



RESOURCES GLOBAL DEVELOPMENT LIMITED

(Company Registration No. 201841763M)

(Incorporated in the Republic of Singapore)

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE FULL YEAR ENDED 31 DECEMBER 2021

*This announcement has been prepared by Resources Global Development Limited (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 Catalist.*

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

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Background

The Company, and together with its subsidiaries, (the “**Group**”) was listed on Catalist Board on 31 January 2020. The Group is an established coal trader and coal shipping company in Indonesia. The Group procures thermal coal from coal mines located in South Kalimantan for domestic sales and exports. It also owns a relatively young and well-maintained fleet of Indonesian-flagged vessels, comprising ten (10) sets of tugboat and barge and one (1) bulk carrier, providing chartering services to transport coal within and beyond the Indonesian territories. For more information, please visit the Company’s website at www.rgd.sg.

RESOURCES GLOBAL DEVELOPMENT LIMITED

Condensed Interim Financial Statements
For the six months and full year ended
31 December 2021

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A. Condensed interim consolidated statement of comprehensive income

Note	The Group						
	6 months ended 31 December 2021	6 months ended 31 December 2020	Increase/ (Decrease)	12 months ended 31 December 2021	12 months ended 31 December 2020	Increase/ (Decrease)	
	S\$	S\$	%	S\$	S\$	%	
	(Unaudited)	(Unaudited)		(Unaudited)	(Audited)		
Revenue	4	70,877,687	34,042,688	108.2	133,327,996	73,246,735	82.0
Cost of sales and services		<u>(55,443,624)</u>	<u>(28,985,612)</u>	91.3	<u>(107,961,493)</u>	<u>(63,664,534)</u>	69.6
Gross profit		15,434,063	5,057,076	205.2	25,366,503	9,582,201	164.7
Interest income		127,856	71,797	78.1	205,113	128,027	60.2
Other income		29,894	35,244	(15.2)	44,414	279,669	(84.1)
Administrative expenses		<u>(1,877,952)</u>	<u>(1,329,744)</u>	41.2	<u>(2,854,979)</u>	<u>(4,155,873)</u>	(31.3)
Finance costs		<u>(19,864)</u>	<u>(290,050)</u>	(93.2)	<u>(222,675)</u>	<u>(618,626)</u>	(64.0)
Profit before tax	6	13,693,997	3,544,323	286.4	22,538,376	5,215,398	332.2
Tax expense	7	<u>(2,299,036)</u>	<u>(267,037)</u>	760.9	<u>(3,574,300)</u>	<u>(692,028)</u>	416.5
Profit for the financial period/year		<u>11,394,961</u>	<u>3,277,286</u>	247.7	<u>18,964,076</u>	<u>4,523,370</u>	319.2
Other comprehensive income/(loss)							
<i>Item that may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising from consolidation		633,656	(670,855)	N/M	244,494	(552,246)	N/M
<i>Item that will not be reclassified subsequently to profit or loss:</i>							
Remeasurement of post-employment benefits liabilities, net of tax		27,942	(18,611)	N/M	27,942	(18,611)	N/M
Currency translation differences arising from consolidation		<u>373,107</u>	<u>(483,635)</u>	N/M	<u>119,593</u>	<u>(406,227)</u>	N/M
Other comprehensive income/(loss) for the financial period/year, net of tax		<u>1,034,705</u>	<u>(1,173,101)</u>	N/M	<u>392,029</u>	<u>(977,084)</u>	N/M
Total comprehensive income for the financial period/year		<u>12,429,666</u>	<u>2,104,185</u>	490.7	<u>19,356,105</u>	<u>3,546,286</u>	445.8
Profit for the financial period/year attributable to:							
Equity holders of the Company		8,909,942	2,296,645	288.0	14,818,035	3,080,953	381.0
Non-controlling interests		<u>2,485,019</u>	<u>980,641</u>	153.4	<u>4,146,041</u>	<u>1,442,417</u>	187.4
		<u>11,394,961</u>	<u>3,277,286</u>	247.7	<u>18,964,076</u>	<u>4,523,370</u>	319.2
Total comprehensive income attributable to:							
Equity holders of the Company		9,556,026	1,609,945	493.6	15,074,956	2,512,862	499.9
Non-controlling interests		<u>2,873,640</u>	<u>494,240</u>	481.4	<u>4,281,149</u>	<u>1,033,424</u>	314.3
		<u>12,429,666</u>	<u>2,104,185</u>	490.7	<u>19,356,105</u>	<u>3,546,286</u>	445.8
Earnings per share for the profit for the period/year attributable to the owners of the Company during the period/year⁽¹⁾							
Basic & Diluted (SGD in cent)		<u>9.9</u>	<u>2.6</u>	280.8	<u>16.5</u>	<u>3.5</u>	371.4

"NM" denotes not meaningful.

Note:

(1) The basic and diluted earnings per share was calculated based on the weighted average number of shares on issue of 90,000,000 in 6 months and 12 months ended 31 December 2021 (6 months ended 31 December 2020: 90,000,000; 12 months ended 31 December 2020: 88,811,475).

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		31 December	31 December	31 December	31 December
		2021	2020	2021	2020
		S\$	S\$	S\$	S\$
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
Non-current assets					
Property, plant and equipment	10	40,548,725	30,652,759	3,147,084	143,759
Intangible assets	11	115,220	-	-	-
Deferred tax assets		7,846	8,387	-	-
Other receivables	12	2,572	2,557	-	-
Investment in subsidiaries		-	-	2,061,028	2,061,028
		40,674,363	30,663,703	5,208,112	2,204,787
Current assets					
Contract assets		531,523	390,026	-	45,949
Inventories		4,180,409	1,990,903	-	-
Trade and other receivables	12	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		318,971	336,585	-	-
Borrowings	13	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	14	9,648,892	6,409,550	411,196	4,018,588
Contract liabilities		1,748,401	1,617,592	-	-
Borrowings	13	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	15	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

C. Condensed interim statements of changes in equity

GROUP	← Attributable to equity holders of the Company →			Total S\$	Non- controlling interests S\$	Total equity S\$
	Share capital S\$	Retained earnings S\$	Currency translation reserve S\$			
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 for the financial year	-	-	-	-	(18,975)	(18,975)
Balance at 31 December 2021 (Unaudited)	<u>5,701,262</u>	<u>32,281,781</u>	<u>(893,735)</u>	<u>37,089,308</u>	<u>18,688,032</u>	<u>55,777,340</u>

C. Condensed interim statements of changes in equity (cont'd)

GROUP	← Attributable to equity holders of the Company →			Total S\$	Non-controlling interests S\$	Total equity S\$
	Share capital S\$	Retained earnings S\$	Currency translation reserve S\$			
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)
Re-measurement 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 (Audited)	<u>5,701,262</u>	<u>17,451,319</u>	<u>(1,138,229)</u>	<u>22,014,352</u>	<u>14,425,858</u>	<u>36,440,210</u>

C. Condensed interim statements of changes in equity (cont'd)

COMPANY	Share capital S\$	Accumulated losses S\$	Total equity S\$
Balance at 1 January 2021	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 (Unaudited)	5,701,262	(618,286)	5,082,976

COMPANY	Share capital S\$	Accumulated losses S\$	Total equity S\$
Balance at 1 January 2020	3,000,000	(2,029,325)	970,675
Issuance of new shares	3,000,000	-	3,000,000
Share issue expenses	(298,738)	-	(298,738)
Loss for the financial year	-	(183,239)	(183,239)
Balance at 31 December 2020 (Audited)	5,701,262	(2,212,564)	3,488,698

D. Condensed interim consolidated statement of cash flows

	The Group	
	12 months ended 31 December 2021 S\$ (Unaudited)	12 months ended 31 December 2020 S\$ (Audited)
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	<u>26,787,388</u>	<u>9,951,560</u>
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	<u>26,875,768</u>	<u>2,365,353</u>
Interest received	205,113	128,027
Taxes paid	(2,370,338)	(731,980)
Net cash generated from operating activities	<u>24,710,543</u>	<u>1,761,400</u>
Cash flows from investing activities		
Purchases of property, plant and equipment	(8,613,010)	(2,718,642)
Purchases of intangible assets	(114,342)	-
Net cash used in investing activities	<u>(8,727,352)</u>	<u>(2,718,642)</u>
Cash flows from financing activities		
Proceeds from issuance of share	-	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 shareholder	(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	<u>(1,470,255)</u>	<u>(1,168,943)</u>
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	<u>5,845,187</u>	<u>7,971,299</u>
Cash and cash equivalents at end of financial year	<u>20,346,000</u>	<u>5,845,187</u>

E. Notes to the condensed interim consolidated financial statements

1 Corporate information

Resources Global Development Limited (Co. Reg. No. 201841763M) was incorporated on 12 December 2018 and domiciled in Singapore. On 31 January 2020, the Company was listed on the Catalist Board of Singapore Exchange Securities Trading Limited.

The principal place of business of the Company is located at 144 Robinson Road, #07-01 Robinson Square, Singapore 068908.

The principal activities of the Group are:

- (a) Coal Trading Business
- (b) Coal Shipping Services

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

2 Basis of preparation

The condensed interim financial statements as of and for the six months ("**2HY**") and twelve months ("**FY**") ended 31 December 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to the standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3 Seasonal operations

The seasonal wet weather conditions during the year affect the ability of our coal suppliers to increase their production to meet increased demands and the efficiency on our coal shipping services.

4 Segment and revenue information

The Group is organised into the following main business segments:

- Segment 1: Coal Trading Business
- Segment 2: Coal Shipping Services

Inter-segment revenue is eliminated on consolidation. There is no inter-segment revenue during the current and previous financial year/period.

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.

Segment assets

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

4.1 Reportable segments

	Coal Trading Business		Coal Shipping Services		Consolidated	
	1 July 2021 to 31 December 2021 S\$	1 July 2020 to 31 December 2020 S\$	1 July 2021 to 31 December 2021 S\$	1 July 2020 to 31 December 2020 S\$	1 July 2021 to 31 December 2021 S\$	1 July 2020 to 31 December 2020 S\$
Revenue:						
External customers	59,780,218	27,176,388	11,097,469	6,866,300	70,877,687	34,042,688
Total Revenue	<u>59,780,218</u>	<u>27,176,388</u>	<u>11,097,469</u>	<u>6,866,300</u>	<u>70,877,687</u>	<u>34,042,688</u>
Segment profit:	9,577,471	2,147,579	4,897,992	2,239,686	14,475,463	4,387,265
Interest income	116,457	37,131	11,394	34,663	127,851	71,794
Finance costs	(5,517)	(5,959)	(4,479)	(282,277)	(9,996)	(288,236)
Unallocated corporate expenses	-	-	-	-	(899,321)	(626,500)
Profit before tax	9,688,411	2,178,751	4,904,907	1,992,072	13,693,997	3,544,323
Income tax expense					<u>(2,299,036)</u>	<u>(267,037)</u>
Profit for the financial period					<u>11,394,961</u>	<u>3,277,286</u>
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					<u>72,842,380</u>	<u>50,162,184</u>
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					<u>17,065,040</u>	<u>13,721,974</u>
Other segment information						
Capital expenditure	98,597	-	7,733,542	679,773	7,832,139	679,773
Unallocated capital expenditure					3,003,101	-
					<u>10,835,240</u>	<u>679,773</u>
Depreciation	31,622	29,746	1,699,129	1,941,186	1,730,751	1,970,932
Unallocated corporate depreciation					64,565	51,012
					<u>1,795,316</u>	<u>2,021,944</u>
Other non-cash expenses	62,607	15,322	-	107,127	60,607	122,449

4.1 Reportable segments (cont'd)

	Coal Trading Business		Coal Shipping Services		Consolidated	
	1 January 2021 to 31 December 2021 S\$	1 January 2020 to 31 December 2020 S\$	1 January 2021 to 31 December 2021 S\$	1 January 2020 to 31 December 2020 S\$	1 January 2021 to 31 December 2021 S\$	1 January 2020 to 31 December 2020 S\$
Revenue:						
External customers	113,201,753	59,569,066	20,126,243	13,677,669	133,327,996	73,246,735
Total Revenue	<u>113,201,753</u>	<u>59,569,066</u>	<u>20,126,243</u>	<u>13,677,669</u>	<u>133,327,996</u>	<u>73,246,735</u>
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)
Unallocated corporate expenses	-	-	-	-	(1,541,513)	(1,489,107)
Profit before tax	<u>15,893,613</u>	<u>3,751,280</u>	<u>8,186,276</u>	<u>2,953,225</u>	<u>22,538,376</u>	<u>5,215,398</u>
Income tax expense					<u>(3,574,300)</u>	<u>(692,028)</u>
Profit for the financial year					<u>18,964,076</u>	<u>4,523,370</u>
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					<u>72,842,380</u>	<u>50,162,184</u>
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					<u>17,065,040</u>	<u>13,721,974</u>
Other segment information						
Capital expenditure	100,887	-	10,483,821	690,323	10,584,708	690,323
Unallocated capital expenditure					3,004,600	4,152
					<u>13,589,308</u>	<u>694,475</u>
Depreciation	61,304	60,276	3,755,559	3,961,276	3,816,863	4,021,552
Unallocated corporate depreciation					115,618	101,562
					<u>3,932,481</u>	<u>4,123,114</u>
Other non-cash expenses	<u>72,111</u>	<u>15,322</u>	-	107,127	72,111	122,449

4.2 Disaggregation of Revenue

	The Group		The Group	
	1 July 2021 to 31 December 2021 S\$	1 July 2020 to 31 December 2020 S\$	1 January 2021 to 31 December 2021 S\$	1 January 2021 to 31 December 2020 S\$
Types of goods or service:				
Coal trading business	59,780,218	27,176,388	113,201,753	59,569,066
Coal shipping services	11,097,469	6,866,300	20,126,243	13,677,669
Total revenue	<u>70,877,687</u>	<u>34,042,688</u>	<u>133,327,996</u>	<u>73,246,735</u>
Timing of revenue recognition:				
At a point in time	59,780,218	27,176,388	113,201,753	59,569,066
Over time	11,097,469	6,866,300	20,126,243	13,677,669
Total revenue	<u>70,877,687</u>	<u>34,042,688</u>	<u>133,327,996</u>	<u>73,246,735</u>
Geographical information:				
Indonesia	70,323,075	30,014,546	124,939,465	67,415,098
China	554,612	4,028,142	8,388,531	5,831,637
Total revenue	<u>70,877,687</u>	<u>34,042,688</u>	<u>133,327,996</u>	<u>73,246,735</u>

A breakdown of sales:

	The Group		
	Financial year ended 31 December 2021 S\$	Financial year ended 31 December 2020 S\$	Increase %
Sales reported for the first half year	62,450,309	39,204,047	59.3
Operating profit after tax before deducting non-controlling interests reported for first half year	7,569,115	1,246,084	507.4
Sales reported for the second half year	70,877,687	34,042,688	108.2
Operating profit after tax before deducting non-controlling interests reported for second half year	11,394,961	3,277,286	247.7

5 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

	The Group		The Company	
	31 December 2021 S\$ (Unaudited)	31 December 2020 S\$ (Audited)	31 December 2021 S\$ (Unaudited)	31 December 2020 S\$ (Audited)
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

6 Profit before tax

6.1 Significant items

	The Group			
	6 months ended 31 December 2021 S\$	6 months ended 31 December 2020 S\$	12 months ended 31 December 2021 S\$	12 months ended 31 December 2020 S\$
Other Income				
Government grant income ⁽¹⁾	6,164	29,869	20,684	274,294
Rental income	16,652	-	16,652	-
Others	7,078	5,375	7,078	5,375
	29,894	35,244	44,414	279,669
Finance costs				
Interest on bank loans	10,721	279,370	204,545	591,989
Interest on lease liabilities	9,143	10,680	18,130	26,637
	19,864	290,050	222,675	618,626
Included in cost of sales and services:				
Coal purchases	47,386,381	21,594,008	91,341,699	48,132,163
Depreciation of vessels and vessel equipment	1,655,818	1,895,511	3,668,168	3,865,918
Freight charter	1,930,342	2,198,534	4,276,895	4,366,921
Fuel expenses	1,336,503	427,133	2,502,276	1,740,088
Insurance expenses	168,312	152,949	326,412	314,140
Loading/discharging expenses	398,167	617,508	1,058,755	1,239,643
Mooring and anchoring expenses	29,531	14,516	48,818	36,045
Repair and maintenance	294,821	290,456	550,186	513,723
Staff costs	1,019,655	727,378	1,879,200	1,514,820

6 Profit before tax (cont'd)

6.1 Significant items (cont'd)

	The Group			
	6 months ended 31 December 2021 S\$	6 months ended 31 December 2020 S\$	12 months ended 31 December 2021 S\$	12 months ended 31 December 2020 S\$
Included in administrative expenses:				
Audit fees paid/payable to:				
- auditor of the Company	51,000	40,500	95,000	88,000
- other auditor	19,547	33,584	39,557	33,584
Non-audit fees paid/payable to:				
- other auditor	-	-	-	-
Depreciation of property, plant and equipment	139,498	126,426	264,313	257,196
Insurance expenses	18,833	15,458	37,157	28,543
Loss on foreign currency exchange, net	22,859	(19,436)	(264,694)	1,161,324
Office supplies	30,768	26,199	65,045	85,417
Professional fees	178,553	150,101	285,972	626,449
Staff Costs	1,088,605	901,488	1,965,101	1,701,648
Inventories written off	291,284	-	291,284	-

Note:

- (1) Government grant income in FY2020 consists of Grant for Equity Market Singapore Scheme ("**GEMS**") and Jobs Support Scheme ("**JSS**"). The Government grant in FY2021 consists of 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. The Group received S\$200,000 from the grant during FY2020. There was no such grant in FY2021.

Government grant income of S\$18,060 under JSS (FY2020: S\$72,350) and S\$2,624 under JGI (FY2020: Nil) was recognized during FY2021.

6.2 Related party transactions

The following significant transactions took place between the Group and the related parties at terms agreed by the parties:

	The Group	
	Financial year ended 31 December 2021 S\$	Financial year ended 31 December 2020 S\$
With immediate holding company:		
Loan from	1,000,000 ⁽¹⁾	-
With other related parties:		
Purchases from	-	28,895,130 ⁽²⁾
Repayment of advances to a related party	-	500,000 ⁽³⁾

Notes:

- (1) The short-term loan from immediate holding company is unsecured, interest-free and repayable within 12 months.
- (2) The Group purchased coal from its related parties, PT Angsana Jaya Energi (“**PT AJE**”) and PT Akbar Mitra Jaya (“**PT AMJ**”) in FY2020.

Each of PT AJE and PT AMJ is a coal mining company incorporated in Indonesia and they ceased to be a related party of the Group with effect from 14 August 2020 and 2 October 2020 respectively, as the equity interest of the Founding Shareholders in PT AJE and PT AMJ fell below 20%. Consequently, PT AJE and PT AMJ ceased to be an associate of the Founding Shareholders⁽⁵⁾.

- (3) The Group repaid an advance due to Ever Grace International Trading Limited (“**Ever Grace**”) in FY2020. Ever Grace is an investment holding company incorporated in Hong Kong which is indirectly owned by Ms Lenny Limanto⁽⁴⁾. With effect from 7 July 2021, Ms Lenny no longer has any equity shares in Ever Grace and consequently Ever Grace ceased to be an associate company of the Founding Shareholders⁽⁵⁾.
- (4) Ms Lenny Limanto is the sister of Mr Salim Limanto (Executive Director of the Company), the daughter of Mr Djunaidi Hardi, and the niece of Mr Arifin Ang, Mr Juhadi and Mr Limas Ananto. Each of Mr Djunaidi Hardi, Mr Arifin Ang, Mr Juhadi and Mr Limas Ananto is a Founding Shareholder⁽⁵⁾.
- (5) Founding Shareholders refer to Mr Djunaidi Hardi, Mr Arifin Ang, Mr Juhadi, Mr Arifin Tan, and Mr Limas Ananto. 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).

7 Tax Expense

The Group calculates the income tax expenses using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or losses are:

	The Group			
	6 months ended 31 December 2021 S\$	6 months ended 31 December 2020 S\$	12 months ended 31 December 2021 S\$	12 months ended 31 December 2020 S\$
Current income tax expense	2,295,941	263,593	3,572,999	689,240
Deferred income tax expense ⁽¹⁾	3,095	3,444	1,301	2,788
	<u>2,299,036</u>	<u>267,037</u>	<u>3,574,300</u>	<u>692,028</u>

Note:

(1) The deferred tax expenses arise from the temporary differences associated with the depreciation period of the vehicles under finance lease and non-deductible expenses.

8 Net Asset Value

	GROUP		COMPANY	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Net asset value per ordinary share (SGD in cent) ⁽¹⁾	<u>41.2</u>	<u>24.5</u>	<u>5.6</u>	<u>3.9</u>

Note:

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

9 Fair Value 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:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 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
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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.

The fair value of the borrowings approximate their carry values based on the discounted cash flow analysis using a discount rate based upon market lending rate for similar borrowings.

10 Property, plant and equipment

During the twelve months ended 31 December 2021, the property, plant and equipment has a total addition of S\$13,589,308 (31 December 2020: S\$694,475) and no disposal of assets (31 December 2020: Nil). Included in the purchase during FY2021 are:

- (i) Purchase of 2 new sets of tugboat and barge totalled at S\$7,795,476 as at 31 December 2021 (31 December 2020: Nil), with remaining balance of S\$4,799,256 as at 31 December 2021 (31 December 2020: Nil) payable to the shipyard vendor by monthly instalments within FY2022;
- (ii) Dry docking costs of S\$2,336,938 incurred for the vessels (31 December 2020: S\$592,114), with remaining balance of S\$108,218 as at 31 December 2021 (31 December 2020: Nil) payable to the shipyard;
- (iii) Purchase of vessel equipment of S\$273,915 as at 31 December 2021 (31 December 2020: S\$71,816), with no outstanding balance as at 31 December 2020 and 2021; and
- (iv) Purchase of a new office unit for S\$3,110,350 in Singapore (31 December 2020: Nil), with remaining balance of S\$2,537,538 of bank loan as at 31 December 2021 (31 December 2020: Nil) payable to the bank.

Non-cash transactions:

	The Group	
	12 months ended 31 December 2021 S\$ (Unaudited)	12 months ended 31 December 2020 S\$ (Audited)
Aggregate cost of property, plant and equipment acquired	13,589,308	694,475
Less: Additions to right-of-use assets	(68,824)	-
Less: unpaid portion of the construction of vessels	(4,799,256)	-
Less: unpaid portion of dry-docking costs	(108,218)	-
Add: Paid for construction of vessels	-	2,024,167
	<hr/>	<hr/>
Net cash outflow for purchase of property, plant and equipment	8,613,010	2,718,642

11 Intangible asset

The addition of the intangible asset was in connection to the purchase of an accounting ERP software system. (31 December 2020: Nil).

12 Trade and other receivables

	The Group		The Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 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	-	-

13 Borrowings

	The Group		The Company	
	31 December 2021 S\$	31 December 2020 S\$	31 December 2021 S\$	31 December 2020 S\$
<u>Amount repayable within one year or on demand</u>				
Secured	154,788 ⁽²⁾	30,802 ⁽¹⁾	154,788 ⁽²⁾	-
Unsecured	1,091,910 ⁽³⁾	85,187	1,046,597 ⁽³⁾	85,187
	1,246,698	115,989	1,201,385	85,187
<u>Amount repayable after one year</u>				
Secured	2,382,750 ⁽²⁾	67,621 ⁽¹⁾	2,382,750 ⁽²⁾	-
Unsecured	78,631	4,748,455	-	43,455
	2,461,381	4,816,076	2,382,750	43,455

Notes:

- (1) The Group's secured borrowings as at 31 December 2020 are in connection with the financing of company motor vehicles. The Group leases the motor vehicles from non-related parties and the Group's obligations are secured by the lessors' title to the leased assets.
- (2) The Group's secured borrowings as at 31 December 2021 are in connection with the financing provided by a bank and secured by an office unit in Singapore. The Executive Director and Chief Operating Officer, Salim Limanto, has provided a personal guarantee for this bank loan.
- (3) The Group's unsecured borrowings as at 31 December 2021 are mainly in connection with the S\$1.0 million financing provided by the immediate holding company. This short-term loan is interest free, unsecured and repayable within 12 months.

14 Trade and other payables

	The Group		The Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Trade payables	3,969,026	5,638,307	-	3,770,203
Other payables	163,862	358,098	26,254	605
Payable to shipyard for dry-docking costs	108,218	-	-	-
Payable to shipyard for purchase of two new sets of tugboat and barge	4,799,256	-	-	-
Accrued operating expenses	608,530	398,585	384,942	233,220
Deferred grant income	-	14,560	-	14,560
	<u>9,648,892</u>	<u>6,409,550</u>	<u>411,196</u>	<u>4,018,588</u>

15 Share capital

	The Group and the Company			
	FY 2021		FY 2020	
	Number of shares	Amount S\$	Number of shares	Amount S\$
Beginning of financial year	90,000,000	5,701,262	75,000,000	3,000,000
Issue of new shares pursuant to the Placement on 30 January 2020	-	-	15,000,000	3,000,000
Resultant issued and paid-up share capital immediately after the IPO on 31 January 2020	90,000,000	5,701,262	90,000,000	6,000,000
Share issue expenses	-	-	-	(298,738)
End of financial year	<u>90,000,000</u>	<u>5,701,262</u>	<u>90,000,000</u>	<u>5,701,262</u>

The Company did not have any treasury shares, subsidiary holdings or other convertibles as at 31 December 2021 and 31 December 2020.

15.1 A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company does not have any treasury shares during and as at the end of the current financial period reported on

15.2 A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company does not have subsidiary holdings during and as at the end of the current financial period reported on.

16 Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES

1. Review

The condensed consolidated statement of financial position of Resources Global Development Limited and its subsidiaries as at 31 December 2021 and the related condensed consolidation comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

1.1 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts take to resolve each outstanding audit issue.
 (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable. The latest audited financial statements of the Group for the financial year ended 31 December 2020 are not subject to any adverse opinion, qualified opinion or disclaimer of opinion.

2. Review of performance of the Group

Review of condensed consolidated statement of comprehensive income of the Group

(A) Revenue

Total revenue increased by S\$60.1 million (82.0%), from S\$73.2 million in FY2020 to S\$133.3 million in FY2021. The breakdown of revenue by business and geographical segment is set out below:

<u>Business Segment</u>	<u>FY2021</u>		<u>FY2020</u>	
	<u>S\$</u>	<u>%</u>	<u>S\$</u>	<u>%</u>
Coal Trading Business	113,201,753	84.9	59,569,066	81.3
Coal Shipping Services	20,126,243	15.1	13,677,669	18.7
Total	<u>133,327,996</u>	<u>100.0</u>	<u>73,246,735</u>	<u>100.0</u>

<u>Business Segment</u>	<u>FY2021</u>		<u>FY2020</u>	
	<u>S\$</u>	<u>%</u>	<u>S\$</u>	<u>%</u>
Coal Trading Business				
Indonesia	105,367,834	93.1	53,737,429	90.2
China	7,833,919	6.9	5,831,637	9.8
Total	<u>113,201,753</u>	<u>100.0</u>	<u>59,569,066</u>	<u>100.0</u>

Coal Shipping Services				
Indonesia	19,571,631	97.2	13,677,669	100.0
China	554,612	2.8	-	-
Total	<u>20,126,243</u>	<u>100.0</u>	<u>13,677,669</u>	<u>100.0</u>

Coal Trading Business

Revenue from Coal Trading Business increased by S\$53.6 million (90.0%), from S\$59.6 million in FY2020 to S\$113.2 million in FY2021. The increase was mainly due to increase in the average selling price from S\$37.8 per metric ton (“mt”) in FY2020 to S\$77.8 per mt in FY2021, although the sales volume decreased from about 1.6 million mt in FY2020 to about 1.5 million mt in FY2021.

In geographical terms, revenue from Coal Trading Business in FY2021 were derived from sales to Indonesia (93.1%) (FY2020: 90.2%) and China (6.9%) (FY2020: 9.8%). The Group will continue its efforts to expand and diversify its customer base beyond Indonesia, in particular within the Southeast Asia.

Coal Shipping Services

Revenue from Coal Shipping Services increased by S\$6.4 million (47.1%), from S\$13.7 million in FY2020 to S\$20.1 million in FY2021. The increase was mainly due to (i) increase in shipping volume by about 1.1 million mt (40.7%) from 2.7 million mt in FY2020 to 3.8 million mt in FY2021, attributed to (i) the improved shipping efficiency with faster turnaround time taken for each shipping trip; (ii) increase in demurrage income from S\$658,000 in FY2020 to S\$860,000 in FY2021; (iii) 2 new sets of tugboat and barge commenced operation in the fourth quarter of FY2021; and (iv) increase of freight rate in the transshipment services.

Revenue from Coal Shipping Services were mainly derived from Indonesia while our bulk carrier was deployed to international chartering and travelled to China in the last quarter of FY2021.

(B) Gross profit

Gross profit increased by S\$15.8 million (164.7%) from S\$9.6 million in FY2020 to S\$25.4 million in FY2021, while the gross profit margin increased by 5.9 percentage points from 13.1% in FY2020 to 19.0% in FY2021. The breakdown of the gross profit margin by business segment is set out as below:

Business Segment	FY2021 S\$	FY2020 S\$
Coal Trading Business		
Gross profit	16,044,679	5,196,577
Gross profit margin	14.2%	8.7%
Coal Shipping Services		
Gross profit	9,321,824	4,385,624
Gross profit margin	46.3%	32.1%
Overall		
Gross profit	25,366,503	9,582,201
Gross profit margin	19.0%	13.1%

Coal Trading Business

Gross profit of Coal Trading Business increased by S\$10.8 million (208.7%), from S\$5.2 million in FY2020 to S\$16.0 million in FY2021.

Gross profit margin increased by 5.5 percentage points from 8.7% in FY2020 to 14.2% in

FY2021. The increase was mainly due to the change in our purchasing arrangement with our suppliers. In FY2021, we did spot purchase instead of a fixed formula pricing used in FY2020. Our ability to buy early in a rising price trend resulted in a higher gross profit margin.

Coal Shipping Services

Gross profit of Coal Shipping Services increased by S\$4.9 million (112.6%), from S\$4.4 million in FY2020 to S\$9.3 million in FY2021. The increase was in line with the increase in business activities by this segment in FY2021.

Gross profit margin from this segment increased by 14.2 percentage points, from 32.1% in FY2020 to 46.3% in FY2021. The increase was mainly due to (i) improved shipping efficiency with shorten turnaround trip resulted in more shipments in FY2021; (ii) increase in freight rate for transshipment services in FY2021; and (iii) increase in demurrage income received by the Company in FY2021.

(C) Interest income

Interest income, which comprised interest from bank and fixed deposit, increased by S\$77,000 (60.2%), from S\$128,000 in FY2020 to S\$205,000 in FY2021. The increase was mainly due to higher cash amounts placed with financial institutions for time deposits during FY2021.

(D) Other income

Other income decreased by S\$236,000 (84.1%) from S\$280,000 in FY2020 to S\$44,000 in FY2021.

Other income in FY2020 mainly comprised a one-off S\$200,000 listing grant from the Monetary Authority of Singapore under the Grant for Equity Market Singapore pursuant to the Company's successful Initial Public Offering ("**IPO**") in January 2020, and wage support grant from the Singapore government under the Jobs Support Scheme ("**JSS Grant**").

Other income in FY2021 comprised mainly the JSS Grant and the grant from the Singapore government under the Jobs Growth Incentive, as well as temporary rental income received from the newly purchased office unit in Singapore in FY2021.

(E) Administrative expenses

Administrative expenses decreased by S\$1.3 million (31.3%), from S\$4.2 million in FY2020 to S\$2.9 million in FY2021. The decrease was mainly due to foreign exchange gain of S\$0.3 million attained in FY2021 compared to foreign exchange loss of S\$1.2 million incurred in FY2020, mainly attributed to the exchange rate fluctuation of Indonesian Rupiah (IDR) against the United States Dollar (US\$) and a S\$0.3 million inventories written off in connection to a waste disposal of vessel's fuel in FY2021.

(F) Finance costs

Finance costs decreased by S\$396,000 (64.0%), from S\$619,000 in FY2020 to S\$223,000 in FY2021. The decrease was mainly due to full repayment of a bank loan in FY2021.

(G) Tax expense

In Indonesia, our Coal Shipping Services is being taxed by the Indonesian tax authorities based on 1.2% tax rate of revenue generated, whereas our Coal Trading Business is being taxed based on 22% tax rate of profit before tax.

Tax expense increased by S\$2.9 million (416.5%), from S\$0.7 million in FY2020 to S\$3.6 million in FY2021. The increase was mainly due to increase in both the revenue for Coal Shipping Services and profit before tax for Coal Trading Business in FY2021.

(H) Profit for the financial year

As a result of the above, profit for the financial year increased by S\$14.5 million (319.2%) from S\$4.5 million in FY2020 to S\$19.0 million in FY2021.

Review of condensed statement of financial position of the Group

(I) Non-current assets

Non-current assets increased by S\$10.0 million (32.6%), 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 the purchase of a new office unit in Singapore, ERP accounting system (recorded as intangible assets), 2 new sets of tugboat and barge, and docking costs incurred for the vessels in FY2021.

(J) Current assets

Current assets increased by S\$12.7 million (65.0%), from S\$19.5 million as at 31 December 2020 to S\$32.2 million as at 31 December 2021. The net increase was mainly due to the following:

Inventories

Inventories increased by S\$2.2 million (110.0%) from S\$2.0 million as at 31 December 2020 to S\$4.2 million as at 31 December 2021. The increase relates to the (i) purchase of spare parts for the new vessels and the bulk carrier; (ii) coal inventory-in-transit awaiting customer's appointed bulk carrier, which was delayed a few days after year end; and (iii) fuel inventory in the vessels as at 31 December 2021.

Contract assets

Contract assets increased by S\$0.1 million (36.3%), from S\$0.4 million as at 31 December 2020 to S\$0.5 million as at 31 December 2021. The increase was mainly due to an increase in services rendered but not yet billed in FY2021, in respect of the Coal Shipping Services.

Cash and cash equivalents

Cash and cash equivalents increased by S\$14.5 million (248.1%), from S\$5.8 million as at 31 December 2020 to S\$20.3 million as at 31 December 2021. Please refer to the section entitled "Review of Cash Flow of the Group" below for information on the increase in cash and cash equivalents.

Trade and other receivables

Trade and other receivables decreased by S\$4.2 million (36.9%), from S\$11.3 million as at 31 December 2020 to S\$7.1 million as at 31 December 2021. The net decrease was mainly due to improved collection by the Group of trade receivables in FY2021.

(K) Non-current liabilities

Non-current liabilities decreased by S\$2.4 million (46.0%), 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 and a new Singapore bank loan obtained in FY2021 to finance the purchase of a new office unit.

(L) Current liabilities

Current liabilities increased by S\$5.7 million (66.7%), 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 the following:

Trade and other payables

Trade and other payables increased by S\$3.2 million (50.5%), from S\$6.4 million as at 31 December 2020 to S\$9.6 million as at 31 December 2021. The increase was mainly due to a new S\$4.8 million outstanding balance due to a shipyard for the purchase of 2 new sets of tugboat and barge, partially offset by a decrease in the trade payable.

Borrowings

Borrowings increased by S\$1.1 million (974.8%), from S\$0.1 million as at 31 December 2020 to S\$1.2 million as at 31 December 2021. The increase was due to a S\$1.0 million unsecured and interest free short-term loan obtained from immediate holding company to finance the purchase of an office unit in Singapore.

Tax payable

Tax payable increased by S\$1.2 million (285.0%), from S\$0.4 million as at 31 December 2020 to S\$1.6 million as at 31 December 2021. The increase was in line with the increased revenue and profit attained by the Group in FY2021.

(M) Working capital position

As a result of the above, the working capital of the Group improved by S\$7.0 million (63.6%) from S\$10.9 million as at 31 December 2020, to S\$17.9 million as at 31 December 2021.

Review of cash flow of the Group

During FY2021, net cash generated from operating activities amounted to approximately S\$24.7 million. This comprises positive operating cash flows before changes in working capital of S\$26.8 million, adjusted by net working capital inflow of S\$88,000, interest received and taxes paid of S\$205,000 and S\$2.4 million, respectively.

Net cash used in investing activities of S\$8.7 million in FY2021 relates mainly to the payments for the acquisition of vessels, new office unit in Singapore, ERP accounting system and docking costs.

Net cash used in financing activities of S\$1.5 million in FY2021 was mainly due to (i) repayment of bank loans of S\$4.7 million, (ii) payment of interest expenses of about S\$223,000, (iii) payment of lease liabilities of S\$126,000; partially offset by a new loan of S\$1.0 million from immediate holding company and a new bank loan of S\$2.6 million in connection to the purchase of a new office unit in Singapore.

As a result of the above, cash and cash equivalents increased by S\$14.5 million from S\$5.8 million as at 31 December 2020 to S\$20.3 million as at 31 December 2021.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to shareholders.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting year and the next 12 months.

Thermal coal prices started to surge towards the end of second quarter of 2021 to reach its peak in October 2021 at over US\$150/mt. The Indonesia Coal Index for 4,200 GAR coal ended the year 2021 at about US\$60/mt, representing a retracement of over 50% from its peak. Since then, prices have remained relatively stable.

The catalyst for the 2021 price strength centred around China. Power demand in China has been very strong on the back of a better-than-expected economic recovery, and the concurrent inability of Chinese production to ramp up has increased the country's appetite for imports.

Coupled with the above are numerous supply issues around the world. Indonesian miners have been hampered by heavy rainfalls and shortage of heavy equipment, both of which have caused the inability to ramp up production to meet the increased demand. The surging COVID-19 cases have also caused disruptions to some miners and logistic operators, which further lowered productivity.

Going forward into 2022, the coal industry is generally subject to the same factors as in the previous year. Much of the external factors such as weather-related delays, prevailing coal prices and changing demand dynamics, are still applicable. Further to the above, the conflict in Ukraine has just developed into a war as at the date of this announcement. We recognize the potential macro impact that this event may have on commodities, the financial markets and the logistics sector. We will monitor the situation closely, and do utmost to pre-empt and manage any adverse effect overflowing from it.

Barring the potential uncertainty emanating from the Ukraine conflict, we remain optimistic about the prospects of coal demand in both the domestic and international markets. Our coal trading

business will still primarily be centred on key consumers in Indonesia, China and the region, as their demands recover from the COVID-19 lows.

Having said the above, we are also mindful that the above-mentioned strength is potentially a near-term phenomenon. Once supply normalizes and logistical bottle-necks overcome, the demand/supply equilibrium is likely to point towards a more reasonable coal pricing.

We will continue to ride upon the positive development to grow our coal trading and coal shipping services in 2022.

5. Dividend

(a) Any dividend recommended/declared for the current financial year reported on?

Name of Dividend	Final
Dividend Type	Cash
Dividend per share	S\$0.01
Tax rate	Tax exempt

The final dividend is subject to the approval of the Company's shareholders at the forthcoming annual general meeting ("AGM") of the Company.

(b) Any dividend recommended/declared for the corresponding year of the immediately preceding financial year?

Nil.

(c) Date payable

Subject to shareholders' approval at the AGM, the date payable is to be advised. The Company will make an announcement to provide an update on the date payable.

(d) Books closure date

To be announced by the Company in due course.

(e) If no dividend has been declared/recommended, a statement to the effect and the reason(s) for the decision.

Not applicable.

6. If the group has obtained a general mandate from shareholders for interested person transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has obtained a general mandate from shareholders of the Company for interested person transactions in respect of the purchase of coal from interested persons.

Name of interested person	Nature of relationship		Aggregate value of all IPTs in 2021 (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 2021 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 (formerly known as PT Deli Indonesia Sejahtera) (“PT DIR”) (effective interest of 49.5% via 48% Class-A voting shares in PT DPAL). PT DIR is wholly owned by 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 a, 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 2 new sets of tugboat and barge.
- 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 IDR11.11 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.
- (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).

7. **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules**

The Company confirms that all the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

8. **A breakdown of the total annual dividend (in dollar value) for the issuer’s latest fully year and its pervious full year as follows:**

	FY2021 S\$'000	FY2020 S\$'000
Ordinary	900	-
Preference	-	-
Total	900	-

9. **Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Salim Limanto	39	<p>Son of Mr Djunaidi Hardi and the nephew of each of Mr Juhadi, Mr Arifin Ang and Mr Limas Ananto (“Founding Shareholders”).</p> <p>The Founding Shareholders are deemed to be interested in the shares held by Deli International Resources Pte. Ltd. (the controlling shareholder of the Company).</p>	<ul style="list-style-type: none"> Executive Director of the Company’s subsidiaries, namely PT Deli Pratama Angkutan Laut (since 1 May 2013), and PT Deli Niaga Sejahtera (since 2 January 2018) Executive Director of the Company (since 12 December 2019) Chief Operating Officer of the Company (since 1 January 2019) <p>Mr Salim Limanto is responsible for the overall operations and business development activities of the Group.</p>	-

10. Disclosure pursuant to Rule 706A of the Catalyst Rules

The Company did not acquire or dispose shares in an entity which will result in that entity in becoming or ceasing to be, a subsidiary or associated company of the Company, or result in a change in the Company's shareholding percentage in a subsidiary or associated company, during FY2021.

BY ORDER OF THE BOARD

Francis Lee
Executive Director and CEO

Salim Limanto
Executive Director and COO

26 February 2022