and full discretion to invite any Director or senior Management to attend their meetings.

Provision 1.5

Formal Board meetings are held at least half yearly and ad-hoc meetings are convened when required. The Board Committees meet at certain time periods in accordance with their respective TOR or as and when needed. The Company's constitution ("**Constitution**") allows a Board meeting to be conducted through electronic means such as telephone and video conferences. The Directors can meet the Management in person or discuss via email. Where a decision has to be made before a meeting of the Board or Board Committee is convened, Directors' resolutions in writing are circulated in accordance with the Constitution and the Directors are also provided with all relevant information and documents to allow them to make informed decisions.

The attendance of each Director at meetings of the Board and Board Committees during FY2021 as well as the frequency of such meetings held is set out in the table below:

	Board	**AC**	**NC**	**RC**
Number of Meetings Held	5	5	1	1
Name of Director	**Number of Meetings Attended**			
Ms Alice Yan	5	5	1	1
Mr Francis Lee	5	5*	1*	1*
Mr Salim Limanto	5	5*	1*	1*
Mr Hew Koon Chan	5	5	1	1
Mr Gouw Eng Seng (deceased) (1)	–	–	–	–
Mr Petrus Sucipto (deceased) (2)	1	1	–	–
Mr Cheong Hock Wee (3)	2	2	–	–

* *By invitation*

Notes:

(1) Late Mr Gouw Eng Seng (Independent Non-Executive Chairman) passed away on 12 January 2021.

(2) Late Mr Petrus Sucipto (Independent Non-Executive Director) passed away on 5 July 2021. He was earlier appointed as a director of the Company on 1 April 2021.

(3) Mr Cheong Hock Wee (Independent Non-Executive Director) was appointed on 1 September 2021.

Where a Director has multiple listed company board representations, and in considering the nomination of Directors for appointment, the NC will evaluate whether or not the Director is able to and has been adequately carrying out his or her duties as a Director, taking into consideration the Director's number of listed company board representations and other principal commitments. The Board does not limit the maximum number of listed company board representation its Board members may hold as long as each of the Board members is able to commit his or her time and attention to the affairs of the Company. The Board believes that each individual Director is best placed to determine and ensure that he or she is able to devote sufficient time and attention to discharge his or her duties and responsibilities as a Director of the Company, bearing in mind his or her other commitments. The Board and the NC will review the requirement to determine the maximum number of listed Board representations as and when they deem fit.

Provision 1.6

In order to ensure that the Board is able to contribute in a meaningful manner during Board meetings, the Management provides the members of the Board with relevant information and documents relating to the items of business to be discussed at each Board meeting, such as copies of disclosure documents, budgets, and forecasts before the scheduled meeting. Key information relating to the Company's operations and finances are also circulated to the Board via email so that the Directors may monitor with ease, the Company's performance as well as the Management's fulfilment of goals and objectives set by the Board.

The Directors are also regularly briefed by the Management on the business activities of the Company. The Directors are responsible for the Company's strategic directions as well as its corporate practices and are accordingly briefed by the Management on the day-to-day implementation of such strategic directions and corporate practices.

Provision 1.7

The Directors have separate and independent access to the Management and the Company Secretary at all times. The Directors have unrestricted access to the Company's records and information, and should the Directors, whether as a group or individually, need independent professional advice in furtherance of their duties and responsibilities, they may appoint such professional adviser to render the appropriate professional advice. The cost of such professional advice will be paid for by the Company.

The Independent Non-Executive Directors are available to provide guidance to the Management on business issues and in areas which they specialize in.

The Company Secretary and/or representatives from the Company Secretary's office attends all meetings of the Board and the Board Committees and prepares the minutes of such meetings. The minutes of such meetings are then circulated to the Board and the Board Committees, as the case may be.

The Company Secretary also advises the Board on governance matters and ensures that the procedures for such meetings are in accordance with the Constitution and the TOR, and all applicable rules and regulations (including the requirements of the Companies Act and the Catalist Rules) are complied with. Further to the above, the Company Secretary helps to facilitate communications within the Board and the Board Committees and between Management and the Directors. The appointment and removal of the Company Secretary is a matter for the Board's consideration as a whole.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Provision 2.1

The NC considers an "independent" Director as one who is independent in conduct, character, and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of such Director's independent business judgement with a view to the best interests of the Group. The independence of each Director is assessed and reviewed by the NC on an annual basis, based on the provisions provided by the Code as well as Rule 406(3)(d) of the Catalist Rules. As at the date of this report, none of the Independent Non-Executive Directors has served on the Board for more than nine (9) years since the date of his or her first appointment.

Provisions 2.2 and 2.3

During FY2021 and as at the date of this report, the Board comprises five (5) Directors, three (3) of whom (including the Chairman of the Board) are Independent and Non-Executive Directors. Accordingly, the Company complies with the relevant provision of the Code which requires non-executive directors to comprise a majority of the Board.

Provision 2.4

As at the date of this report, the respective compositions of the Board and the Board Committees are as follows:

Name of Director	Designation	Board Committee Membership		
		Audit Committee	**Nominating Committee**	**Remuneration Committee**
Mr Francis Lee	Executive Director and Chief Executive Officer	–	–	–
Mr Salim Limanto	Executive Director and Chief Operating Officer	–	–	–
Ms Alice Yan (1)	Independent Non-Executive Chairman	Member	Chairman	Member
Mr Hew Koon Chan	Independent Non-Executive Director	Chairman	Member	Member
Mr Cheong Hock Wee (2)	Independent Non-Executive Director	Member	Member	Chairman

Notes:

(1) Ms Alice Yan was appointed as Chairman of the Board on 1 April 2021.

(2) Mr Cheong Hock Wee was appointed as Independent Non-Executive Director on 1 September 2021.

The Company maintains a Board diversity policy that addresses, among others, gender, age, nationalities, skills, experience and length of service. In reviewing the diversity of the Board, the NC takes into consideration whether the Board comprises an appropriate balance of skills, knowledge, experience, and diversity of perspectives relevant to the businesses of the Group so as to ensure that the Group benefits from a wide range of perspectives and talent. The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The NC also considers all aspects of diversity, including diversity of background, experience, gender, age, and other relevant factors.

Given the current nature and scope of the Group's operations, the Board, in concurrence with the NC, considers the current Board size and the existing composition of the Board Committees to be adequate to facilitate effective decision making in terms of gender diversity. The Board includes one female Director, being Ms Alice Yan. The NC is also of the view that the Board and the Board Committees have an appropriate balance and diversity of expertise and business experience, and collectively possess the necessary core competence to lead and govern the Group effectively. Each Director has been appointed on the strength of his/her calibre, experience, and stature. Each Director is expected to bring valuable range of experience and expertise to contribute to the development of the Group's strategy and the performance of its business.

Key information on each Director is set out in the "**Board of Directors and Key Management**" section of this Annual Report.

Provision 2.5

The Independent Non-Executive Directors also set aside time to meet without the presence of Management, when required, and will provide feedback to the Board where appropriate. During FY2021, the Independent Non-Executive Directors communicated among themselves without the presence of the Management as and when the need arose.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1

The roles of the Chairman of the Board and the Chief Executive Officer ("**CEO**") are separate in order to provide an appropriate balance of power and authority, increased accountability, and greater capacity of the Board for independent decision making. As at the date of this report, the Chairman of the Board is Ms Alice Yan (Independent Non-Executive Director) and the CEO is Mr Francis Lee (Executive Director). The Chairman of the Board and the CEO are not related to each other and did not have any business relationship between them.

Provision 3.2

The Chairman leads the Board, ensures that the Directors receive accurate, timely and clear information; encourages constructive relations between the Board and Management, as well as between Board members; facilitates contributions from Board members, including Independent Non-Executive Directors; ensures effective communication with shareholders of the Company ("**Shareholders**"), and endeavours to promote a high standard of corporate governance. The Chairman also ensures that Board meetings are held regularly and on an ad hoc basis where required and, when necessary, sets the Board meeting agendas in consultation with the Management and the Company Secretary. The Chairman presides over each Board meeting and ensures full discussion of agenda items. Management, as well as external experts who can provide additional insights into the matters to be discussed, are invited, when necessary, to attend Board meetings at relevant times.

The CEO has full executive responsibilities in the business direction and operation efficiency of the Group. He oversees execution of the Group's corporate and business strategies and is responsible for the day-to-day running of the business of the Group.

Provision 3.3

As the Chairman of the Board is an Independent Non-Executive Director, the Board did not appoint a lead independent director. The Chairman of the Board is available to the Shareholders when they have concerns and for which contact through the normal channels of communication with the Management are inappropriate or inadequate.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

Provision 4.1

The NC carries out its duties in accordance with a set of TOR which include, amongst others, the following: -

(a) recommending to the Board on relevant matters relating to (i) the review of board succession plans for Directors, in particular, the appointment and/or replacement of the Chairman, the CEO and key management personnel; (ii) the development process and criteria evaluation of the performance of the Board, its Board Committees and Directors; (iii) evaluation of the performance of the Board, its Board Committees and Directors; (iv) the appointment and re-appointment of Directors (including alternate directors, if any); and (v) the appointment and termination of the board of directors and board of commissioners of PT Deli Pratama Angkutan Laut (a subsidiary of the Company);

(b) review and determine annually, and as when circumstances require, if a Director is independent, in accordance with the Code and any other salient factors;

(c) in respect of a Director who has multiple board representations on various companies, to review and decide whether or not such Director is able to and has been adequately carrying out his duties as a Director, having regard to the competing time commitments that are faced by the Director when serving on multiple boards and discharging his duties towards other principal commitments;

(d) review potential conflicts of interests in respect of each member of the Board;

(e) develop a process to assess the effectiveness of the Board as a whole and to assess the contribution of each Director to the effectiveness of the Board;

(f) review and approve any new employment and the proposed terms of employment of persons related to Directors, Executive Officers or controlling Shareholders; and

(g) review training and professional developments programmes for the Board.

The NC meets at least once a year and at other times as required, in accordance with its TOR. The Chairman of the NC reports formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

Provision 4.2

As at the date of this report, the NC comprises three (3) members, all of whom (including the NC Chairman) are Non- Executive and Independent Directors. The members of the NC are as follows:

Ms Alice Yan (1)	Chairman	Independent Non-Executive Chairman
Mr Hew Koon Chan	Member	Independent Non-Executive Director
Mr Cheong Hock Wee (2)	Member	Independent Non-Executive Director

Notes:

(1) Ms Alice Yan was appointed as the Chairman of the NC on 1 April 2021.

(2) Mr Cheong Hock Wee was appointed as a member of the NC on 1 September 2021.

Provision 4.3

The NC has in place a formal process for the selection, appointment, and re-appointment of directors to the Board. In sourcing for new directors, the NC will tap on recommendations from existing Directors and the Company's professional advisers. In the selection process, the NC considers attributes such as balance and diversity of skills vis-à-vis existing Board members, industry knowledge, requirements of the Group and time commitment ability. Background checks are also carried out on the shortlisted candidates. The NC meets with the shortlisted Board candidates to assess their suitability and availability before making recommendations to the Board for its consideration and approval.

The Company's Constitution provides that every Director shall retire from office at least once every three years and submit themselves for re-election at the annual general meeting of the Company ("**AGM**"). Rule 720(4) of the Catalist Rules also provides that all Directors must submit themselves for re-nomination and re-appointment at least once every three (3) years. Accordingly, at each AGM, one-third of the Directors (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. The retiring Directors are eligible to offer themselves for re-election. The Company's Constitution further states that new directors appointed by the Board shall hold office until the next AGM and shall then be eligible for re-election.

In determining the nomination of a Director for re-election, the NC takes into account the composition and progressive renewal of the Board, and the competency, performance and contribution of the Director including his or her attendance, preparedness and participation at Board and Board Committees meetings. A Director's time and effort accorded to the Company's business and affairs will also be considered.

At the forthcoming AGM, Ms Alice Yan and Mr Salim Limanto will retire by rotation pursuant to Regulation 103 of the Company's Constitution, while Mr Cheong Hock Wee will retire pursuant to Regulation 109 of the Company's Constitution (collectively, the "**Retiring Directors**"). The Retiring Directors, being eligible, have offered themselves for re-election at the forthcoming AGM.

Ms Alice Yan will, upon re-election as a Director, remain as the Independent Non-Executive Chairman, Chairman of the NC, as well as a member of the AC and RC. Mr Salim Limanto will, upon re-election as a Director, remain as an Executive Director and the Chief Operating Officer of the Company. Mr Cheong Hock Wee will, upon re-election as a Director, remain as an Independent Non-Executive Director, Chairman of the RC, as well as a member of the AC and the NC. Both Ms Alice Yan and Mr Cheong Hock Wee are considered by the Board to be independent for the purpose of Rule 704(7) of the Catalist Rules.

Please refer to the Notice of AGM for the resolutions put forth in relation to the respective re-elections of the Retiring Directors, as well as detailed information on each of the Retiring Directors (including directorships and principal commitments) as set out in the section entitled "Information on Directors nominated for re-election – Appendix 7F of the Catalist Rules" of this report.

Each member of the NC shall abstain from voting, approving, or making a recommendation on any resolutions of the NC in which he/she has a conflictF of interest in the subject matter under consideration.

There is no alternate director appointed to the Board as at the date of this report.

Provision 4.4

The NC determines annually, and as and when circumstances require, whether a Director is independent, taking into consideration the disclosures by the Directors of any relationships with the Company, its related corporations, its substantial shareholders or its officers, and the confirmation of independence form completed by each Independent Director to confirm his or her independence. Such form is drawn up based on Principle 2 of the Code, as well as Rule 406(3)(d) of the Catalist Rules. Having completed its review, the NC is of the view that Ms Alice Yan, Mr Hew Koon Chan and Mr Cheong Hock Wee have satisfied the criteria for independence.

Provision 4.5

The NC has determined that the Directors have been adequately discharging their duties as Directors, notwithstanding that some of the Directors have multiple listed company board representations. The Company does not have a formal guideline on the maximum number of listed company board representations which any Director may hold, as the NC and the Board consider such a number may not fairly reflect whether a Director can timely and diligently attend to the Company's matters and discharge his/her duties as a Director.

Please refer to the sections entitled "**Board of Directors and Key Management**" for information on the listed company directorships and principal commitments of each Directors.

PRINCIPLE 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

Provisions 5.1 and 5.2

A formal assessment process is in place to assess the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution by the Chairman and each individual Director to the effectiveness of the Board.

The NC conducts a formal review of the Board performance annually, by way of a Board assessment checklist which is circulated to the Board members for completion. The results of the evaluation are used constructively by the NC to identify areas of improvements and to recommend to the Board the appropriate action. The evaluation serves to assess the effectiveness of the Board as a whole on the following parameters:

(a) Board composition;

(b) Board information;

(c) Board process;

(d) Board accountability;

(e) CEO or top management; and

(f) standards of conduct.

The evaluation of the Board is to be performed annually by having all members complete the Board and individual Directors' evaluation questionnaires individually based on the above assessment parameters. The NC will collate and review the responses and results of the questionnaire and discuss collectively with other Board members to address or recommend any areas for improvement and follow-up actions. The review of the effectiveness of the Board as a whole, its Board Committees and each individual Director has been undertaken collectively by the Board for FY2021 without the engagement of an external facilitator.

For FY2021, the Board is satisfied that each individual Director has allocated sufficient time and attention to the affairs of the Company and is of the view that the effectiveness of the Board as a whole and of each of the Board Committees, as well as the contribution of each Director to the effectiveness of the Board and Board Committees has been satisfactory.

B. REMUNERATION MATTERS

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration.

Provision 6.1

The primary function of the RC is to advise the Board on compensation issues. In particular, in relation to the remuneration of Directors and key management personnel, a portion of the compensation should be contingent upon the financial performance of the Company, in order to foster the creation of long-term shareholder value.

The RC carries out its duties in accordance with a set of TOR which include, amongst others, the following:

(a) to review and submit its recommendations for endorsement by the entire Board, a general framework of remuneration for the Board, the specific remuneration packages, and terms of employment (where applicable) for each Director, the CEO (if CEO is not a Director) and key management personnel;

(b) to review, recommend and determine specific remuneration packages for each Director and key management personnel including but not limited to directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind;

(c) to review and to recommend to the Board the terms of renewal of service contracts of executive Directors and key management personnel;

(d) to review the Company's obligations arising in the event of termination of the executive Directors and key management personnel and to ensure termination clauses entailed in the service contracts contain fair and reasonable termination clauses which are not overly generous;

(e) to review and recommend to the Board the terms of share options, shares award plans or any long-term incentive schemes which may be set up from time to time, in particular to review whether Directors, key management personnel or such employee should be eligible for such schemes and also to evaluate the costs and benefits of such schemes and to do all acts necessary in connection therewith;

(f) to function as the committee referred to in the RGD Employee Share Option Scheme ("**RGD ESOS**") and RGD Performance Share Plan ("**RGD PSP**"), and have all the powers as set out in the RGD ESOS and RGD PSP; and

(g) to carry out such other duties in the manner that it deems expedient, subject always to any regulations or restrictions as may be conferred by the Board to the RC.

The RC meets at least once a year and at other times as required, in accordance with its TOR. The Chairman of the RC reports formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

Provision 6.2

As at the date of this report, the RC comprises three (3) members, all of whom, including the RC Chairman, are Independent Non-Executive Directors. The members of the RC are as follows:

Mr Cheong Hock Wee [(1)]	Chairman	Independent Non-Executive Director
Ms Alice Yan	Member	Independent Non-Executive Chairman
Mr Hew Koon Chan	Member	Independent Non-Executive Director

Note:

(1) Mr Cheong Hock Wee was appointed as the Chairman of the RC on 1 September 2021.

Provision 6.3

The RC reviews and recommends to the Board the remuneration packages or policies for the Executive Directors, the CEO and the key management personnel based on the performance of the Group, the individual Director, CEO, and key management personnel. No Director individually decides or is involved in the determination of his or her own remuneration. The RC's recommendations are submitted for endorsement by the Board.

The RC will also review the Company's obligations under the service agreement entered into with the Executive Directors and key management personnel that would arise in the event of termination of these service agreements. This is to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

Provision 6.4

The Company has engaged an independent human resource consultant (the "**Consultant**") during FY2021 to review and recommend the RGD ESOS and RGD PSP scheme for the Group, as well as to review the remuneration package for the Executive Directors and key management personnel. Based on the findings of the Consultant, the RC has reviewed and approved the year-end variable bonus to the Executive Directors and key management of the Group. No share awards or share options have been granted under the RGD ESOS and the RGD PSP, since their commencement.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Provisions 7.1 and 7.3

Executive Directors do not receive Directors' fees, and their respective remunerations are contained in the Service Agreements as further described in Provision 8.1 of this report. The remuneration for Executive Directors and key management personnel comprises a fixed and variable component. The variable component is performance-related and is linked to the Group's performance, as well as the performance of each individual Executive Director and key management personnel. The Company does not use contractual provisions to allow the Company to reclaim incentive components of remunerations from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results or misconduct resulting in financial loss to the Company. As the Executive Directors owe a fiduciary duty to the Company, the Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties. If so proposed, the RC will review such contractual provisions as and when necessary.

The RC ensures that the remuneration packages for the Executive Directors and key management personnel are fair. The RC is of the view that the current remuneration structure for the Executive Directors, Independent Directors and key management personnel are appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long-term.

Provision 7.2

The Management, together with the RC, recommends the compensation for Independent Non-Executive Directors, taking into account factors such as time spent and the responsibilities of the Directors, the current market circumstances, long-term interest and risk policies of the Company, and the need to attract directors of experience and standing. The Independent Non-Executive Directors' fees are compared against market standards to ensure that they are in line with market norms and to ensure that their independence is not compromised. The Company has in place long-term incentive schemes such as the RGD ESOS and the RGD PSP, as set out in the Company's offer document dated 14 January 2021("**Offer Document**"), which are administered by the RC. No share awards or share options have been granted under the RGD ESOS and the RGD PSP, since their commencement.

Independent Non-Executive Directors receive basic Directors' fees and additional fees for serving as a Chairman of a Board Committee, where applicable. The members of the RC do not participate in any decisions concerning their own remuneration. The Directors' fees are endorsed by the RC and recommended by the Board for Shareholders' approval at the AGM of the Company. Directors' fees of S$150,000 for FY2022 (to be paid quarterly in arrears) have been recommended by the Board and will be subject to the approval of Shareholders at the forthcoming AGM of the Company. Shareholders approved the payment of Directors' fees of S$95,000 for FY2021 at the previous AGM held on 26 April 2021. The RC and the Board are of the view that the fees of the current Independent Non-Executive Directors are adequate and not excessive. In reviewing the proposal for an increase in Directors' fees for FY2022, the RC has taken into consideration the time spent and contribution to the Board by the Independent Non-Executive Directors.

Each member of the RC shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the RC in respect of his/her remuneration package.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance, and value creation.

Provision 8.1

On 22 April 2019 and 1 January 2019, the Company entered into separate service agreements ("**Service Agreements**") with Mr Francis Lee (Executive Director and Chief Executive Officer ("**CEO**")), and Mr Salim Limanto (Executive Director and Chief Operating Officer ("**COO**")), respectively. Each of the Service Agreements is valid for an initial period of three (3) years taking effect from the date of admission of the Company to the Catalist of the SGX-ST on 31 January 2020 (the "**Initial Term**"). After the end of the Initial Term, the Service Agreements will automatically be renewed on the same terms contained in the Service Agreements, for a further period of three (3) years. For further details of the Service Agreements which set out information on the remuneration of Mr Francis Lee and Mr Salim Limanto, please refer to the section entitled "Directors, Executive Officers and Employees – Service Agreements" in the Company's Offer Document.

Disclosure on Directors' Fees and Remuneration

The breakdown of the total remuneration of Directors (including the CEO) for FY2021 is set out below:

Name of Director	Directors' Fees (%)	Salary (%)	Bonus (%)	Other Benefits (%)	Total (%)
S$250,001 to S$500,000					
Mr Francis Lee (1)	–	75.8	20.4	3.8	100.0
Mr Salim Limanto (2)	–	77.5	22.5	–	100.0
Up to S$250,000					
Ms Alice Yan	100.0	–	–	–	100.0
Mr Petrus Sucipto (deceased) (3)	100.0	–	–	–	100.0
Mr Hew Koon Chan	100.0	–	–	–	100.0
Mr Cheong Hock Wee (4)	100.0	–	–	–	100.0

Notes:

(1) Mr Francis Lee is also the CEO of the Company.

(2) Mr Saim Limanto is also the COO of the Company.

(3) Mr Petrus Sucipto was appointed as an Independent Non-Executive Director on 1 April 2021. He passed away on 5 July 2021.

(4) Mr Cheong Hock Wee was appointed as an Independent Non-Executive Director on 1 September 2021.

There are no termination, post-employment and retirement benefits that may be granted to the Directors and the CEO.

After careful deliberation, the Board is of the view that full disclosure of the specific remuneration of each individual Director is not in the best interests of the Company and the Board has decided to disclose the remuneration of each individual Director in the bands of S$250,000 with further breakdown in percentage of his or her remuneration package. In arriving at this decision, the Board took into consideration, inter alia, the confidential nature of remuneration matters, the relative size of the Group, the competitive business environment in which the Group operates in, and the negative impact such disclosures may have on the Group.

Disclosure on Key Management Personnel's Remuneration

As at 31 December 2021 and as at the date of this report, the Company has only one key management personnel (who is not a Director, CEO or COO) within the Group. The breakdown of the total remuneration of the key management personnel of the Group (who are not Directors, the CEO, or the COO) for FY2021 is set out below:

Name of key management personnel	Fees (%)	Salary (%)	Bonus (%)	Other Benefits (%)	Total (%)
S$250,001 to S$500,000					
Mr Yeo Tze Khern Thomas	–	82.3	17.6	0.1	100.0

After careful deliberation, the Board is of the view that full disclosure of the aggregate remuneration of the key management personnel is not in the best interests of the Company in view of, inter alia, the Company having only one key management personnel and the confidential nature of remuneration matters.

There are no termination and retirement benefits that may be granted to the key management personnel.

Provision 8.2

Save for Mr Salim Limanto (Executive Director and COO), who is the son of Mr Djunaidi Hardi and the nephew of Mr Juhadi and Mr Arifin Ang (all of whom are substantial shareholders of the Company), there are no other employees who are substantial shareholders or immediate family members of the CEO, the Directors or substantial shareholder of the Company whose remuneration exceed S$100,000 for FY2021.

Provision 8.3

Please refer to Principle 7 of this report, and the section titled "Directors' Statement" of the Annual Report for information on the RGD ESOS and the RGD PSP adopted by the Company. As at the date of this report, no options have been granted under the RGD ESOS and no awards have been granted under the RGD PSP by the Company.

C. ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its Shareholders.

Provision 9.1

The Board acknowledges that it is responsible for the overall risk management and internal control framework. The Board also recognises that all risk management and internal control systems contain inherent limitations, and that no cost-effective internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risks of failure to achieve business objectives and can only provide reasonable but not absolute assurance against misstatements or losses.

As the Group does not have a risk management committee, the AC assumes the responsibility of the risk management function.

Management is responsible for designing, implementing, and monitoring the risk management and internal control systems within the Group. Management regularly reviews the Group's business and operational activities to identify areas of significant risks as well as appropriate measures to control and mitigate these risks. Any significant matters are highlighted to the Board and the AC for their deliberation.

Provision 9.2

The Board has also received assurance from the CEO, the COO and the CFO:

(a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) on the adequacy and the effectiveness of the Group's risk management and internal control systems (including financial, operational, compliance and information technology controls).

Taking into account the Company's corporate structure and scope of operations and based on the internal controls established and maintained by the Group, works performed by the external and internal auditors, and reviews performed by Management, the Board, with the concurrence of the AC, is of the opinion that the Company's internal controls, addressing financial, operations, compliance and information technology risks, and risk management systems were adequate and effective as at 31 December 2021.

PRINCIPLE 10: AUDIT COMMITTEE

The Board has an AC which discharges its duties objectively.

Provision 10.1

The AC carries out its duties in accordance with a set of TOR which include, amongst others, the following:

(a) review the relevance and consistency of the accounting standards, the significant financial reporting issues, recommendations, and judgements made by the external auditors so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;

(b) assist the Board in the discharge of its responsibilities on financial and reporting matters;

(c) review the assurance from the CEO, the COO and the CFO on the financial records and financial statements;

(d) review with the external auditor, the audit plans (including scope), their evaluation of the system of internal controls, their audit report, their management letter and the management's response, and results of the audit compiled by the external auditor;

(e) review with the internal auditor, the internal audit plans (including scope) and their evaluation of the adequacy of the Company's internal controls, risk management framework and accounting system before submission of the results of such review to the Board for approval (where necessary);

(f) monitor the implementation of rectification measures proposed by the internal and external auditors;

(g) review and report to the Board, at least annually, the adequacy and effectiveness of the Group's internal controls and procedures addressing financial, operational, compliance and information technology risks, and risk management systems, and ensure coordination between the internal auditors and external auditor and our management, and review the assistance given by the Management to the internal and external auditor, and discuss problems and concerns, if any, and any matters which the internal and external auditor may wish to discuss (in the absence of the Management where necessary);

(h) review the relevant policy and procedures, and the scope and adequacy thereof, in respect to the Group's ongoing compliance with the requirements of the Specific Operation Production Mining Business Licence for transportation and trading of coal (*Izin Usaha Pertambangan Operasi Produksi Khusus*);

(i) review the periodic financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory and/or regulatory requirements;

(j) review and discuss with the external and internal auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules, or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the Management's response;

(k) review the independence and objectivity of the external auditor and recommend their appointment or re-appointment, remuneration and terms of engagement;

(l) review the Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time;

(m) review and approve interested person transactions and transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

(n) review reports prepared by the internal auditor on compliance with the guidelines and procedures for interested person transactions;

(o) review potential conflicts of interests (if any) and to set out a framework to resolve or mitigate any potential conflicts of interest, and to propose additional measures where appropriate;

(p) assess and supervise the Company's, PT Deli Indonesia Raya's and PT Karya Niaga Gemilang's ongoing compliance with the terms set out in the PT Deli Pratama Angkutan Laut Shareholders' Agreement;

(q) appraise the performance of the Chief Financial Officer on an annual basis;

(r) review the key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, immediately announced via SGXNET;

(s) review and approve all hedging policies and instruments implemented by the Group and conduct periodic review of foreign exchange transactions and hedging policies and procedures;

(t) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(u) review arrangements by which concerns about possible improprieties in matters of financial reporting or other matters can be raised and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and

(v) generally, to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time.

The Chairman of the AC reports formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

The AC has the authority to investigate any matters within its TOR, full access to and co-operation by Management, full discretion to invite any Director or executive officer to attend its meetings and avail itself to reasonable resources to enable it to discharge its functions properly. The AC can seek professional advice, where necessary, and at the Company's expense.

Whistle Blowing Policy

The Group has added the key points of the Whistle Blowing Policy into the employee handbook which provides the mechanism for which staff of the Group may in confidence, raise concerns about possible improprieties of financial reporting, and misconduct or wrongdoing relating to the Company and its officer. The AC oversees the administration of the policy. Where a complaint has been made, a report will be submitted to the AC for investigation and follow-up. The identity of the whistleblower is kept confidential and the whistleblower will be protected from detrimental and unfair treatment. There was no whistle-blowing report received by the AC in FY2021.

<u>Provision 10.2</u>

As at the date of this report, the AC comprises three (3) members, all of whom are Independent and Non-Executive Directors. The members of the AC are as follows:

Mr Hew Koon Chan	Chairman	Independent Non-Executive Director
Ms Alice Yan	Member	Independent Non-Executive Chairman
Mr Cheong Hock Wee (1)	Member	Independent Non-Executive Director

Note:

(1) Mr Cheong Hock Wee was appointed as a member of the AC on 1 September 2021.

At least two members, including Mr Hew Koon Chan and Ms Alice Yan, possess the necessary accounting or related financial management experience in discharging their duties. The Board is of the view that the AC consists of members who are appropriately qualified and that they have sufficient accounting or related financial management expertise and experience to discharge their duties and responsibilities of the AC.

<u>Provision 10.3</u>

No former partner or director of the Company's existing auditing firm is a member or has acted as a member of the AC, and the members of the AC also confirmed that they have no financial interest in the Company's existing auditing firm.

<u>Provision 10.4</u>

Internal Audit

The Group has outsourced its internal audit function to RSM Risk Advisory Pte. Ltd. to assist the Group in reviewing the design and effectiveness of key internal controls which address financial, operational, compliance and information technology risks, and the Group's risk management policy and system as a whole. The AC will review and approve the annual internal audit plan and the appointment and remuneration of the internal auditor. The internal auditor reports directly to the AC on audit matters and to the CEO on administrative matters. For FY2021, the AC has reviewed the internal auditor's audit plan and their evaluation of the system of internal controls. The AC also evaluated the internal auditor's audit findings and Management's responses to those findings.

The internal auditor carries out its function according to the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The internal auditor has unfettered access to all the Group's documents, records, properties, and personnel, including access to the AC.

The AC approves the hiring, removal, evaluation, and compensation of the independent professional consultancy firm to which the internal audit function is outsourced. The AC is satisfied that the outsourced internal audit function is independent, adequately resourced, effective and has the appropriate standing within the Group. The AC is also of the view that the outsourced internal audit function is adequately staffed with persons with the relevant qualifications and experience and adheres to professional standards.

External Audit

Baker Tilly TFW LLP ("**Baker Tilly**") was re-elected as the Group's external auditor at the AGM held on 26 April 2021 until the conclusion of the forthcoming AGM. The aggregate amount of expenses paid or payable to Baker Tilly and independent member firm of Baker Tilly International for FY2021 are as follows:

Description of Services	Amount (S$'000)	Percentage
Audit fees	134.5	100.0%
Non-audit fees	–	–
Total	**134.5**	**100.0%**

There were no non-audit services provided by Baker Tilly in FY2021 (FY2020: Nil). The Board, with the concurrence of the AC is of the opinion that the independence and objectivity of Baker Tilly have not been affected.

The AC recommends to the Board on the proposals to the Shareholders on the appointment, re-appointment and removal of external auditor and approval of the remuneration of the external auditor. After considering the resources and experience of Baker Tilly and the audit engagement manager assigned to the audit, Baker Tilly's other audit engagements, the size and complexity of the audit for the Group, as well as the number and experience of the staff assigned by Baker Tilly for the audit, the AC has recommended to the Board the nomination and re-appointment of Baker Tilly as the external auditor for the Company's audit obligations for the financial year ending 31 December 2022, at the forthcoming AGM. The Company confirms that Rule 712 and Rule 715 of the Catalist Rules have been complied with in appointing audit firms for the Group.

The external auditor briefs the AC members on the developments in accounting standards (where applicable) during AC meetings to keep the AC members abreast of changes to the accounting standards and issues which have a direct impact on financial statements. The AC has full access to the external auditor without the presence of Management and is authorised to have full and unrestricted access to Management and all personnel, records, operations, properties, and other informational sources of the Company as required or desirable to properly discharge its responsibilities.

Key Audit Matters

The revenue recognition represents the key audit matter ("**KAM**") as revenue is one of the Group's key performance indicators and a significant audit work which requires significant amount of auditor's attention during their audit. The COVID-19 pandemic has not affected the revenue recognition processes. The AC has reviewed the KAM and concurred and agreed with the external auditor and Management on their assessment on the KAM reported by the external auditor.

Provision 10.5

The AC will meet with the external auditor and internal auditor without the presence of the Management, at least once annually, and as and when necessary, to review the adequacy of audit arrangement, with emphasis on the scope and quality of their audit, the independence, objectivity and observations of the external auditor and internal auditor. In respect of FY2021, the AC has met the external auditor and internal auditor, without the presence of Management.

D. SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position, and prospects.

Provision 11.1

Shareholders are encouraged to attend the general meetings of the Company to ensure a high level of accountability by the Board and Management, and to stay informed of the Group's strategies and growth plans. All the Directors will endeavour to attend the AGM and extraordinary general meetings, and Shareholders are given the opportunity to participate, voice their views or opinions and to raise questions regarding the Company.

The notices of general meetings setting out the agenda are despatched to Shareholders with the annual reports, explanatory notes and if necessary, letters to shareholders on the items of special businesses, at least fourteen (14) days before general meetings are called to pass ordinary resolutions, or twenty-one (21) days before general meetings are called to pass special resolutions, in compliance with the Companies Act, the Catalist Rules and the Company's Constitution.

If any Shareholder is unable to attend, the Shareholder is allowed to appoint up to two (2) proxies to attend, speak and vote on his/her behalf at the general meeting through proxy form sent in advance, at least seventy-two (72) hours before the time of the meeting. The Company's Constitution allows corporations which are considered "relevant intermediary" to appoint more than two proxies to attend, speak and vote at the general meeting.

The Company's AGM on 26 April 2021 was held by way of electronic means, through "live webcast" and "live audio stream", in accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings) Orders. The notice of AGM was not published on the newspaper but was instead disseminated to Shareholders through publication on SGXNET and the Company's website, in accordance with the alternative arrangements for holding of the AGM approved by the relevant authorities. The Company had also published a letter to Shareholders, together with the notice of AGM, detailing the alternative arrangements for the AGM held on 26 April 2021, during the COVID-19 pandemic. Shareholders participated in the AGM via electronic means, and their questions (if any) in relation to any resolution set out in the notice of AGM were sent to the Company in advance of the AGM, and responses to the queries were provided via announcement on SGXNET and the Company's website. The Company did not receive any queries from Shareholders before the AGM held on 26 April 2021.

Provision 11.2

Matters which requires Shareholders' approval are presented and proposed as a separate resolution. The Company practises having separate resolutions at general meetings for each distinct issue. Each item of special business in the notice of general meeting is accompanied by an explanatory note, where appropriate. Proxy form is also sent with the notice of general meeting to all Shareholders.

In compliance with Rule 730A(2) of the Catalist Rules, resolutions tabled at general meetings of Shareholders will be put to vote by poll, using polling slips, the procedures of which will be explained by the appointed scrutineer(s) at general meetings. All votes will be counted and announced immediately at the meeting, and announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages are announced via SGXNET after the conclusion of the general meeting on the same day.

For FY2020, as the AGM on 26 April 2021 was held by electronic means, voting at the AGM was by proxy only. Shareholders who wish to vote on any or all of the resolutions at the AGM, have appointed the Chairman of the AGM as their proxy by completing the proxy form for the AGM, and submitted the proxy form by post or by email to the Company seventy-two (72) hours before the AGM.

Provision 11.3

The chairpersons and/or members of the Board, the AC, the NC, and the RC will be available at the AGM to address any relevant queries from Shareholders. The external auditor will also be present at the AGM to address Shareholders' queries about the conduct of the audit and the preparation and content of the auditor's report.

All Directors were present at the last AGM held by electronic means on 26 April 2021. Save for the last AGM held on 26 April 2021, there were no other general meetings of the Company held during FY2021.

Provision 11.4

As the authentication of Shareholder identity information and other related security issues remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, e-mail, or fax.

Provision 11.5

The proceedings of the annual general meeting and extraordinary general meeting (if any) are properly recorded, including all comments or queries raised by shareholders relating to the agenda of the meeting and responses from the Board and Management. AII minutes of general meetings are available to Shareholders upon their request. For the AGM held on 26 April 2021, the Company had published the minutes of the AGM on its corporate website and the SGXNet within one month from the conclusion of the AGM.

Provision 11.6

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirements, cash flow, general business conditions, development plans and other factors as the Directors may deem appropriate.

On 26 February 2022, the Board proposed a tax-exempt (one-tier) final dividend of S$0.01 per share, subject to approval of the Company's shareholders at the forthcoming Annual General Meeting. The final dividend, represents a dividend yield of 2.5%, based on share price of S$0.40 as at 26 February 2022.

Any future dividends that the Board may recommend or declare in respect of any particular financial year or period will be subject to the factors outlined below as well as other factors deemed relevant by the Board:

(a) the level of the Group's cash and earnings;

(b) the Group's actual and projected financial performance;

(c) the Group's projected levels of capital expenditure and other investment plans;

(d) the ability of our subsidiaries to make dividend payments to the Company;

(e) the Group's working capital requirements and general financing condition; and

(f) restrictions on payment of dividends imposed on the Company by the Group's financing arrangements (if any).

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

The Company communicates regularly with its Shareholders and facilitates the participation of Shareholders during general meetings and other dialogues to allow Shareholders to communicate their views on various matters affecting the Company.

<u>Provisions 12.1, 12.2 and 12.3</u>

Information is communicated to Shareholders on a timely basis. Where disclosure is inadvertently made to a selected group, the Company will make the same disclosure publicly as soon as practicable for it to do so.

The Group's corporate communication is made through:

(a) annual reports to Shareholders (which includes notices of general meetings) are prepared and issued to all on the SGXNET within the mandatory period;

(b) annual and half-yearly financial statements announcements containing a summary of the financial information and affairs of the Group for the period;

(c) notices and explanatory memoranda for general meetings;

(d) disclosures to the SGX-ST and the Shareholders by releasing announcements via SGXNET;

(e) circulars or letters to Shareholders to provide the Shareholders with more information on its major transactions; and

(f) press releases.

The Company does not have an investor relations policy in place. However, the Board's policy is that all Shareholders should be informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Group via SGXNET on an immediate basis, in line with the Group's disclosure obligations pursuant to the Catalist Rules and the Companies Act. There is no dedicated investor relations team in place as the Board was of the view that the current communication channels are sufficient and cost-effective.

E. MANAGING STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

<u>Provisions 13.1 and 13.2</u>

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to secure the long-term future of the Company. The Company's efforts on sustainability are focused on creating sustainable value for our key stakeholders, which include communities, customers, staff, regulators, shareholders, and vendors.

The Company was listed on the Catalist board of the SGX-ST on 31 January 2020. Pursuant to paragraph 6.5 of Practice Note 7F of the Catalist Rules, for an issuer listed on or after 1 January 2017, sustainability reporting ("**SR**") will be required from its full financial year of listing. As such, the Company has issued its first SR in this annual report for the financial year ended 31 December 2021 to keep stakeholders informed on the commitment made by the Company in fostering the creation of long-term value for the stakeholders and sustainable development of the global economy.

Provision 13.3

Shareholders and the public can access information on the Group via its website at https://rgd.sg. Stakeholders of the Company may also send feedback to the Company at info@rgd.sg.

DEALING IN SECURITIES

The Company has adopted an internal compliance code to provide guidance to the Directors, officers and all employees of the Group with regard to dealing in the Company's securities, pursuant to Rule 1204(19) of the Catalist Rules. The Company, Directors and its officers shall not deal in the Company's shares during the period commencing one (1) month prior to each announcement of half-year and full-year financial results by the Company, ending on the date of the announcement of the relevant results. Directors and officers are also expected to observe insider-trading laws at all times even when dealing in securities within permitted trading periods or when they are in possession of unpublished price-sensitive information, and they are not to deal in the Company's securities on short-term considerations.

The Board confirms that, as at the date of this Report, the Company has complied with Rule 1204(19) of the Catalist Rules.

INTERESTED PERSON TRANSACTIONS

The Group has obtained a general mandate from shareholders of the Company for interested person transactions ("**IPTs**") in respect of the purchase of coal from interested persons. The IPTs entered into by the Group during FY2021 is set out as follows:

Name of interested person	Nature of relationship	Aggregate value of all IPTs in FY2021 (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S$'000)	Aggregate value of all IPTs in FY2021 conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) (S$'000)
PT Deli Pratama Angkutan Laut ("**PT DPAL**")[1]	An associate of the controlling shareholders of the Company	1,022 [2]	– [3]

Notes:

(1) PT DPAL is owned by (i) the Company (effective interest of 50.5% via 49% Class-A voting shares in PT DPAL); and (ii) PT Deli Indonesia Raya ("**PT DIR**") (effective interest of 49.5% via 48% Class-A voting shares in PT DPAL). PT DIR is wholly owned by certain of the Founding Shareholders[4] (namely Mr Djunaidi Hardi, Mr Arifin Ang, Mr Juhadi and Mr Arifin Tan) and their associates (namely Mdm Ratih Anggaraini and Mdm Lai Hong).

(2) The IPT relates to an interest-free loan of IDR22 billion ("**Loan**") provided by PT DNS (a 99%-subsidiary of the Company) (being the entity at risk) to PT DPAL (being the interested person), to partially finance PT DPAL's purchase of two new sets of tugboat and barge. The value of transaction represented approximately 2.8% of the Group's then latest audited net tangible assets as at 31 December 2020.

Pursuant to Rules 909(1) and 909(3) of the Catalist Rules, (i) the value of the transaction is the Company's effective interest in the transaction; and (ii) in the case of lending of funds to an interested person, the value of the transaction is the interest payable on the loan and the value of the loan. Accordingly, the value of the transaction amounted to approximately S$1,022,000 (or IDR 11.11 billion, computed based on an exchange rate of IDR100 : S$0.009195), calculated based on the Company's effective interest of 50.5% in PT DPAL and the value of the interest-free Loan of IDR22 billion.

(3) There were no transactions conducted under the shareholders' mandate in FY2021 with the interested persons, PT Sumber Alam Makmur Utama ("**PT SAMU**") and PT Sarolangun Ketalo Coal ("**PT SKC**"). Notwithstanding, the Company intends to seek shareholder approval for the renewal of the shareholders' mandate on purchase of coal from the interested persons at the forthcoming annual general meeting.

(4) Founding Shareholders refer to Mr Djunaidi Hardi, Mr Arifin Ang, Mr Limas Ananto, Mr Juhadi and Mr Arifin Tan. 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).

RISK MANAGEMENT

The Management regularly reviews the Company's business and operational activities to identify areas of significant business risks as well as appropriate measures to manage and mitigate these risks. The Management reviews all the significant control policies and procedures and highlights all significant findings to the Directors and the AC.

NON-SPONSORHIP FEES

With reference to Rule 1204(21) of the Catalist Rules, no non-sponsor fees were paid to the Company's Sponsor, ZICO Capital, for FY2021 and up to the date of this Annual Report.

MATERIAL CONTRACTS

Save as disclosed in the section entitled "Material Contracts" in the Offer Document, there were no material contracts (including loans) entered into by the Company or any of its subsidiaries involving the interest of the CEO, any Director or controlling shareholder which are either still subsisting as at the end of FY2021 or if not then subsisting, entered into since the end of the previous financial year ended 31 December 2020.

Information on Directors nominated for re-election – Appendix 7F of the Catalist Rules

Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in Appendix 7F of the Catalist Rules on Ms Alice Yan, Mr Salim Limanto and Mr Cheong Hock Wee, being the Directors who are retiring in accordance with the Company's Constitution and seeking re-appointment as Directors at the forthcoming AGM is set out below:

Name of Director	**Ms Alice Yan**	**Mr Salim Limanto**	**Mr Cheong Hock Wee**
Date of appointment	27 December 2019	12 December 2018	1 September 2021
Date of last re-appointment (if applicable)	21 May 2020	21 May 2020	Not Applicable
Age	61	39	64
Country of principal residence	Singapore	Indonesia	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Ms Alice Yan as Independent Non-Executive Chairman was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Ms Yan's qualifications, expertise, past experiences, and overall contribution since she was appointed as a Director of the Company.	The re-election of Mr Salim Limanto as an Executive Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr Limanto's qualifications, expertise, past experiences, and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr Cheong Hock Wee as an Independent Non-Executive Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration of Mr Cheong's qualifications, expertise, and past experiences and overall contribution since he was appointed as Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive.	Executive. Mr Limanto is responsible for the overall operations and business development activities of the Group.	Non-Executive.
Job Title (e.g., Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Chairman, Chairman of the NC and a member of the AC and the RC	Executive Director and Chief Operating Officer	Independent Non-Executive Director, Chairman of the RC and a member of the AC and the NC
Professional qualifications	• Bachelor of Science	• Bachelor of Economics, majoring in Accountancy	• Bachelor of Naval Architecture • Master in Industrial Engineering • Executive Program for Management

Name of Director	Ms Alice Yan	Mr Salim Limanto	Mr Cheong Hock Wee
Working experience and occupation(s) during the past 10 years	**Aug 2019 – Present:** Kode 101 – Co-Founder and Chief Executive Officer **Nov 2014 – Dec 2016:** PT Bank ICBC Indonesia – Executive Vice President - Consumer Banking Group Head **Apr 2013 – Aug 2014:** Julius Baer & Co., Ltd. (Singapore) – Director **Nov 2011 – Apr 2013:** Standard Chartered Private Bank (Singapore) – Director **May 2005 – Nov 2011:** Merill Lynch International Bank Limited (Merchant Bank) (Singapore) – Director of Invesments Private Wealth Manager **Sep 2004 – Apr 2005:** The Citigroup Private Bank Vice President – Private Banker **Jun 1990 – Aug 2004:** Citibank Corporate Bank, Vice President (Jakarta, Indonesia)	**Dec 2018 – Present:** Company – Executive Director and Chief Operating Officer **Oct 2013 – Present:** PT Deli Niaga Sejahtera – President Director **Feb 2013 – Present:** PT Deli Pratama Angkutan Laut – President Director **Feb 2009 – Jun 2019:** Deli International Resources Pte. Ltd. - Director **Sep 2018 – Dec 2018:** Resources International Development Pte. Ltd. - Director **Jun 2006 – Jun 2018:** PT Sinar Deli – Head of Sales & Shipping **Sep 2008 – Jan 2012:** PT Sinar Deli – Head of Sales & Shipping	**Jul 2012 – Nov 2014:** DDW Pax Ocean Asia Pte. Ltd. – Chief Operating Officer **Aug 2007 – Jan 2011:** Singapore Star Shipping Pte. Ltd. - General Manager
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	Yes. Mr Salim is the son of Mr Djunaidi Hardi and the nephew of each of Mr Juhadi, Mr Arifin Ang and Mr Limas Ananto ("**Founding Shareholders**"). The Founding Shareholders are deemed to be interested in the shares held by Deli International Resources Pte. Ltd. (the controlling shareholder of the Company)	No
Conflict of interest (including any competing business)	Nil	Nil	Nil

<table>
<tr><th>Name of Director</th><th>Ms Alice Yan</th><th>Mr Salim Limanto</th><th>Mr Cheong Hock Wee</th></tr>
<tr><td>Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer</td><td>Yes</td><td>Yes</td><td>Yes</td></tr>
<tr><td colspan="4">Other Principal Commitments* Including Directorships #
* “Principal Commitments” has the same meaning as defined in the Code - “principal commitments” includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations.
# These fields are not applicable for amouncements of appointments pursuant to listing Rule 704(8).</td></tr>
<tr><td>Past (for the last 5 years)</td><td>Nil</td><td>• Deli International Resources Pte. Ltd.
• Global Credential Investment Pte. Ltd. (struck off as at 4 October 2016)
• Palmsphere Sdn Bhd
• PT Deli Niaga Jaya
• Resources International Development Pte. Ltd. (formerly known as Borneo Resources International Pte. Ltd.) (struck off as at 4 March 2021)</td><td>Nil</td></tr>
<tr><td>Present</td><td>Kode 101 (Partnership)</td><td>• PT Deli Niaga Sejahtera
• PT Deli Pratama Angkutan Laut</td><td>Nil</td></tr>
<tr><td>(a) Whether at any time during the last 10 years, an application, or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date, he ceased to be a partner?</td><td>No</td><td>No</td><td>No</td></tr>
</table>

Name of Director	Ms Alice Yan	Mr Salim Limanto	Mr Cheong Hock Wee
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No

Name of Director	Ms Alice Yan	Mr Salim Limanto	Mr Cheong Hock Wee
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation, or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation, or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal, or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

Name of Director	Ms Alice Yan	Mr Salim Limanto	Mr Cheong Hock Wee
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: - (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body, or government agency, whether in Singapore or elsewhere?	No	No	No

Name of Director	Ms Alice Yan	Mr Salim Limanto	Mr Cheong Hock Wee
Any prior experience as a director of an issuer listed on the Exchange. (Yes/No) If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not required for re-election of Director.	Not required for re-election of a Director.	Not required for re-election of a Director.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the the director to undergo training as prescribed by the Exchange (if applicable	Not applicable, this is a re- election of a director.	Not applicable, this is a re- election of a director.	Not applicable, this is a re- election of a director.

FINANCIAL CONTENTS

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Resources Global Development Limited (the "Company") and its subsidiaries (the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2021.

In the opinion of the directors:

(i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 70 to 118 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International); and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors in office at the date of this statement are:

Ms Alice Yan
Mr Francis Lee
Mr Salim Limanto
Mr Hew Koon Chan
Mr Cheong Hock Wee (Appointed on 1 September 2021)

Arrangement to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' interest in shares or debentures

The directors of the Company holding office at the end of the financial year and at 21 January 2022 had no interests in the shares or debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act.

Share options

The RGD Employee Share Option Scheme (the "RGD ESOS") of the Company was approved and adopted on 23 December 2020. The committee administering the RGD ESOS is the Remuneration Committee, which comprises three directors, Mr Cheong Hock Wee, Ms Alice Yan and Mr Hew Koon Chan.

Information regarding the RGD ESOS is set out below:

a) The exercise price of the options is determined at the Remuneration Committee's discretion, and set at a price (the "Market Price") equal to the average of the last dealt prices for a Share on the official list of the SGX-ST for the five (5) consecutive market days immediately preceding the date on which an offer to grant an Option is made or at discount to the Market Price (subject to a maximum discount of 20%).

b) Options which are fixed at the Market Price may be exercised after the first anniversary of the date on which an offer to grant that option is made, while options exercisable at a discount to the Market Price may be exercised after the second anniversary from the date on which an offer to grant that option is made. Options granted will have a life span of up to 10 years. Under the rules of the RGD ESOS, while there are no fixed periods for the grant of options, the RGD ESOS shall continue in operation for a maximum duration of 10 years and may be continued for any further period thereafter with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. As such, offers of the grant of options may be made at any time from time to time at the discretion of our Remuneration Committee as long as the RGD ESOS is in operation.

Since the commencement of the RGD ESOS till the end of the financial year:

a) no options have been granted to directors or controlling shareholders of the Company and their associates;

b) no participant under the RGD ESOS has received 5% or more of the total options available under the RGD ESOS; and

c) no options have been granted under the RGD ESOS.

Audit Committee

The members of the Audit Committee at the date of this statement are:

Mr Hew Koon Chan (Chairman)
Ms Alice Yan
Mr Cheong Hock Wee

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. Their functions are detailed in the Corporate Governance Report section of the Annual Report 2021.

In performing its functions, the Audit Committee met with the Company's independent external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee is satisfied with the independence and objectivity of the independent auditors and has recommended to the Board that Baker Tilly TFW LLP be nominated for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Salim Limanto Director	Francis Lee Director

1 April 2022

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Resources Global Development Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 70 to 118, which comprise the statements of financial position of the Group and of the Company as at 31 December 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

Description of key audit matter

Revenue is one of the key elements in the financial statements used as a measure of financial performance of an entity. The Group's revenue totalled $133,327,996 for the financial year ended 31 December 2021 from coal trading and coal shipping services (Note 4). The accounting policy for revenue recognition is set out in Note 2(d) to the financial statements. We identified revenue recognition as a key audit matter because revenue is one of the Group's key performance indicators and a significant audit risk which requires significant amount of our attention during the audit.

Our audit procedures to address key audit matter:

We obtained an understanding of the revenue recognition process and performed test of design and implementation of the relevant key internal controls for the significant class of revenue transactions. We performed substantive procedures, which include test of details on a sample basis and cut-off procedures by reviewing management's estimation on data such as shipping schedules, departure dates and arrival dates for vessel voyages in progress at year end to ensure that the revenue is accurately recorded in the correct financial period. We also assessed the adequacy and appropriateness of the disclosures made in the financial statements.

To the members of Resources Global Development Limited

Report on the Audit of the Financial Statements (cont'd)

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Khor Boon Hong.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

1 April 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2021

	Note	Group 2021 $	Group 2020 $
Revenue	4	**133,327,996**	73,246,735
Cost of sales and services		**(107,961,493)**	(63,664,534)
Gross profit		**25,366,503**	9,582,201
Interest income		**205,113**	128,027
Other income	5	**44,414**	279,669
Expenses			
Administrative expenses		**(2,854,979)**	(4,155,873)
Finance costs	6	**(222,675)**	(618,626)
Profit before tax	7	**22,538,376**	5,215,398
Tax expense	9	**(3,574,300)**	(692,028)
Profit for the financial year		**18,964,076**	4,523,370
Other comprehensive income/(loss)			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation		**244,494**	(552,246)
Item that will not be reclassified subsequently to profit or loss:			
Remeasurement of post-employment benefits liabilities, net of tax		**27,942**	(18,611)
Currency translation differences arising from consolidation		**119,593**	(406,227)
Other comprehensive income/(loss) for the financial year, net of tax		**392,029**	(977,084)
Total comprehensive income for the financial year		**19,356,105**	3,546,286
Profit for the financial year attributable to:			
Equity holders of the Company		**14,818,035**	3,080,953
Non-controlling interests		**4,146,041**	1,442,417
		18,964,076	4,523,370
Total comprehensive income attributable to:			
Equity holders of the Company		**15,074,956**	2,512,862
Non-controlling interests		**4,281,149**	1,033,424
		19,356,105	3,546,286
Earnings per share attributable to equity holders of the Company (cents per share)			
Basic and diluted	10	**16.5**	3.5

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021

		Group		Company	
		2021	2020	**2021**	2020
	Note	**$**	$	**$**	$
Non-current assets					
Property, plant and equipment	11	**40,548,725**	30,652,759	**3,147,084**	143,759
Intangible assets	12	**115,220**	–	**–**	–
Deferred tax assets		**7,846**	8,387	**–**	–
Investment in subsidiaries	13	**–**	–	**2,061,028**	2,061,028
Other receivables	14	**2,572**	2,557	**–**	–
		40,674,363	30,663,703	**5,208,112**	2,204,787
Current assets					
Contract assets	15	**531,523**	390,026	**–**	45,949
Inventories	16	**4,180,409**	1,990,903	**–**	–
Trade and other receivables	14	**7,110,085**	11,272,365	**242,384**	4,006,433
Cash and cash equivalents		**20,346,000**	5,845,187	**3,628,977**	1,378,759
		32,168,017	19,498,481	**3,871,361**	5,431,141
Total assets		**72,842,380**	50,162,184	**9,079,473**	7,635,928
Non-current liabilities					
Liabilities for post-employment benefits	17	**318,971**	336,585	**–**	–
Borrowings	18	**2,461,381**	4,816,076	**2,382,750**	43,455
		2,780,352	5,152,661	**2,382,750**	43,455
Current liabilities					
Trade and other payables	19	**9,648,892**	6,409,550	**411,196**	4,018,588
Contract liabilities	15	**1,748,401**	1,617,592	**–**	–
Borrowings	18	**1,246,698**	115,989	**1,201,385**	85,187
Tax payable		**1,640,697**	426,182	**1,166**	–
		14,284,688	8,569,313	**1,613,747**	4,103,775
Total liabilities		**17,065,040**	13,721,974	**3,996,497**	4,147,230
Net assets		**55,777,340**	36,440,210	**5,082,976**	3,488,698
Equity					
Share capital	20	**5,701,262**	5,701,262	**5,701,262**	5,701,262
Retained earnings/(accumulated losses)		**32,281,781**	17,451,319	**(618,286)**	(2,212,564)
Currency translation reserve		**(893,735)**	(1,138,229)	**–**	–
Equity attributable to equity holders of the Company		**37,089,308**	22,014,352	**5,082,976**	3,488,698
Non-controlling interests		**18,688,032**	14,425,858	**–**	–
Total equity		**55,777,340**	36,440,210	**5,082,976**	3,488,698

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2021

Group	Share capital	Retained earnings	Currency translation reserve	Total	Non-controlling interests	Total Equity
	← Attributable to equity holders of the Company			→		
	$	$	$	$	$	$
2021						
Balance at 1 January 2021	5,701,262	17,451,319	(1,138,229)	22,014,352	14,425,858	36,440,210
Profit for the financial year	–	14,818,035	–	14,818,035	4,146,041	18,964,076
Other comprehensive income						
Currency translation differences arising from consolidation	–	–	244,494	244,494	119,593	364,087
Remeasurement of post-employment benefits liabilities	–	12,427	–	12,427	15,515	27,942
Other comprehensive income for the financial year, net of tax	–	12,427	244,494	256,921	135,108	392,029
Total comprehensive income for the financial year	–	14,830,462	244,494	15,074,956	4,281,149	19,356,105
Dividend paid by a subsidiary to non-controlling shareholders	–	–	–	–	(18,975)	(18,975)
Balance at 31 December 2021	**5,701,262**	**32,281,781**	**(893,735)**	**37,089,308**	**18,688,032**	**55,777,340**
2020						
Balance at 1 January 2020	3,000,000	14,386,211	(585,983)	16,800,228	13,152,434	29,952,662
Profit for the financial year	–	3,080,953	–	3,080,953	1,442,417	4,523,370
Other comprehensive loss						
Currency translation differences arising from consolidation	–	–	(552,246)	(552,246)	(406,227)	(958,473)
Remeasurement of post-employment benefits liabilities	–	(15,845)	–	(15,845)	(2,766)	(18,611)
Other comprehensive loss for the financial year, net of tax	–	(15,845)	(552,246)	(568,091)	(408,993)	(977,084)
Total comprehensive income/(loss) for the financial year	–	3,065,108	(552,246)	2,512,862	1,033,424	3,546,286
Issuance of new shares	3,000,000	–	–	3,000,000	240,000	3,240,000
Share issue expenses	(298,738)	–	–	(298,738)	–	(298,738)
Balance at 31 December 2020	5,701,262	17,451,319	(1,138,229)	22,014,352	14,425,858	36,440,210

The accompanying notes form an integral part of these financial statements.

For the financial year ended 31 December 2021

	Share capital $	Accumulated losses $	Total equity $
Company			
Balance at 1 January 2020	3,000,000	(2,029,325)	970,675
Loss for the financial year	–	(183,239)	(183,239)
Issuance of new shares	3,000,000	–	3,000,000
Share issue expenses	(298,738)	–	(298,738)
Balance at 31 December 2020	5,701,262	(2,212,564)	3,488,698
Profit for the financial year	–	1,594,278	1,594,278
Balance at 31 December 2021	**5,701,262**	**(618,286)**	**5,082,976**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2021

	Group	
	2021	2020
	$	$
Cash flows from operating activities		
Profit before tax	**22,538,376**	5,215,398
Adjustments for:		
Depreciation of property, plant and equipment	**3,932,481**	4,123,114
Post-employment benefits	**7,685**	122,449
Inventories written off	**291,284**	–
Interest income	**(205,113)**	(128,027)
Interest expense	**222,675**	618,626
Operating cash flows before working capital changes	**26,787,388**	9,951,560
Change in operating assets and liabilities:		
Inventories	**(2,480,790)**	(1,953,099)
Receivables and contract assets	**4,020,768**	(3,636,349)
Payables and contract liabilities	**(1,537,321)**	(1,749,185)
Currency translation difference	**85,723**	(247,574)
Cash generated from operations	**26,875,768**	2,365,353
Interest received	**205,113**	128,027
Taxes paid	**(2,370,338)**	(731,980)
Net cash generated from operating activities	**24,710,543**	1,761,400
Cash flows from investing activities		
Purchases of property, plant and equipment (Note 11(b))	**(8,613,010)**	(2,718,642)
Purchases of intangible assets	**(114,342)**	–
Net cash used in investing activities	**(8,727,352)**	(2,718,642)
Cash flows from financing activities		
Proceeds from issuance of shares	**–**	3,000,000
Proceeds from issuance of shares to non-controlling interest	**–**	240,000
Proceeds from bank loan	**2,560,000**	–
Transaction costs directly attributable to issue of shares	**–**	(298,738)
Interest paid	**(222,675)**	(618,626)
Dividend paid to non-controlling shareholders	**(18,975)**	–
Loan from immediate holding company	**1,000,000**	–
Repayment of bank loans	**(4,662,462)**	(2,775,900)
Repayment of advances from a related party	**–**	(500,000)
Repayment of lease liabilities	**(126,143)**	(215,679)
Net cash used in financing activities	**(1,470,255)**	(1,168,943)
Net increase/(decrease) in cash and cash equivalents	**14,512,936**	(2,126,185)
Effect of exchange rate changes on cash and cash equivalents	**(12,123)**	73
Cash and cash equivalents at beginning of financial year	**5,845,187**	7,971,299
Cash and cash equivalents at end of financial year	**20,346,000**	5,845,187

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Corporate information

Resources Global Development Limited (the "Company") (Co. Reg. No. 201841763M) is incorporated and domiciled in Singapore.

The principal place of business of the Company is located at 144 Robinson Road, #11-02 Robinson Square, Singapore 068908.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 13.

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

2 Summary of significant accounting policies

a) Basis of preparation

The financial statements, expressed in Singapore dollar ("$"), have been prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

2 Summary of significant accounting policies (cont'd)

a) Basis of preparation (cont'd)

New and revised standards that are adopted

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new/revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 December 2021 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

Business combinations involving entities or businesses under common control are accounted for by applying the pooling of interest method.

Under this method, the Company has been treated as the holding company of the subsidiaries for the financial period presented. Accordingly, the results of the Group include the results of the subsidiaries for the entire period under review. Such manner of presentation reflects the economic substance of the companies, which were under common control throughout the relevant period, as a single economic enterprise, although the legal parent-subsidiary relationships were not established.

Pursuant to this:

- assets and liabilities are reflected at their existing carrying amounts;
- no adjustments are made to reflect the fair values on the date of combination or recognise any new assets or liabilities;
- no amount is recognised for goodwill;

2 Summary of significant accounting policies (cont'd)

b) Basis of consolidation (cont'd)

Pursuant to this: (cont'd)

- any difference between the consideration paid by the Company and the share capital of the subsidiaries is reflected within the equity of the Group as merger reserve;
- prior to the issue of shares by the Company, the aggregate paid-up capital and retained earnings of the subsidiaries held directly by the Company is shown as the Group's share capital and retained earnings for financial period under review; and
- non-controlling interests are measured at the non-controlling interests proportionate share of the entities' net assets.

Other business combinations are accounted for using acquisition method. The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill. In instances where the latter amount exceeds the former and the measurement of all amounts has been reviewed, the excess is recognised as gain from bargain purchase in profit or loss on the date of acquisition.

Non-controlling interest are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value or, when applicable, on the basis specified in another standard.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amount of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to owners of the Company.

2 Summary of significant accounting policies (cont'd)

c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's statement of financial position, investment in subsidiaries is accounted for at cost less accumulated impairment losses, if any. On disposal of the investments, the difference between disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

d) Revenue recognition

Sale of coal

Revenue is recognised at a point in time when the goods are delivered to a contractually agreed location where the control over the goods are passed to the customer. The amount of revenue recognised is the amount of transaction price allocated to the satisfied performance obligation ("PO") as per specified in the contract with no element of financing deemed present. The transaction price determined is the amount of consideration in the contract to which the Group expects to be entitled in exchange for satisfying the PO.

Coal shipping services

Revenue from coal shipping services is recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group, by reference to the voyage progress as at the end of the reporting period. Revenue is recognised evenly over the duration of each voyage as the performance obligation is satisfied.

The Group has a right to invoice the consideration to a customer in an amount that corresponds directly to the period of chartering in the form of fixed fee at contract inception.

A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Advances received from customer for future deliveries of services is classified as contract liability. Contract assets are transferred to receivables when the rights to consideration becomes unconditional. Contract liabilities are recognised as revenue as (or when) the Group satisfies the performance obligation under its contract.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

e) Employee benefits

Employee leave entitlement

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the reporting date.

2 Summary of significant accounting policies (cont'd)

e) Employee benefits (cont'd)

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund in Singapore, and will have no legal or constructive obligation to pay further contributions once the contributions have been paid. Contributions to defined contribution plans are recognised as an expense in the period in which the related service is performed.

Post-employment benefits

Long-term and post-employment benefits, such as pension, severance pay, service pay and other benefits are calculated in accordance with the "Company Regulation" of the subsidiaries in Indonesia which is in line with Law No. 11/2020 concerning Job Creation in Indonesia.

The obligation for post-employment benefits recognised in the consolidated statement of financial position is calculated at present value of estimated future benefits that the employees have earned in return for their services in the current and prior years, deducted by any plan assets. The calculation is performed by an independent actuary using the Projected Unit Credit method.

When the benefits of a plan change, the portion of the increased or decreased benefits relating to past services by employees is charged or credited to the profit or loss using the straight-line method over the average remaining service period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the profit or loss. Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income or loss.

f) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of small items of office equipment). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

2 Summary of significant accounting policies (cont'd)

f) Leases (cont'd)

Lease liabilities (cont'd)

Lease payments included in the measurement of the lease liabilities comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liabilities are presented within "borrowings" in the statements of financial position.

The lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liabilities using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liabilities (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liabilities, lease payments made at or before the commencement date, initial direct costs, less any lease incentives received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful lives of the underlying assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented within "Property, plant and equipment" in the statements of financial position.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(k).

2 Summary of significant accounting policies (cont'd)

f) Leases (cont'd)

Right-of-use assets (cont'd)

As a practical expedient, SFRS(I) 16 *Leases* permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease component as a single arrangement. The Group has applied this practical expedient to all its leases of office premises.

g) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable or recoverable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided using the liability method, on all temporary differences at the end of the reporting period arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting nor taxable profit or loss.

Deferred tax liability is provided on all taxable temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on currently enacted or substantively enacted tax rates at the end of the reporting period.

h) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value.

The cost of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

2 Summary of significant accounting policies (cont'd)

h) Property, plant and equipment (cont'd)

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised.

No depreciation is provided on land. Depreciation of other property, plant and equipment is calculated on a straight-line basis to allocate the depreciable amounts of other property, plant and equipment over their estimated useful lives. The estimated useful lives are as follows:

	Years
Buildings	20
Vessels and barges	10 - 20
Dry docking	2
Motor vehicles	5 - 8
Vessel equipment	4
Office premises under leases	3
Office equipment	3 - 8
Renovation	2
Office unit	50

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

Capital work-in-progress represents assets in the course of construction for production, or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss until construction or development is completed. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policies. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Upon acquisition of a vessel, the components of the vessel which are required to be replaced at the next dry-docking are identified and their costs are depreciated over the period to the next estimated dry-docking date, which is generally 2 to 2.5 years. Costs incurred on subsequent dry-docking of vessels are capitalised and depreciated over the period to the next estimated dry-docking date. When significant dry-docking costs incurred prior to the expiry of the depreciation period, the remaining costs of the previous dry-docking are written off immediately.

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

2 Summary of significant accounting policies (cont'd)

i) Intangible assets

Computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Direct expenditure, which enhances or extends the performance of software beyond its original specifications and which can be reliably measured, is recognised as a capital improvement and added to the original cost of the software. Costs associated with maintaining the computer software are recognised as an expense as incurred.

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. The costs are amortised using the straight-line method over their estimated useful lives of 4 years.

No amortisation is provided on system work-in-progress. Amortisation of the system, commences when the asset is ready for its intended use.

j) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of spare parts and fuel are determined using the weighted average method. Costs of coal-in-transit are determined on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

k) Impairment of non-financial assets excluding goodwill

At the end of each reporting period, the Group assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is recognised in other comprehensive income up to the amount of any previous revaluation.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment loss for an asset other than goodwill is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2 Summary of significant accounting policies (cont'd)

l) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

m) Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are classified at amortised cost. The classification is based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets. The Group reclassifies financial assets when and only when its business model for managing those assets changes.

Subsequent measurement

Debt instruments include cash and cash equivalents and trade and other receivables (excluding advance payment to suppliers, prepayments, VAT recoverable, prepaid taxes and grant receivable). These are subsequently measured at amortised cost based on the Group's business model for managing the asset and cash flow characteristics of the asset.

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

2 Summary of significant accounting policies (cont'd)

m) Financial assets (cont'd)

Impairment

The Group recognises an allowance for expected credit losses ("ECL") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a "12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a "lifetime ECL").

For trade receivables and contract assets that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date. The Group provides for lifetime ECLs for all trade receivables for each of the debtors, taking into consideration the historical loss rates and, where applicable, incorporating forward-looking information specific to the individual debtors and the economic environment.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

Offset

Financial assets and liabilities are offset and the net amount presented on the statements of financial position when, and only when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

n) Financial liabilities

Financial liabilities include trade and other payables (excluding deferred grant income) and borrowings. Financial liabilities are recognised on the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

2 Summary of significant accounting policies (cont'd)

o) Functional and foreign currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which that entity operates (the "functional currency"). The financial statements of the Group and the Company are presented in Singapore dollar, which is the Company's functional currency.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for currency translation differences on net investment in foreign operations and borrowings and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the currency translation reserve within equity in the consolidated financial statements. The currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rates at the end of the reporting period;
- Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- All resulting exchange differences are recognised in the currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

On disposal of a foreign group entity, the cumulative amount of the currency translation reserve relating to that particular foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

p) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2 Summary of significant accounting policies (cont'd)

q) Provisions for other liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and that the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of reporting period. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in profit or loss.

r) Borrowing costs

Borrowing costs, which comprise interest and other costs incurred in connection with the borrowing of funds, are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are recognised in the profit or loss using the effective interest method.

s) Dividend

Interim dividends are recorded during the financial year in which they are declared payable.

Final dividends are recorded in the Group's financial statements in the period in which they are approved by the Company's shareholders.

t) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statements of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

u) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incurs expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decision about allocating resources and assessing performance of the operating segments.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Critical judgements made in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2, management has made the following judgement that has the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt in the preceding paragraphs):

Functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required by management to determine the primary economic environment in which the entities operate, the entities' process of determining sales prices and the currency of the country whose competitive forces and regulations mainly influences the prices of its goods and services. Management has assessed that prices are mainly denominated and settled in the respective local currency of the entities of the Group. In addition, most of the entities' cost base is mainly denominated in their respective local currency. Therefore, management concluded that the functional currency of the entities of the Group is their respective local currency.

Key sources of estimation uncertainty

The key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is discussed below.

Estimated useful lives of property, plant and equipment

The useful life of each of the items of the Group's property, plant and equipment is estimated based on the period over which the assets are expected to be available for use. Such estimation is based on internal technical evaluations and experience with similar assets.

The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. It is possible, however, that future results of the operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above.

A change in the estimated useful life of any item of property, plant and equipment would affect the recorded depreciation expense and carrying values of the assets. The carrying amounts of property, plant and equipment at the end of the reporting period are disclosed in Note 11.

4 Revenue

	Group	
	2021	2020
	$	$
Coal trading	**113,201,753**	59,569,066
Coal shipping services	**20,126,243**	13,677,669
	133,327,996	73,246,735

The following table provides a disaggregation disclosure of the Group's revenue by primary geographical market and timing of revenue recognition.

	Coal trading	Coal shipping services	Total
	$	$	$
2021			
Primary geographical markets			
Indonesia	105,367,834	19,571,631	124,939,465
People's Republic of China	7,833,919	554,612	8,388,531
	113,201,753	**20,126,243**	**133,327,996**
Timing of revenue recognition			
At a point in time	113,201,753	–	113,201,753
Over time	–	20,126,243	20,126,243
	113,201,753	**20,126,243**	**133,327,996**
2020			
Primary geographical markets			
Indonesia	53,737,429	13,677,669	67,415,098
People's Republic of China	5,831,637	–	5,831,637
	59,569,066	13,677,669	73,246,735
Timing of revenue recognition			
At a point in time	59,569,066	–	59,569,066
Over time	–	13,677,669	13,677,669
	59,569,066	13,677,669	73,246,735

4 Revenue (cont'd)

The Group applies the practical expedient in SFRS(I) 15 *Revenue from Contracts with Customers* and does not disclose information about its remaining performance obligation if:

- The performance obligation is part of a contract that has an original expected duration of one year or less; or

- The Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, and it recognises revenue in that amount.

5 Other income

	Group	
	2021	2020
	$	$
Government grant income	**20,684**	274,294
Rental income (Note 11(a))	**16,652**	–
Others	**7,078**	5,375
	44,414	279,669

Government grant income consists of Grant for Equity Market Singapore Scheme ("GEMS"), Jobs Support Scheme ("JSS") and Job Growth Incentives ("JGI").

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. In 2020, the Group received $200,000 in relation to the grant.

6 Finance costs

	Group	
	2021	2020
	$	$
Interest expense on:		
- bank loans	**204,545**	591,989
- lease liabilities (Note 11(a))	**18,130**	26,637
	222,675	618,626

7 Profit before tax

	Group	
	2021	2020
	$	$
This is arrived at after charging:		
Included in cost of sales and services:		
Coal purchases	**91,341,699**	48,132,163
Depreciation of vessels and vessel equipment	**3,668,168**	3,865,918
Freight charter	**4,276,895**	4,366,921
Fuel expenses	**2,502,276**	1,740,088
Insurance expenses	**326,412**	314,140
Loading/discharging expenses	**1,058,755**	1,239,643
Mooring and anchoring expenses	**48,818**	36,045
Repair and maintenance	**550,186**	513,723
Staff costs	**1,879,200**	1,514,820
Included in administrative expenses:		
Audit fees paid/payable to:		
- auditor of the Company	**95,000**	88,000
- other auditors*	**39,557**	33,584
Depreciation of property, plant and equipment	**264,313**	257,196
Insurance expenses	**37,157**	28,543
Inventories written off	**291,284**	–
Licensing fee	**3,241**	20,007
(Gain)/loss on foreign currency exchange, net	**(264,694)**	1,161,324
Office supplies	**65,045**	85,417
Professional fees	**285,972**	626,449
Repair and maintenance	**16,075**	15,415
Staff costs	**1,965,101**	1,701,648

* Includes independent member firm of Baker Tilly International network

8 Staff costs

	Group	
	2021	2020
	$	$
Directors:		
- Salaries and related costs	**705,553**	589,341
Other key management personnel (non-directors):		
- Salaries and related costs	**301,490**	246,838
Total key management personnel compensation	**1,007,043**	836,179
Other personnel:		
- Salaries and related costs	**2,829,573**	2,257,840
- Post-employment benefits (Note 17)	**7,685**	122,449
	3,844,301	3,216,468

9 Tax expense

	Group	
	2021	2020
	$	$
Tax expense attributable to profits is made up of:		
Current income tax provision	**3,385,143**	689,240
Current deferred tax	**1,301**	2,788
Withholding tax expenses	**187,856**	–
	3,574,300	692,028

9 Tax expense (cont'd)

The income tax expense on the results of the financial year varies from the amount of income tax determined by applying the domestic rates applicable in the countries where the Group entities operate due to the following factors:

	Group	
	2021	2020
	$	$
Profit before tax	**22,538,376**	5,215,398
Tax calculated at domestic rate in the countries in which the Group entities operate	**4,963,382**	1,156,714
Expenses not deductible for tax purposes	**(31,657)**	82,984
Income not subject to tax	**–**	(46,300)
Singapore statutory stepped income exemption	**–**	(5,182)
Effect of income subject to Final Income Tax on revenue from coal shipping services	**(1,561,673)**	(489,742)
Withholding tax expenses	**187,856**	–
Others	**16,392**	(6,446)
	3,574,300	692,028

The corporate income tax rate applicable to the Company is 17% (2020: 17%). The corporate income tax rate applicable to the subsidiaries in Indonesia is 22% (2020: 22%).

For revenue earned through coal shipping services provided by a subsidiary in Indonesia, the Final Income Tax payable is 1.2% (2020: 1.2%) on its revenue.

At 31 December 2021, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised is $3,400,000 (2020: $1,900,000). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

10 Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Group	
	2021	2020
	$	$
Profit for the financial year attributable to equity holders of the Company	**14,818,035**	3,080,953

	Number of ordinary shares	
	2021	2020
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share	**90,000,000** [2]	88,811,475[1]

Notes:

(1) The basic and diluted earnings per share for 2020 is calculated by dividing the profit for the financial year attributable to equity holders of the Company over the weighted average number of ordinary shares, adjusted for the issuance and allotment of new shares pursuant to the initial public offering ("IPO").

(2) The basic and diluted earnings per share for 2021 is calculated by dividing the profit for the financial year attributable to equity holders of the Company over the weighted average number of ordinary shares.

Diluted earnings per share are the same as basic earnings per share as there were no potential dilutive ordinary shares during the financial year.

11 Property, plant and equipment

	Land	Buildings	Office unit	Vessels and barges	Dry docking	Motor vehicles	Vessel equipment	Office premises under leases	Others [(1)]	Total
	$	$	$	$	$	$	$	$	$	$
Group										
Cost										
At 1 January 2020	1,527,713	205,213	–	35,615,710	4,300,288	327,419	131,168	383,127	277,075	42,767,713
Additions	–	–	–	–	592,114	–	98,209	–	4,152	694,475
Exchange difference	(45,826)	(6,157)	–	(1,068,362)	(133,801)	(9,821)	(4,732)	(3,913)	(7,138)	(1,279,750)
At 31 December 2020	1,481,887	199,056	–	34,547,348	4,758,601	317,598	224,645	379,214	274,089	42,182,438
Additions	–	–	3,110,350	7,795,476	2,336,938	61,731	273,915	7,093	3,805	13,589,308
Exchange difference	9,134	1,229	–	272,802	47,277	2,431	3,488	780	1,441	338,582
At 31 December 2021	**1,491,021**	**200,285**	**3,110,350**	**42,615,626**	**7,142,816**	**381,760**	**502,048**	**387,087**	**279,335**	**56,110,328**
Accumulated depreciation										
At 1 January 2020	–	34,202	–	5,431,058	1,932,164	147,434	55,402	42,119	25,299	7,667,678
Depreciation charge	–	10,034	–	2,237,700	1,601,281	45,558	26,937	126,748	74,856	4,123,114
Exchange difference	–	(1,107)	–	(181,072)	(70,957)	(4,790)	(1,877)	(344)	(966)	(261,113)
At 31 December 2020	–	43,129	–	7,487,686	3,462,488	188,202	80,462	168,523	99,189	11,529,679
Depreciation charge	–	9,938	15,552	2,297,363	1,306,866	41,129	63,939	129,888	67,806	3,932,481
Exchange difference		342	–	63,792	31,377	1,478	989	584	881	99,443
At 31 December 2021	**–**	**53,409**	**15,552**	**9,848,841**	**4,800,731**	**230,809**	**145,390**	**298,995**	**167,876**	**15,561,603**
Net carrying value										
At 31 December 2020	1,481,887	155,927	–	27,059,662	1,296,113	129,396	144,183	210,691	174,900	30,652,759
At 31 December 2021	**1,491,021**	**146,876**	**3,094,798**	**32,766,785**	**2,342,085**	**150,951**	**356,658**	**88,092**	**111,459**	**40,548,725**

Notes:

(1) Others include office equipment and renovation.

11 Property, plant and equipment (cont'd)

	Office unit	Office equipment	Renovation	Office premises under leases	Total
	$	$	$	$	$
Company					
Cost					
At 1 January 2020	–	16,293	22,795	252,714	291,802
Additions	–	4,152	–	–	4,152
At 31 December 2020	–	20,445	22,795	252,714	295,954
Additions	3,110,350	1,500	–	7,093	3,118,943
At 31 December 2021	**3,110,350**	**21,945**	**22,795**	**259,807**	**3,414,897**
Accumulated depreciation					
At 1 January 2020	–	2,815	5,699	42,119	50,633
Depreciation charge	–	5,927	11,397	84,238	101,562
At 31 December 2020	–	8,742	17,096	126,357	152,195
Depreciation charge	15,552	6,582	5,699	87,785	115,618
At 31 December 2021	**15,552**	**15,324**	**22,795**	**214,142**	**267,813**
Net carrying value					
At 31 December 2020	–	11,703	5,699	126,357	143,759
At 31 December 2021	**3,094,798**	**6,621**	**–**	**45,665**	**3,147,084**

a) The Group's leasing activities comprise the following:

i) The Group leases motor vehicles from non-related parties. The leases have an average tenure of 5 years; and

ii) The Group and the Company lease various offices from non-related parties. The leases have an average tenure of 3 years.

The Group has options to purchase certain motor vehicles for a nominal amount at the end of the lease term. The Group's obligations are secured by the lessors' title to the leased assets for such leases. No restrictions are imposed on dividends or further leasing.

The maturity analysis of the lease liabilities is disclosed in Note 22(b).

During the financial year, the Group purchased a new office unit with existing tenant. The lease tenure with the existing tenant expired on 28 February 2022 and the rental income earned is disclosed in Note 5.

11 Property, plant and equipment (cont'd)

a) The Group's leasing activities comprise the following (cont'd):

Information about leases for which the Group and the Company are lessees is presented below:

	Group		Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Carrying amount of right-of-use assets				
Classified within property, plant and equipment				
Motor vehicles	**150,951**	126,029	**–**	–
Office premises under leases	**88,092**	210,691	**45,665**	126,357
	239,043	336,720	**45,665**	126,357

	Group	
	2021	2020
	$	$
Amounts recognised in statements of financial position		
Additions to right-of-use assets (Note 11 (b))	**68,824**	–

	Group	
	2021	2020
	$	$
Amounts recognised in statement of comprehensive income		
Depreciation charge for the financial year		
Motor vehicles	**37,768**	34,860
Office premises under leases	**129,888**	126,748
	167,656	161,608
Lease expenses not included in the measurement of lease liabilities		
Interest expenses on lease liabilities (Note 6)	**18,130**	26,637

During the financial year, total cash flow for leases amounted to $144,273 (2020: $242,316).

11 Property, plant and equipment (cont'd)

b) Non-cash transactions:

	Group	
	2021	2020
	$	$
Aggregate cost of property, plant and equipment acquired	**13,589,308**	694,475
Less: Additions to right-of-use assets (Note 11 (a))	**(68,824)**	–
Less: Unpaid portion of the construction of vessels (Note 19)	**(4,799,256)**	–
Less: Unpaid portion of the dry-docking costs (Note 19)	**(108,218)**	–
Add: Paid for construction of vessels	**–**	2,024,167
Net cash outflow for purchase of property, plant and equipment	**8,613,010**	2,718,642

12 Intangible asset

	Group	
	2021	2020
	$	$
System work-in-progress, at cost		
Balance at beginning of financial year	**–**	–
Additions	**114,342**	–
Exchange difference	**878**	–
Balance at end of financial year	**115,220**	–

13 Investment in subsidiaries

	Company	
	2021	2020
	$	$
Unquoted equity shares, at cost		
Balance at beginning of financial year	**2,061,028**	1,701,028
Addition	**–**	360,000
Balance at end of financial year	**2,061,028**	2,061,028

13 Investment in subsidiaries (cont'd)

a) At the end of the reporting period, the Group has the following subsidiaries:

Name of subsidiary (Country of incorporation)	Principal activity	Ownership interest held by the Group	
		2021 **%**	2020 %
PT Deli Niaga Sejahtera (1) (Indonesia) ("PT DNS")	Coal Trading	**99***	99*
PT Deli Pratama Angkutan Laut (1) (Indonesia) ("PT DPAL")	Coal Shipping	**49#**	49#
RG Nutrients Pte. Ltd. (2) (Singapore)	Dormant	**60**	60

Notes:

(1) Audited by Johan Malonda Mustika & Rekan, an independent member firm of Baker Tilly International.

(2) Exempted from audit under Section 205B of the Companies Act.

* The non-controlling interest of the subsidiary is PT Deli Indonesia Raya ("PT DIR"), an entity controlled by the controlling shareholders of the Company.

\# The non-controlling interests of the subsidiary are PT DIR, holding 48% equity interests (voting) and PT Karya Niaga Gemilang, holding 3% equity interest (non-voting). Effectively, the Company holds 50.5% of the voting rights in PT DPAL, and therefore PT DPAL is deemed to be controlled by the Company.

b) Summarised financial information of a subsidiary with material non-controlling interests ("NCI")

The Group has the following subsidiary that has NCI that is considered by management to be material to the Group:

Name of subsidiary	Principal place of business/ Country of incorporation	Ownership interests held by NCI	
		2021 **%**	2020 %
PT DPAL	Indonesia	**51**	51

13 Investment in subsidiaries (cont'd)

b) Summarised financial information of a subsidiary with material non-controlling interests ("NCI") (cont'd)

The following is the summarised financial information of the Group's subsidiary with NCI that is considered by management to be material to the Group. This financial information includes consolidation adjustments but before inter-company eliminations.

Summarised Statement of Financial Position

	2021	2020
	$	$
Non-current assets	**37,312,273**	30,345,304
Current assets	**4,960,087**	3,347,985
Non-current liabilities	**323,615**	5,038,057
Current liabilities	**6,053,380**	969,212
Net assets	**35,895,365**	27,686,020
Net assets attributable to NCI	**18,306,636**	14,119,870

Summarised Statement of Comprehensive Income

	2021	2020
	$	$
Revenue	**20,126,243**	13,677,669
Profit before tax	**8,186,276**	2,953,225
Income tax expense	**(239,308)**	(159,969)
Profit after tax	**7,946,968**	2,793,256
Other comprehensive income/(loss)	**262,376**	(798,442)
Total comprehensive income	**8,209,344**	1,994,814
Total comprehensive income allocated to NCI	**4,186,765**	1,017,355

Summarised Cash Flows

	2021	2020
	$	$
Cash flows generated from operating activities	**11,504,151**	3,815,703
Cash flows used in investing activities	**(5,741,233)**	(2,648,168)
Cash flows used in financing activities	**(4,748,028)**	(2,906,570)
Net increase/(decrease) in cash and cash equivalents	**1,014,890**	(1,739,035)

14 Trade and other receivables

	Group		Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Current				
Trade receivables	**5,996,843**	10,801,771	**–**	3,962,425
Other receivables	**57,545**	46,874	**–**	770
Advance payment to suppliers	**5,831**	69,013	**–**	–
Deposits	**16,084**	14,929	**15,300**	14,150
Grant receivable	**–**	8,960	**–**	8,960
Prepaid taxes	**544,189**	38,114	**–**	–
Prepayments	**225,311**	172,437	**22,407**	20,128
GST receivable	**204,677**	–	**204,677**	–
VAT receivable	**59,605**	120,267	**–**	–
	7,110,085	11,272,365	**242,384**	4,006,433
Non-current				
Other deposits	**2,572**	2,557	**–**	–

15 Contract assets and contract liabilities

The Group receives payments from customers based on services rendered, as established in contracts. Contract assets relate to the Group's rights to consideration for work completed but not billed at the reporting date on the Group's services. Contract liabilities relate to advance consideration received from customers and billing in excess of revenue recognised to-date. Contract liabilities are recognised as revenue as (or when) the Group satisfies the performance obligations under its contract.

The following table provides information about contract assets and contract liabilities from contracts with customers.

	2021	2020	1.1.2020
	$	$	$
Group			
Trade receivables from contracts with customers	**5,996,843**	10,801,771	7,391,690
Contract assets	**531,523**	390,026	201,951
Contract liabilities	**1,748,401**	1,617,592	1,807,550
Company			
Trade receivables from contracts with customers	**–**	3,962,425	–
Contract assets	**–**	45,949	–

16 Inventories

	Group	
	2021	2020
	$	$
At cost		
Spare parts	**439,092**	123,936
Coal-in-transit	**2,475,400**	1,866,967
Fuel	**1,265,917**	–
	4,180,409	1,990,903

Inventories included as an expense in cost of sales amounted to $91,742,676 (2020: $48,496,300).

17 Liabilities for post-employment benefits

The Group's subsidiaries in Indonesia recognised liabilities for post-employment benefits based on the actuarial calculation by an independent actuary. The actuarial calculation in regard to the compensation cost adheres to the current value principle from the total payment of compensation due to retirement, demise and disability. The calculation of current value is obtained from the use of various actuarial assumptions, not only based on the level of interest but also based on salary increment, mortality, disability and resignation levels.

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. No funding has been made for this defined benefit scheme.

The principal assumptions used in determining post-employment benefits as at the end of the reporting period were as follows:

	2021	2020
Normal retirement age	**58 years old**	56 years old
Salary increment rate per annum	**10%**	10%
Discount rate per annum	**7.55% to 7.60%**	7.15% to 7.55%
Mortality rate	**TMI 4 2019**	TMI 3 2011 and TMI 4 2019
Disability level	**10% x TMI**	10% x TMI
Resignation level per annum	**10% until age 25 and decreasing to 1% at age 55**	10% until age 25 and decreasing to 1% at age 55

If the discount rate had been 1 percent higher with all other variables held constant, the present value of defined benefits obligation would have been $441,678 (2020: $454,231) lower. If the discount rate had been 1 percent lower, the present value of defined benefits obligation would have been $591,191 (2020: $600,058) higher.

17 Liabilities for post-employment benefits (cont'd)

The amounts recognised in the consolidated statement of financial position are determined as follows:

	Group	
	2021	2020
	$	$
Present value of defined benefit obligations	**509,492**	520,522
Fair value of plan assets	**(190,521)**	(183,937)
	318,971	336,585

Movements in the account are as follows:

At beginning of the financial year	**336,585**	230,598
Remeasurement recognised in other comprehensive (income)/loss, gross of tax	**(27,229)**	22,406
Contribution of plan assets	**–**	(31,026)
Post-employment benefits expense (Note 8)	**7,685**	122,449
Exchange difference	**1,930**	(7,842)
At end of the financial year	**318,971**	336,585

The following table summarises the components of defined post-employment benefits expense recognised in consolidated statement of comprehensive income:

	Group	
	2021	2020
	$	$
Current service cost	**115,072**	105,145
Past service cost - amendment	**(124,128)**	–
Past service cost - curtailment	**(23,327)**	–
Interest cost on defined benefit obligation	**11,801**	15,926
Adjustment due to recognition of past services	**28,267**	1,378
Post-employment benefits expense	**7,685**	122,449

Defined post-employment benefits expense is recognised in the "Administrative expenses" line item in the consolidated statement of comprehensive income.

17 Liabilities for post-employment benefits (cont'd)

The remeasurement of post-employment benefits recognised in the other comprehensive (income)/loss is as follows:

	Group	
	2021	2020
	$	$
Gross amount of remeasurement	**(27,229)**	22,406
Less tax	**(713)**	(3,795)
Amount net of tax	**(27,942)**	18,611

Management has reviewed the assumptions used and agreed that these assumptions are adequate. Management believes that the liabilities for post-employment benefits are sufficient to cover the Group's liability for its employee benefits.

18 Borrowings

	Group		Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Current				
Bank loan I	**154,788**	–	**154,788**	–
Lease liabilities	**91,910**	115,989	**46,597**	85,187
Loan from immediate holding company	**1,000,000**	–	**1,000,000**	–
	1,246,698	115,989	**1,201,385**	85,187
Non-current				
Bank loan I	**2,382,750**	–	**2,382,750**	–
Bank loan II	**–**	4,705,000	**–**	–
Lease liabilities	**78,631**	111,076	**–**	43,455
	2,461,381	4,816,076	**2,382,750**	43,455
	3,708,079	4,932,065	**3,584,135**	128,642

Bank loan I of the Group is secured by an office unit in Singapore and is repayable by 180 monthly instalments. Interest is payable at a fixed rate of 1.50% per annum in the first two years and 2.23% per annum in the third year. Subsequently, interest is payable at a floating rate of Cost of Funds + 2.00% per annum. The Executive Director and Chief Operating Officer, Salim Limanto, has provided a personal guarantee for this bank loan.

Bank loan II of the Group is unsecured, has a 3-year tenure and is repayable on 2 October 2022. Interest is payable at 8% (2020: 8%) per annum. During the financial year, the Group has fully repaid the bank loan.

Loan from immediate holding company is unsecured, interest free and repayable within 12 months from the reporting date.

18 Borrowings (cont'd)

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Bank loans	Loan from immediate holding company	Lease liabilities	Advances from related parties	Total
	$	$	$	$	$
Group					
Balance at 1.1.2020	7,760,800	–	450,762	500,000	8,711,562
Changes from financing cash flows:					
- Repayments	(2,775,900)	–	(215,679)	(500,000)	(3,491,579)
- Interest paid	(591,989)	–	(26,637)	–	(618,626)
Non-cash changes:					
- Interest expenses	591,989	–	26,637	–	618,626
- Rent concession	–	–	(1,944)	–	(1,944)
- Exchange difference	(279,900)	–	(6,074)	–	(285,974)
Balance at 31.12.2020	4,705,000	–	227,065	–	4,932,065
Changes from financing cash flows:					
- Proceed	2,560,000	1,000,000	68,824	–	3,628,824
- Repayments	(4,662,462)	–	(126,143)	–	(4,788,605)
- Interest paid	(204,545)	–	(18,130)	–	(222,675)
Non-cash changes:					
- Interest expenses	204,545	–	18,130	–	222,675
- Exchange difference	(65,000)	–	795	–	(64,205)
Balance at 31.12.2021	**2,537,538**	**1,000,000**	**170,541**	**–**	**3,708,079**

19 Trade and other payables

	Group		Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Trade payables	**3,969,026**	5,638,307	**–**	3,770,203
Other payables				
- third parties	**163,862**	358,098	**26,254**	605
- payable for dry-docking costs (Note 11(b))	**108,218**	–	**–**	–
- payable for construction of vessels (Note 11(b))	**4,799,256**	–	**–**	–
Accrued operating expenses	**608,530**	398,585	**384,942**	233,220
Deferred grant income	**–**	14,560	**–**	14,560
	9,648,892	6,409,550	**411,196**	4,018,588

20 Share capital

	2021		2020	
	No. ordinary shares	**$**	No. of ordinary shares	$
At beginning of the financial year	**90,000,000**	**5,701,262**	75,000,000	3,000,000
Issuance of ordinary shares pursuant to the IPO	**–**	**–**	15,000,000	3,000,000
Transaction costs directly attributable to issue of shares	**–**	**–**	–	(298,738)
At the end of the financial year	**90,000,000**	**5,701,262**	90,000,000	5,701,262

The ordinary shares of the Company have no par value. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. The ordinary shares carry one vote per share without restriction.

21 Significant related party transactions

In addition to information disclosed elsewhere in the financial statements, the following significant transactions took place between the Group and the related parties at terms agreed by the parties:

	Group	
	2021	2020
	$	$
With immediate holding company:		
Loan from	**1,000,000**	–
With other related parties		
Purchases from	**–**	28,895,130
Repayment of advances	**–**	500,000

Other related parties comprise of companies in which the controlling shareholders or their close family members have controlling or substantial interests.

22 Financial instruments

a) Categories of financial instruments

Financial instruments at their carrying amounts as at the end of the reporting period are as follows:

	Group		Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Financial assets				
At amortised costs	**26,419,044**	16,711,318	**3,644,277**	5,356,104
Financial liabilities				
At amortised costs	**13,356,971**	11,327,055	**3,995,331**	4,132,670

22 Financial instruments (cont'd)

b) Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk and liquidity risk. The policies for managing each of these risks are summarised below. The directors review and agree policies and procedures for the management of these risks.

There has been no change to the Group's and the Company's exposures to these financial risks or the manner in which the Group and the Company manage and measure financial risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's income and operating cash flows are substantially independent on changes in market interest rates as the Group and the Company have no significant interest-bearing assets and liabilities, except for borrowings (Note 18).

Interest rate risk is managed by the Group and the Company on an on-going basis with the primary objective of limiting the extent to which net interest expense could be impacted from an adverse movement in interest rate. Surplus funds are placed with reputable banks.

Sensitivity analysis for interest rate risk is not disclosed as the effect on the profit or loss is considered not significant.

Foreign currency risk

Foreign currency risk arises on certain transactions that are denominated in currencies other than the functional currency of the entities in the Group. The Group's and the Company's foreign currency risk mainly arose from United States dollar ("USD").

The Group's and the Company's overall risk management strategy seeks to minimise adverse effects from these financial risks on the Group's and Company's financial performance.

22 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Foreign currency risk (cont'd)

The Group's and the Company's foreign currency exposures based on the information provided by key management are as follows:

	2021	2020
	$	$
Group		
Denominated in USD:		
Financial assets		
Trade and other receivables	**–**	3,962,425
Cash and cash equivalents	**1,587,677**	180,162
Financial liabilities		
Trade and other payables	**(4,907,705)**	(4,219,174)
Net exposure	**(3,320,028)**	(76,587)
Company		
Denominated in USD:		
Financial assets		
Trade and other receivables	**–**	3,962,425
Cash and cash equivalents	**74,525**	139,887
Financial liabilities		
Trade and other payables	**–**	(3,888,061)
Net exposure	**74,525**	214,251

22 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Foreign currency risk (cont'd)

If the USD changes against the functional currency of the Group entities by 5% with all other variables including tax rate being held constant, the effects arising from the net financial (liabilities)/assets denominated in foreign currency are as follows:

	(Decrease)/increase in profit after tax	
	2021	2020
	$	$
Group		
USD/IDR		
- strengthened 5% (2020: 5%)	**(145,926)**	(13,197)
- weakened 5% (2020: 5%)	**145,926**	13,197
USD/SGD		
- strengthened 5% (2020: 5%)	**4,044**	9,924
- weakened 5% (2020: 5%)	**(4,044)**	(9,924)
Company		
USD/SGD		
- strengthened 5% (2020: 5%)	**3,185**	9,156
- weakened 5% (2020: 5%)	**(3,185)**	(9,156)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group and the Company manage these risks by monitoring credit collection and limiting the aggregate risk to any individual counterparty.

22 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

The following sets out the Group's and the Company's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group and the Company compare the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group and the Company consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

In particular, the Group and the Company consider the following information when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor; and

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

22 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Significant increase in credit risk (cont'd)

The Group and the Company regularly monitor the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Group and the Company presume that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group and the Company have reasonable and supportable information that demonstrates otherwise.

The Group and the Company also assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group and the Company consider the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet the following criteria are generally not recoverable. Information developed internally or obtained from external sources indicates that the debtor (without taking into account any collaterals held by the Group and the Company) is in significant financial difficulty such as that it will have insufficient liquid assets to pay its creditors including the Group and the Company, in full, including loss of sale or primary source of recurring income by the debtor.

Irrespective of the above analysis, the Group and the Company consider that default has occurred when a financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty; there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

22 Financial instruments (cont'd)

b) **Financial risk management objectives and policies (cont'd)**

Credit risk (cont'd)

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

At the end of the reporting period, the Group's and the Company's trade receivables comprise 1 debtor and Nil debtor respectively (2020: 2 debtors and 1 debtor respectively) that individually represented at least 94% and Nil (2020: 37% - 45% and 100%) of the trade receivables respectively.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of the financial instruments presented on the statements of financial position.

The credit loss for cash and cash equivalents and other receivables are immaterial as at 31 December 2021 and 31 December 2020.

Trade receivables and contract assets

The Group and the Company have applied the simplified approach by using a provision matrix to measure the lifetime expected credit loss allowance for trade receivables and contract assets.

The contract assets relate to unbilled work-in-progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group and the Company have therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. Trade receivables and contract assets that shared the same credit risk characteristics and days past due are grouped together in measuring the expected credit losses.

The Group and the Company estimate the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

Based on the Group's and the Company's historical credit loss experience and having considered current and forecasts of future conditions, the Group and the Company assessed the credit loss exposure for trade receivables and contract assets to be insignificant and concluded that no credit loss allowance is required to be recognised.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposures to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. In managing its liquidity, management monitors and reviews the Group's and the Company's forecast of liquidity reserves (comprise cash and bank balances and available credit facilities) on the basis of expected cash flows of the respective operating companies of the Group.

22 Financial instruments (cont'd)

b) **Financial risk management objectives and policies (cont'd)**

Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's and the Company's non-derivative financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within 1 year	Within 2 to 5 years	More than 5 years	Total
	$	$	$	$
Group				
At 31 December 2021				
Trade and other payables	9,648,892	–	–	9,648,892
Loan from immediate holding company	1,000,000	–	–	1,000,000
Bank loan	190,913	765,548	2,030,068	2,986,529
Lease liabilities	111,476	95,883	–	207,359
	10,951,281	**861,431**	**2,030,068**	**13,842,780**
At 31 December 2020				
Trade and other payables	6,394,990	–	–	6,394,990
Bank loan	381,628	5,022,849	–	5,404,477
Lease liabilities	131,245	122,089	–	253,334
	6,907,863	5,144,938	–	12,052,801
Company				
At 31 December 2021				
Trade and other payables	411,196	–	–	411,196
Loan from immediate holding company	1,000,000	–	–	1,000,000
Bank loan	190,913	765,548	2,030,068	2,986,529
Lease liabilities	50,076	–	–	50,076
	1,652,185	**765,548**	**2,030,068**	**4,447,801**
At 31 December 2020				
Trade and other payables	4,004,028	–	–	4,004,028
Lease liabilities	87,312	43,656	–	130,968
	4,091,340	43,656	–	4,134,996

23 Fair values 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).

Based on the discounted cash flow analysis using a discount rate based upon market lending rate for similar borrowings which the directors expect would be available to the Group at the end of the reporting period, the fair value of the borrowings at the end of the reporting period approximates their carrying values as there are no significant changes in the market lending interest rates available to the Group at the end of the reporting period. This fair value measurement for disclosure purpose is categorised in Level 3 of the fair values hierarchy.

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.

24 Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain optimal capital structure so as to maximise shareholder value.

In order to maintain or achieve an optimal capital structure, the Group may issue new shares, obtain new borrowings or additional funding from shareholders.

The capital structure of the Group mainly consists of equity plus net debt and the Group's overall strategy remains unchanged from 2020.

25 Segment information

Inter-segment revenue are 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.

25 Segment information (cont'd)

Segment assets

The amounts provided to the management with respect to total assets are measured in a manner consistent with that of the 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 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.

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Sales to external customers		**Non-current assets**	
	2021	2020	**2021**	2020
	$	$	**$**	$
Singapore	**–**	–	**3,147,084**	143,759
Indonesia	**124,939,465**	67,415,098	**37,516,861**	30,509,000
People's Republic of China	**8,388,531**	5,831,637	**–**	–
	133,327,996	73,246,735	**40,663,945**	30,652,759

Non-current assets information presented above are non-current assets as presented on the consolidated statement of financial position excluding financial instruments and deferred tax assets.

Information about major customer

Revenue is derived from two (2020: two) external customers who individually contributed 10% or more of the Group's revenue and attributable to the coal trading segment as detailed below:

	Group	
	2021	2020
	$	$
Customer 1	**47,131,398**	42,166,824
Customer 2	**–**	9,884,001
Customer 3	**46,479,718**	–
	93,611,116	52,050,825

25 Segment information (cont'd)

Information about major customer (cont'd)

The Group is organised into business units based on its products and services for management purposes. The reportable segments are coal trading and coal shipping. Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment.

The segment information provided to management for the reportable segments are as follows:

	Coal Trading		Coal Shipping		Per consolidated statements	
	2021	2020	**2021**	2020	**2021**	2020
	$	$	**$**	$	**$**	$
Revenue:						
External customers	**113,201,753**	59,569,066	**20,126,243**	13,677,669	**133,327,996**	73,246,735
Segment profit:	**15,730,749**	3,698,484	**8,355,540**	3,492,519	**24,086,289**	7,191,003
Interest income	**173,673**	66,614	**31,419**	61,403	**205,092**	128,017
Finance costs	**(10,809)**	(13,818)	**(200,683)**	(600,697)	**(211,492)**	(614,515)
Inventories written off	**–**	–	**(291,284)**	–	**(291,284)**	–
Unallocated corporate expenses	**–**	–	**–**	–	**(1,250,229)**	(1,489,107)
Profit before tax	**15,893,613**	3,751,280	**7,894,992**	2,953,225	**22,538,376**	5,215,398
Income tax expense					**(3,574,300)**	(692,028)
Profit for the financial year					**18,964,076**	4,523,370
Assets						
Segment assets	**22,889,839**	14,262,425	**41,728,171**	33,690,009	**64,618,010**	47,952,434
Unallocated assets					**8,224,370**	2,209,750
Total assets					**72,842,380**	50,162,184
Liabilities						
Segment liabilities	**5,108,119**	7,186,553	**6,320,893**	5,850,071	**11,429,012**	13,036,624
Unallocated liabilities					**5,636,028**	685,350
Total liabilities					**17,065,040**	13,721,974
Other segment information						
Capital expenditure	**100,887**	–	**10,483,820**	690,323	**10,584,707**	690,323
Unallocated capital expenditure					**3,118,943**	4,152
					13,703,650	694,475
Depreciation	**61,304**	60,276	**3,755,559**	3,961,276	**3,816,863**	4,021,552
Unallocated corporate depreciation					**115,618**	101,562
					3,932,481	4,123,114
Other non-cash expenses	**72,111**	15,322	**–**	107,127	**72,111**	122,449

26 Authorisation of consolidated financial statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors dated 1 April 2022.

As at 16 March 2022

ISSUED AND FULLY PAID-UP CAPITAL	:	S$6,000,000
NO. OF SHARES ISSUED	:	90,000,000
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	1 VOTE PER SHARE
NO. OF TREASURY SHARES AND SUBSIDIARY HOLDINGS	:	NIL

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	0	0.00	0	0.00
100 - 1,000	12	33.33	8,600	0.01
1,001 - 10,000	12	33.33	75,500	0.08
10,001 - 1,000,000	10	27.78	1,149,000	1.28
1,000,001 & ABOVE	2	5.56	88,766,900	98.63
TOTAL	36	100.00	90,000,000	100.00

TOP TWENTY SHAREHOLDERS

	NAME OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
1	DELI INTERNATIONAL RESOURCES PTE. LTD.	75,000,000	83.33
2	UOB KAY HIAN PTE. LTD.	13,766,900	15.30
3	NG KIAN ANN @ ANTHONY WIJAYA	500,000	0.55
4	ONG YI BIN	150,000	0.17
5	JONSON SOFIAN TEO	100,000	0.11
6	LIANG MEI ANG	100,000	0.11
7	RATIH ANGGARAINI	100,000	0.11
8	TAN SONG KAR	80,000	0.09
9	ANG POON BENG	40,000	0.04
10	LING CHUI FONG	39,000	0.04
11	LEE LAI LAN OR NEE SENG KIAT LEONARD	20,000	0.02
12	YEO TZE KHERN (YANG ZHIQIN)	20,000	0.02
13	FENG YIQI	10,000	0.01
14	SURIATI	10,000	0.01
15	NG YIK PENG	8,200	0.01
16	MERDA SURYA	8,000	0.01
17	NG KIM PANG	6,500	0.01
18	NG SOON HOCK (HUANG SHUNFU)	5,800	0.01
19	CHAN KIM HOO	5,000	0.01
20	DEVIKA DARMIN	5,000	0.01
	TOTAL:	89,974,400	99.97

As at 16 March 2022

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Members and Depository Register)

		Direct Interest		Deemed Interest	
No.	Name of Shareholder	No. of shares	%	No. of shares	%
1	Deli International Resources Pte. Ltd. (1)	75,000,000	83.33	–	–
2	Juhadi (1) (2)	–	–	75,000,000	83.33
3	Arifin Tan (1)	–	–	75,000,000	83.33
4	Djunaidi Hardi (1) (2)	–	–	75,000,000	83.33

Notes

(1) Deli International Resources Pte. Ltd. ("DIR") is the controlling shareholder of the Company. DIR is a private limited company incorporated in Singapore on 5 September 2006. The shareholders of DIR 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 DIR by virtue of Section 4 of the Securities and Future Act 2001 of Singapore.

(2) Mr Juhadi and Mr Djunaidi Hardi are siblings.

PUBLIC FLOAT

Based on information available to the Company as at 16 March 2022, approximately 16.67% of the issued ordinary shares of the Company are held in the hands of the public. Accordingly, Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited has been complied with which requires at least 10% of a listed issuer's equity securities to be held by the public.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **RESOURCES GLOBAL DEVELOPMENT LIMITED** (the "**Company**") will be held by way of electronic means on Friday, 29 April 2022 at 2.00 p.m., for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2021, together with the Directors' Statement and the Auditor's Report thereon. **(Resolution 1)**

2. To re-elect the following directors of the Company ("**Directors**") retiring pursuant to Regulation 103 of the Company's Constitution and who, being eligible, offered themselves for re-election as a Director:

   i. Ms Alice Yan [See Explanatory Note (1)] **(Resolution 2)**

   ii. Mr Salim Limanto [See Explanatory Note (2)] **(Resolution 3)**

3. To re-elect Mr Cheong Hock Wee who is retiring pursuant to Regulation 109 of the Company's Constitution and who, being eligible, offered himself for re-election as a Director.

   [See Explanation Note (3)] **(Resolution 4)**

4. To approve the payment of Directors' fees of S$150,000 for the financial year ending 31 December 2022 (31 December 2021: S$95,000), payable quarterly in arrears. **(Resolution 5)**

5. To declare and approve a final tax-exempt dividend of S$0.01 per ordinary share for the financial year ended 31 December 2021. **(Resolution 6)**

6. To re-appoint Messrs Baker Tilly TFW LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

7. To transact any other ordinary business which may properly be transacted at an annual general meeting of the Company.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. **Authority to allot and issue shares in the capital of the Company**

   That pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Companies Act**") and Rule 806 of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), authority be and is hereby given to the Directors to:

   (a) (i) allot and issue shares in the capital of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of the Instruments made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed one hundred per cent. (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below) or such other limit as may be prescribed by the Catalist Rules, as at the date this Resolution is passed, of which the aggregate number of shares to be issued other than on a pro-rata basis to existing shareholders of the Company ("**Shareholders**") (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub- paragraph (2) below) or any such other limit as may be prescribed by the Catalist Rules as at the date this Resolution is passed;

(2) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares (including shares to be issued pursuant to the Instruments) that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of the Instruments or any convertible securities outstanding at the time this Resolution is passed;

(b) (where applicable) new shares arising from exercise of share options or vesting of share awards, provided that such share options or share awards (as the case may be) were granted in compliance with Part VIII of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of shares,

adjustments in accordance with sub-paragraph (2)(a) or sub-paragraph (2)(b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX- ST), all applicable legal requirements under the Companies Act, the Company's Constitution for the time being in force; and

(4) the authority conferred by this Resolution shall, unless revoked or varied by the Company in a general meeting, continue to be in force (i) until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier, or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.

[See Explanatory Note (4)] **(Resolution 8)**

9. **Renewal of the Shareholders' General Mandate for Interested Person Transactions**

That:

(a) approval be and is hereby given for the purposes of Chapter 9 of the Catalist Rules, for the Company, its subsidiaries and associated companies that are considered to be "entities at risk" under Chapter 9 of the Catalist Rules, or any of them, to enter into any of the transactions falling within the types of interested person transactions described in paragraph 2.6 of the Appendix to the Notice of Annual General Meeting dated 13 April 2022 ("**Appendix**"), with any party who is of the class of interested persons described in paragraph 2.5 of the Appendix, 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 of the Company for such interested person transactions as set out in the Appendix (the "**IPT General Mandate**");

(b) the IPT General Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company;

(c) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of the procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendments to Chapter 9 of the Catalist Rules which may be prescribed by the SGX-ST from time to time; and

(d) the Directors be and are hereby authorised to complete and do all such acts and things (including without limitation, executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the IPT General Mandate and/or the transactions contemplated by this Resolution.

[See Explanatory Note (5)] **(Resolution 9)**

10. **Authority to allot and issue shares under the Resources Global Development Limited Employee Share Option Scheme ("RGD ESOS")**

That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors to:

(a) grant share options from time to time in accordance with the provisions of the RGD ESOS; and

(b) allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the share options granted under the RGD ESOS (including but not limited to allotment and issuance of shares in the capital of the Company at any time, whether during the continuance of such authority or thereafter, pursuant to share options made or granted by the Company whether granted during the subsistence of this authority or otherwise),

provided always that the aggregate number of shares to be issued pursuant to the RGD ESOS when aggregated together with shares issued and/or issuable in respect of all share options granted under the RGD ESOS, all other existing share schemes or share plans of the Company for the time being shall not exceed fifteen per cent. (15%) of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings, if any) from time to time, and such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (6)] **(Resolution 10)**

11. **Authority to allot and issue shares under the Resources Global Development Limited Performance Share Plan ("RGD PSP")**

That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors to:

(a) grant share awards from time to time in accordance with the provisions of the RGD PSP; and

(b) allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of share awards under the RGD PSP (including but not limited to allotment and issuance of shares in the capital of the Company at any time, whether during the continuance of such authority or thereafter, pursuant to share awards made or granted by the Company whether granted during the subsistence of this authority or otherwise,

provided always that the aggregate number of shares to be issued pursuant to the RGD PSP when aggregated together with shares issued and/or issuable in respect of all share awards granted under the RGD PSP, all other existing share schemes or share plans of the Company for the time being shall not exceed fifteen per cent. (15%) of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings, if any) from time to time, and such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (7)] **(Resolution 11)**

BY ORDER OF THE BOARD

Leong Chuo Ming
Company Secretary
13 April 2022

EXPLANATORY NOTES:

(1) Ms Alice Yan will, upon re-election as a Director, remain as the Independent Non-Executive Chairman, the Chairman of the Nomination Committee, and a member of the Audit Committee and the Remuneration Committee. There are no relationships (including family relationships) between Ms Alice Yan and the other Directors, the Company, its related corporation, its officer or its substantial shareholders, which may affect her independence. The Board considers Ms Alice Yan to be independent for the purpose of Rule 704(7) of the Catalist Rules. Further detailed information on Ms Alice Yan can be found under the sections entitled "Board of Directors and Key Management" and "Corporate Governance Report - Information on Directors nominated for re-election - Appendix 7F of the Catalist Rules" of the Annual Report 2021.

(2) Mr Salim Limanto will, upon re-election as a Director, remain as an Executive Director and the Chief Operating Officer of the Company. Further detailed information on Mr Salim Limanto can be found under the sections entitled "Board of Directors and Key Management" and "Corporate Governance Report - Information on Directors nominated for re-election - Appendix 7F of the Catalist Rules" of the Annual Report 2021.

(3) Mr Cheong Hock Wee will, upon re-election as a Director, remain as an Independent Non-Executive Director, the Chairman of the Remuneration Committee, and a member of the Audit Committee and the Nominating Committee. There are no relationships (including family relationships) between Mr Cheong Hock Wee and the other Directors, the Company, its related corporation, its officer or its substantial shareholders, which may affect his independence. The Board considers Mr Cheong Hock Wee to be independent for the purpose of Rule 704(7) of the Catalist Rules. Further detailed information on Mr Cheong Hock Wee can be found under the sections entitled "Board of Directors and Key Management" and "Corporate Governance Report - Information on Directors nominated for re-election - Appendix 7F of the Catalist Rules" of the Annual Report 2021.

(4) Ordinary Resolution 8 proposed in item 8 above, if passed, will empower the Directors from the date of this Annual General Meeting until the date of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments. The aggregate number of shares (including shares to be made in pursuance of Instruments made or granted pursuant to this Resolution) which the Directors may allot and issue, shall not exceed, in total, one hundred per cent. (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any), of which the total number of shares issued other than on a pro-rata basis to existing shareholders of the Company, shall not exceed fifty per cent. (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any).

For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares will be calculated based on the total number of issued shares (excluding treasury shares subsidiary holdings, if any) at the time Resolution 8 is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when Resolution 8 is passed and any subsequent consolidation or subdivision of shares.

(5) Pursuant to Rule 920(1)(b)(vii) of the Catalist Rules, Deli International Resources Pte. Ltd. will abstain, and has undertaken to ensure that its associates will abstain from voting, and shall decline appointment to act as proxies to vote, on Ordinary Resolution 9 proposed in item 9 above, in relation to the proposed renewal of the IPT General Mandate, unless specific instructions have been given in the Proxy Form by the relevant Shareholder appointing them on how he/she wishes his/ her votes to cast. Further detailed information on the proposed renewal of the IPT General Mandate will be set out in the Appendix.

(6) Ordinary Resolution 10 proposed in item 10 above, if passed, will empower the Directors of the Company, from the date of this Annual General Meeting until the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of share options granted under the RGD ESOS and all other share based incentive schemes of the Company up to a number not exceeding in aggregate (for the entire duration of the scheme) fifteen per cent. (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time.

(7) Ordinary Resolution 11 proposed in item 11 above, if passed, will empower the Directors of the Company, from the date of this Annual General Meeting until the date of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to grant share awards under the RGD PSP in accordance with the provisions of the RGD PSP and to issue from time to time such number of fully paid shares as may be required to be issued pursuant to the vesting of the share awards subject to the maximum number of shares prescribed under the terms and conditions of the RGD PSP. The aggregate number of shares which may be issued pursuant to the RGD PSP and any other share-based schemes (if applicable) shall not exceed in aggregate (for the entire duration of the scheme) fifteen per cent. (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time.

Notes:

1. The AGM of the Company (the "**Meeting**") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice of AGM will not be sent to Shareholders. Instead, this Notice of AGM will be sent to Shareholders by electronic means via publication 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/.

2. The AGM arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the Meeting are set out in the Company's announcement dated 13 April 2022 (the "**Announcement**"), which has been uploaded together with the Notice of AGM on SGXNET on the same day. The Announcement may also be accessed at https://rgd.sg/newsroom-press-release/. For the avoidance of doubt, the Announcement is circulated together with and forms part of the Notice of AGM in respect of the Meeting.

3. The Company will not be arranging for a physical meeting, accordingly, a member of the Company will not be able to attend the Meeting in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the Meeting, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Meeting. In appointing the Chairman of the Meeting as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.

5. The instrument appointing the Chairman of the Meeting as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:

   (a) if sent personally or by post, be lodged at the office of the Company at 144 Robinson Road, #11-02 Robinson Square, Singapore 068908; or

   (b) if submitted by email, be received by the Company at info@rgd.sg.

   in either case, by 2.00 p.m. on 26 April 2022 (being not less than seventy-two (72) hours before the time appointed for holding the Meeting) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

6. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer, failing which the instrument of proxy may be treated as invalid.

7. A corporation which is a member may authorise by resolution of its director or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act.

Personal Data Privacy

By (a) submitting an instrument appointing the Chairman of the Meeting as proxy to vote at the Meeting and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the Meeting via LIVE WEBCAST or LIVE AUDIO STREAM, or (c) submitting any question prior to the Meeting in accordance with this Notice of AGM, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

(i) processing and administration by the Company (or its agents) of proxy forms appointing the Chairman of the Meeting as proxy for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Meeting (including any adjournment thereof);

(ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to the LIVE WEBCAST or LIVE AUDIO STREAM to observe the proceedings of the Meeting and providing them with any technical assistance where necessary;

(iii) addressing relevant and substantial questions from members received before the Meeting and if necessary, following up with the relevant members in relation to such questions;

(iv) preparation and compilation of the attendance list, proxy lists, minutes and other documents relating to the Meeting (including any adjournment thereof); and

(v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Meeting. Accordingly, the personal data of a member of the Company (such as his name, his presence at the Meeting and any questions he may raise or motions he propose/ second) may be recorded by the Company for such purpose.

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

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

The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

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

PROXY FORM –
ANNUAL GENERAL MEETING

(Please see notes overleaf before completing this Form)

This proxy form has been made available on SGXNET and the Company's corporate website at https://rgd.sg/newsroom-press-release/. A printed copy of this proxy form will **NOT** be despatched to members of the Company.

IMPORTANT:

1. The AGM arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM (as defined herein) are set out in the Company's announcement dated 13 April 2022 (the "**Announcement**"), which has been uploaded together with the Notice of AGM dated 13 April 2022 on SGXNET on the same day. The Announcement may also be accessed at the Company's corporate website at https://rgd.sg/newsroom-press-release/. For the avoidance of doubt, the Announcement is circulated together with and forms part of the Notice of AGM dated 13 April 2022 in respect of the AGM.
2. The Company will not be arranging for a physical meeting, accordingly, a member of the Company will not be able to attend the AGM in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. Please read the notes to this proxy form.

*I/We ______________________________ (Name)

(NRIC/Passport No./Company Registration No.) ______________________________

of ______________________________ (Address)

being a *member/members of **RESOURCES GLOBAL DEVELOPMENT LIMITED** (the "**Company**", and together with its subsidiaries, the "**Group**") hereby appoints the Chairman of the annual general meeting of the Company (the "**AGM**"), as *my/our proxy to vote for *me/us on *my/our behalf at the AGM to be held by way of electronic means on Friday, 29 April 2022 at 2.00 p.m. and at any adjournment thereof. *I/We direct the Chairman of the AGM to vote for or against, or abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the appointment of the Chairman of the AGM as *my/our proxy will be treated as invalid.

No.	Resolution relating to	No. of votes		
		For**	**Against****	**Abstain****
1.	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 December 2021, together with the Directors' Statement and the Auditors' Report thereon.			
2.	Re-election of Ms Alice Yan as a Director of the Company.			
3.	Re-election of Mr Salim Limanto as a Director of the Company.			
4.	Re-election of Mr Cheong Hock Wee as a Director of the Company.			
5.	Approval of the payment of Directors' fees of S$150,000 for the financial year ending 31 December 2022, payable quarterly in arrears.			
6.	Approval of the payment of a final tax-exempt (one-tier) dividend of S$0.01 per ordinary share for the financial year ended 31 December 2021.			
7.	Re-appointment of Messrs Baker Tilly TFW LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
8.	Authority to allot and issue shares in the capital of the Company.			
9.	Renewal of the Shareholders' General Mandate for Interested Person Transactions.			
10.	Authority to allot and issue Shares under the Resources Global Development Limited Employee Share Option Scheme.			
11.	Authority to allot and issue Shares under the Resources Global Development Limited Performance Share Plan.			

** Voting will be conducted by poll. If you wish to appoint the Chairman of the Meeting as your proxy to exercise all your votes "For" or "Against" the relevant resolution, please mark an "X" in the relevant box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the relevant box provided in respect of that resolution. If you mark an "X" in the abstain box for a particular resolution, you are directing your proxy, who is the Chairman of the Meeting, not to vote on that resolution.

Dated this ________ day of ______________________ 2022.

Total no. of shares in	No. of shares
(a) Depository Register	
(b) Register of Members	

____
Signature(s) of Member(s) or Common Seal of Corporate Member(s)

*** Delete where inapplicable**

NOTES TO PROXY FORM:

1. Please insert the total number of shares in the capital of the Company ("**Shares**") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the Chairman of the AGM as proxy shall be deemed to relate to all the Shares held by you.

2. The AGM of the Company is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The Company will not be arranging for a physical meeting, accordingly, a member of the Company will not be able to attend the AGM in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/ her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

3. This instrument appointing the Chairman of the AGM as proxy must:

   (a) if sent personally or by post, be lodged at the office of the Company at 144 Robinson Road, #11-02 Robinson Square, Singapore 068908; or

   (b) if submitted by email, be received by the Company at info@rgd.sg.

   in either case, **by 2.00 p.m. on 26 April 2022** (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

4. This proxy form must be under the hand of the appointor or of his/her/its attorney duly authorised in writing.

   (i) Where this proxy form is executed by a corporation, it must be executed either under its common seal (or otherwise in accordance with its constitution) or under the hand of an officer or attorney duly authorised.

   (ii) Where this proxy form is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.

5. A corporation which is a member of the Company may authorise, by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore, the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

6. For investors who hold Shares under the Supplementary Retirement Scheme ("**SRS Investors**"), this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS Investors who wish to appoint the Chairman of the AGM to act as their proxy should approach their respective SRS Operators to submit their votes at least seven (7) working days before the AGM **by 2:00 p.m. on 20 April 2022**.

General:

The Company shall be entitled to reject this proxy form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this proxy form. In addition, in the case of Shares entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM (or at any adjournment thereof), as certified by The Central Depository (Pte.) Limited to the Company.

Personal Data Privacy:

By submitting this proxy form, the member of the Company accepts and agrees to the personal data privacy terms as set out in the Notice of AGM dated 13 April 2022.

RESOURCES GLOBAL DEVELOPMENT

RESOURCES GLOBAL DEVELOPMENT LIMITED

144 Robinson Road,
#11-02 Robinson Square,
Singapore 068908
www.rgd.sg