RESOURCES PRIMA GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198602949M)

1. MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021; AND

2. SUPPLEMENTAL ANNOUNCEMENT IN RESPECT OF THE ANNOUNCEMENT DATED 21 MAY 2021 TITLED RESPONSE TO SGX QUERIES IN RELATION TO THE GROUP'S FY2020 AND 1QFY2021 UNAUDITED RESULTS

1. Introduction

The board of directors (the "**Board**" or "**Directors**") of Resources Prima Group Limited (the **"Company**", and together with its subsidiaries, the "**Group**"), refers to:

(i) the announcement dated 3 May 2021 in respect of the Group's unaudited financial statements for the financial year ended 31 December 2020 ("**FY2020**") (the "**Unaudited Financial Statements**"); and

(ii) the announcement dated 21 May 2021 in relation to the Company's response to queries received from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on the Group's unaudited financial statements for FY2020 and the first quarter ended 31 March 2021 ("**21 May 2021 Announcement**").

2. Material variances

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of SGX-ST, the Board wishes to announce certain material variances and the reasons for the material variances between the Unaudited Financial Statements and the audited financial statements for FY2020 ("the "**Audited Financial Statements**") following finalisation of the audit by the external auditors, Baker Tilly TFW LLP. The details and explanations of the material variances are set out in Appendix A as annexed hereto.

Shareholders are advised to read this announcement in conjunction with the Independent Auditors' Report and the Audited Financial Statements that will form part of the annual report of the Company for FY2020 ("**Annual Report 2020**") which is released in a separate announcement on SGXNet on 12 June 2021.

3. Supplemental announcement

The Board also refers to the 21 May 2021 Announcement and wishes to supplement its response provided to Query 1. The details and explanations of the supplemental are set out in Appendix B as annexed hereto.

BY ORDER OF THE BOARD

Agus Sugiono
Executive Chairman cum CEO
14 June 2021

---

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**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 Lee Khai Yinn, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.

APPENDIX A – MATERIAL VARIANCES

(i) Statement of Comprehensive Income

Group	FY2020 US$'000 (Unaudited)	FY2020 US$'000 (Audited)	Variances	Note
Revenue	–	–	–	
Cost of sales	–	–	–	
Gross loss	–	–	–	
Other income, net	138	455	317	**1**
Administrative expenses	(1,032)	(1,320)	(288)	**1**
Other operating expenses	–	(3)	(3)	
Impairment loss on trade receivables	–	–	–	
Finance costs	(272)	(300)	(28)	**2**
Loss before tax	(1,166)	(1,168)	(2)	
Tax (expense)/credit	(154)	(155)	(1)	
Loss for the financial year	(1,320)	(1,323)	(3)	
Other comprehensive loss				
Items that are or may be reclassified subsequently to profit or loss:				
Currency translation differences arising on consolidation, representing other comprehensive loss for the financial year, net of tax	(136)	(136)	–	
Total comprehensive loss for the financial year	(1,456)	(1,459)	(3)	
Loss attributable to:				
Equity holders of the Company	(1,319)	(1,322)	(3)	
Non-controlling interests	(1)	(1)	–	
	(1,320)	(1,323)	(3)	
Total comprehensive loss attributable to:				
Equity holders of the Company	(1,455)	(1,458)	(3)	
Non-controlling interests	(1)	(1)	–	
	(1,456)	(1,459)	(3)	

Notes

1. The variance amounting to US$317,000 arose due to the reclassification of the following items from other losses/gains presented in the Unaudited Financial Statements to administrative expenses in the Audited Financial Statements:
(i) write down of inventories amounting to US$52,000; and
(ii) impairment loss on property, plant and equipment amounting to US$238,000.

The remaining variance in respect of other income recorded in the Audited Financial Statements was due to a reclassification of interest expense to finance costs amounting to US$28,000 as explained in Note 2.

2. The variance amounting to US$28,000 arose mainly due to a reclassification of interest expense previously included in other losses/gains in the Unaudited Financial Statements to finance costs in the Audited Financial Statements.

(ii) Statement of Financial Position

Group	FY2020 US$'000 (Unaudited)	FY2020 US$'000 (Audited)	Variances
Non-current assets			
Property, plant and equipment	12	12	–
Investment in subsidiaries	–	–	–
	12	12	–
Current assets			
Trade and other receivables	1,326	1,324	(2)
Inventories	5	5	–
Cash and cash equivalents	264	262	(2)
	1,595	1,591	(4)
Total assets	1,607	1,603	(4)
Current liabilities			
Trade and other payables	3,216	3,216	–
Borrowings	2,246	2,246	–
Derivative liability component on the convertible loans	543	543	–
Lease liabilities	–	–	–
Tax payable	617	617	–
	6,622	6,622	–
Total liabilities	6,622	6,622	–
Net liabilities	(5,015)	(5,019)	(4)
Equity			
Share capital	100,480	100,480	–
Currency translation reserve	(1,017)	(1,017)	–
Accumulated losses	(104,498)	(104,501)	(3)
Convertible loans equity reserve	214	214	–
Equity attributable to equity holders of the Company	(4,821)	(4,824)	(3)
Non-controlling interests	(194)	(195)	(1)
Total equity	(5,015)	(5,019)	(4)

Notes

There are no material variances in the statement of financial position.

(iii) Statement of Cash Flows

Group	FY2020 US$'000 (Unaudited)	FY2020 US$'000 (Audited)	Variances	Note
Cash flows from operating activities				
Loss before tax	(1,166)	(1,168)	(2)	
Adjustments for:				
Depreciation of property, plant and equipment	66	14	(52)	**3**
Impairment loss on property, plant and equipment	238	238	–	
Net gain from disposal of property, plant and equipment	(153)	(127)	26	**3**
Write down of inventories	52	52	–	
Fair value gain on derivative liability	(55)	(55)	–	
Finance costs	272	300	28	**4**
Gain from change in accounting estimate of convertible loans	–	(145)	(145)	**5**
Re-measurement of convertible loans	219	–	(219)	**5**
Modification gain on convertible loan	–	(119)	(119)	**5**
Unrealised foreign currency exchange (gain)/loss	(99)	48	147	**5**
Impairment loss on trade receivable	–	–	–	
Operating cash flows before working capital changes	(626)	(962)	(336)	
Inventories	52	–	(52)	**6**
Trade and other receivables	(21)	(18)	3	
Trade and other payables	356	744	388	**5**
Currency translation adjustments	(136)	(136)	–	
Cash used in operations	(375)	(372)	3	
Taxes paid	–	–	–	
Net cash used in operating activities	(375)	(372)	3	
Cash flows from investing activity				
Proceeds from disposals of property, plant and equipment	155	181	26	**3**
Net cash generated from investing activity	155	181	26	
Cash flows from financing activities				
Interest paid	–	(1)	(1)	
Repayment of lease liabilities	(19)	(19)	–	
Issuance of convertible loans	358	328	(30)	**5**
Net cash generated from financing activities	339	308	(31)	
Net increase/(decrease) in cash and cash equivalents	119	117	(2)	
Cash and cash equivalents at beginning of the financial year	145	145	–	
Cash and cash equivalents at end of the financial year	264	262	(2)	

Notes

3. The variance in depreciation amounting to US$52,000 was due to a posting error, where the Group over-recorded depreciation expenses in respect of the 19 dump trucks in the Unaudited Financial Statements. The Group also under-recorded proceeds from the disposals of property, plant and equipment amounting to US$26,000 in the Unaudited Financial Statements. As a result of the above, the Group recorded a decrease in net gain from disposal of property, plant and equipment by US$26,000 in the Audited Financial Statements.

4. This variance was explained in Note 2.

5. These variances were due mainly to a reclassification of convertible loans disclosures resulting in (i) gain from change in accounting estimate of convertible loans by US$145,000;; (ii) modification gain on convertible loan by US$119,000; (iii) increase in unrealised foreign currency exchange (gain)/loss by US$147,000; (iv) finance costs by US$28,000 and (v) trade and other payables by US$388,000.The increases were offset by (i) re-measurement of convertible loans amounting to US$219,000; and (ii) decrease in proceeds from the issuance of convertible loans amounting to US$30,000.

6. The Group erroneously recorded an increase in inventory amounting to US$52,000 in the Unaudited Financial Statements.

APPENDIX B – SUPPLEMENTAL ANNOUNCEMENT

The Company wishes to supplement its response provided to Query 1 in the 21 May 2021 Announcement. Based on the audited financial statements of the Group for FY2020, a breakdown of the trade and other payables as at 31 December 2020 are as follows:

As at 31.12.20 US$'000 (Audited)		Current	1-6 months past due	7-12 months past due	past due > 12 months	Total
Trade payables - third parties		2	2	–	35	39
Accrued operating expenses		1	2	61	20	84
Other payables - third parties		–	–	–	274	274
Other payables - VAT payables		–	–	–	346	346
Other payables - former directors	(i)	–	–	–	99	99
Other payables - directors	(ii)	–	232	232	1,000	1,464
Other payables - key management personnel	(ii)	4	120	120	666	910
Total		**7**	**356**	**413**	**2,440**	**3,216**

Notes:

(i) Of the US$99,000 due, approximately US$45,000 is due to Mr Giovani Sugiono, a former executive director of the Company and also the son of the Company's CEO, Mr. Agus Sugiono. The balance amounting to US$54,000 are due to former directors of the Company. The amounts due to the former directors are interest free, non-trade in nature, unsecured and repayable as and when there is more clarity on the Group's cashflow position.

(ii) The amounts due to directors and key management personnel (including former management) are interest free, non-trade in nature, unsecured and repayable as and when there is more clarity on the Group's cashflow position.