



RESOURCES GLOBAL DEVELOPMENT LIMITED

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

BUSINESS UPDATE

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

The Group’s coal trading business is undertaken by its subsidiary, PT Deli Niaga Sejahtera (“**PT DNS**”). PT DNS procures its supply of thermal coal from coal mines located in South Kalimantan for domestic sales to customers that are mainly coal traders who procure coal for domestic end-users operating in various industries.

The Company wishes to announce that PT DNS will reduce its sale of coal to some of its major customers (“**Major Customers**”) in Indonesia (“**Reduction of Sale**”), as an end-user of the Major Customers (“**End-User**”) intends to purchase coal directly from coal mines due to certain tax planning structure that the End-User is pursuing.

In view of the Reduction of Sale, PT DNS has commenced and is still in the process of negotiating with the designated coal mine to adopt a brokerage model for coal directly purchased from the mine. Further, PT DNS is exploring the sale of coal to other customers.

Revenue from the Major Customers accounted for about 46% of the Group’s total revenue in the financial year ended 31 December 2021. As a result of the Reduction of Sale, the Group expects a decline in its revenue from the coal trading business for the financial year ending 31 December 2022. However, the decline is expected to be compensated by revenue to be generated from sale to other customers.

As the situation is still evolving, the Company will provide further updates to shareholders on material development on the Group’s business operations in compliance with the listing rules of the Singapore Exchange Securities Trading Limited, on the SGXNET.

By Order of the Board

FRANCIS LEE
Executive Director and Chief Executive Officer
24 May 2022

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, ZICO Capital Pte. Ltd. (the “**Sponsor**”), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.*

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

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.