

# ADVANCING GROWTH STRATEGY

ANNUAL REPORT 2022



# RESOURCES GLOBAL DEVELOPMENT LIMITED

Our history of being involved in the mining 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 trader and shipping company in Indonesia.

Our main trading products is currently thermal coal which we procure 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 goods mainly within the Indonesian territories. Currently, customers for our shipping services are mainly coal traders.

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 mining 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).



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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 Karen Soh, Managing Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

## OUR TWO BUSINESS PILLARS

### TRADING

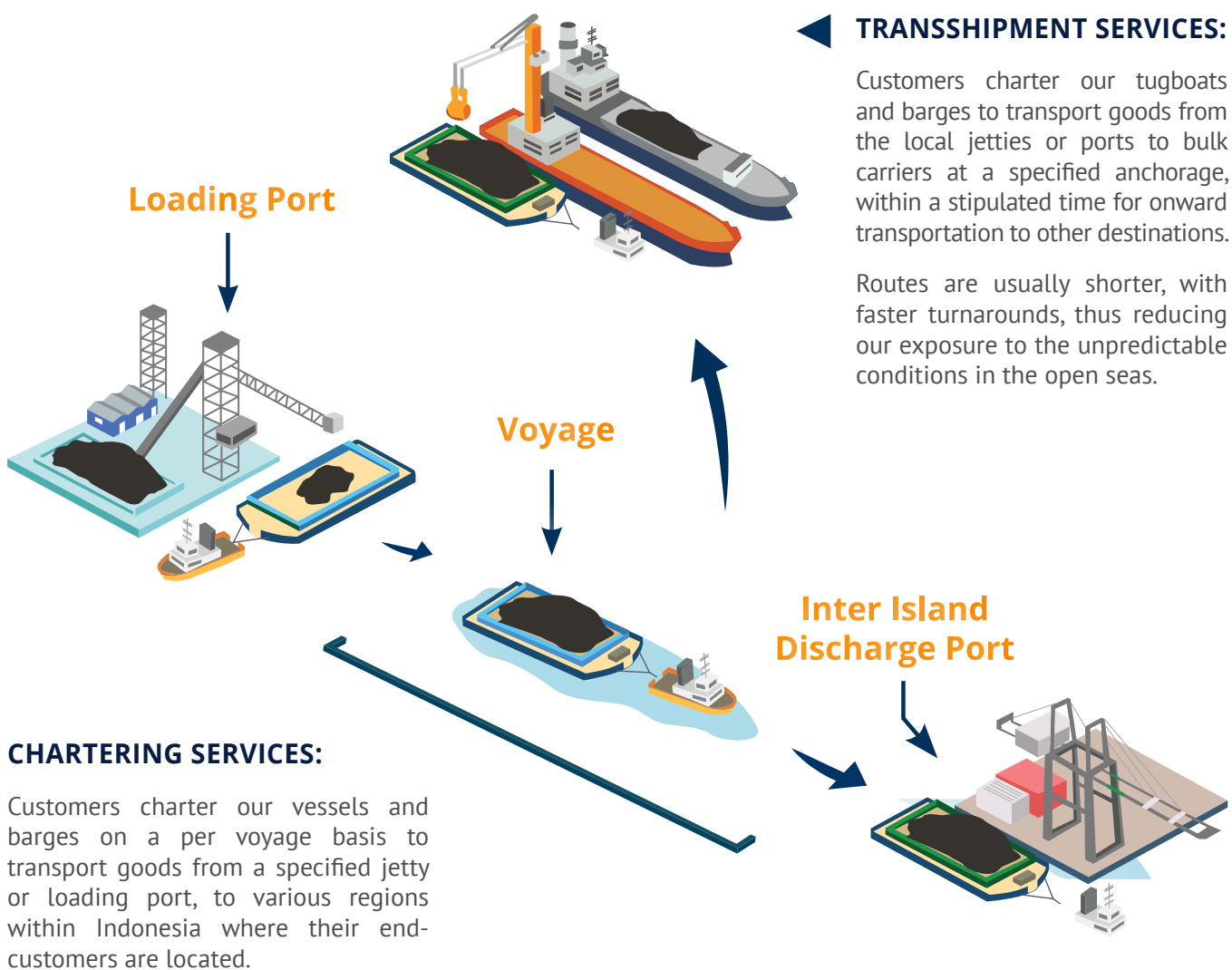
Our Trading business is carried out mainly through our subsidiary, PT Deli Niaga Sejahtera (“PT DNS”). Our main trading product is currently thermal coal which we procure from coal mines located in South Kalimantan, Indonesia, for domestic and export sales. Customers for our Trading business are mainly coal traders, who procure coal for domestic end-users operating in various industries.

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.

### SHIPPING SERVICES

We operate our Shipping Services through our subsidiary, PT Deli Pratama Angkutan Laut (“PT DPAL”), which covers mainly domestic shipping routes from South Kalimantan, to various regions within Indonesia. Our Shipping Services comprise (i) chartering services; and (ii) transshipment services. Currently, customers for our Shipping Services are mainly coal traders.

As at 31 December 2022, PT DPAL owns a fleet of fourteen (14) Indonesian-flagged vessels, comprising thirteen (13) tugboats (and including thirteen (13) accompanying barges) as well as one (1) bulk carrier, with an aggregate estimated carrying capacity of 156,000 deadweight tonnage (“dwt”). We aim to continue to expand our shipping routes to cover the region.



Owns 14 Indonesian-flagged vessels\*  
Aggregate estimated carrying capacity

**156,000 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.



**1** Bulk  
Carrier

**50,000 DWT**

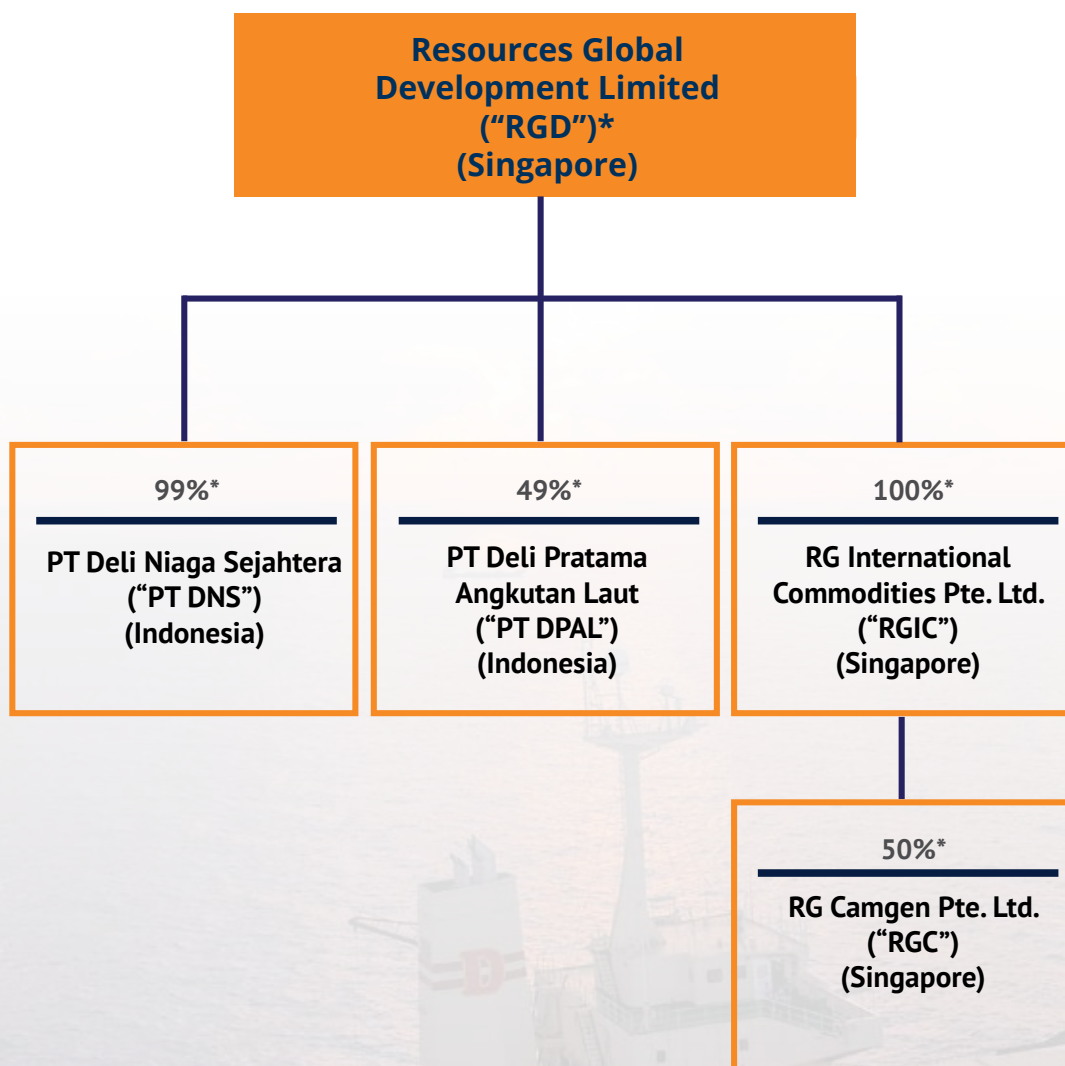


**13** Tugboats (and  
13 accompanying Barges)

**106,000 DWT**

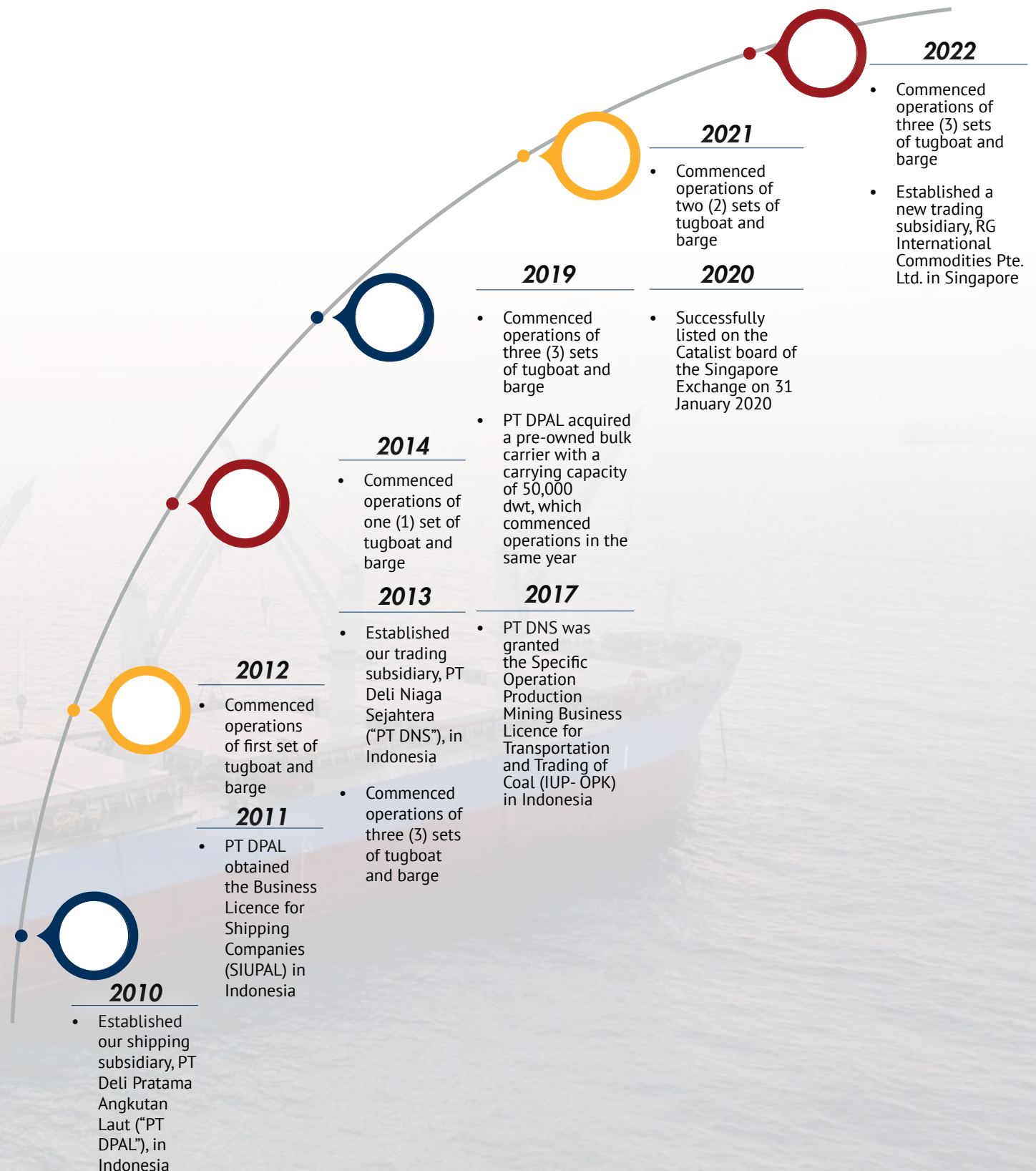
\*As of 31 December 2022

# CORPORATE STRUCTURE



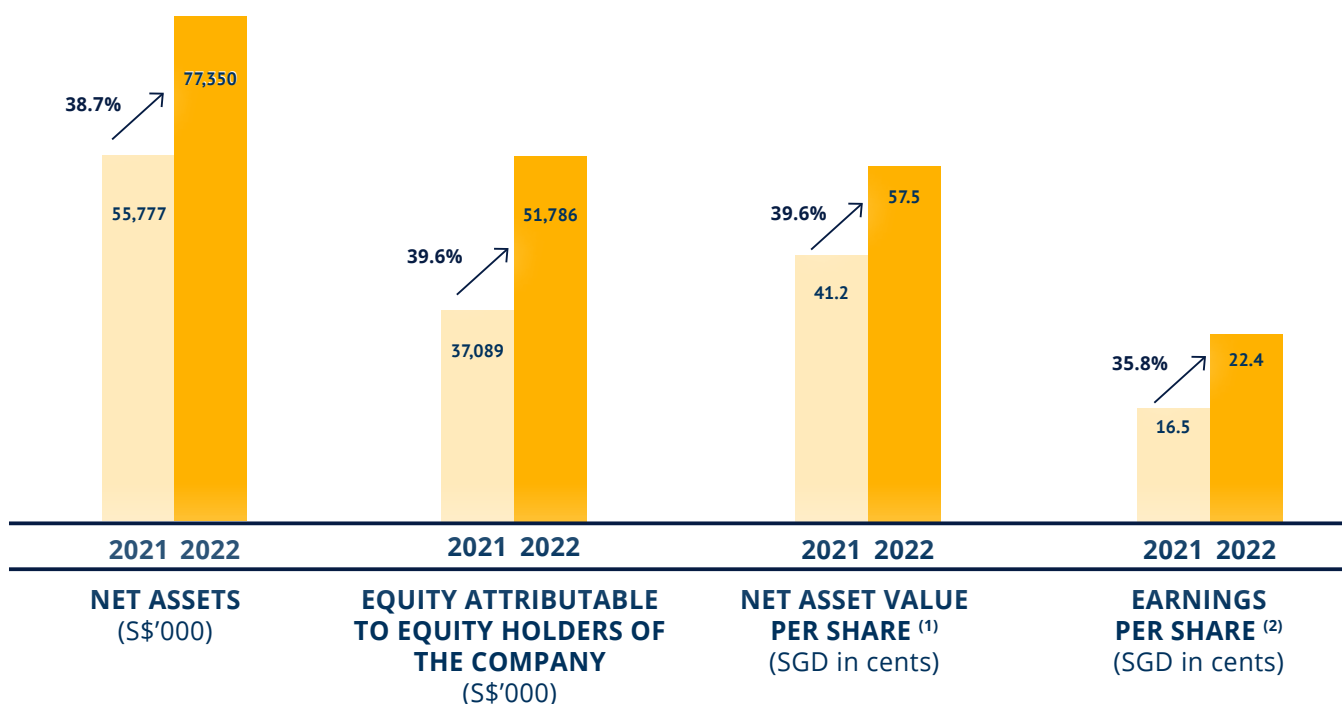
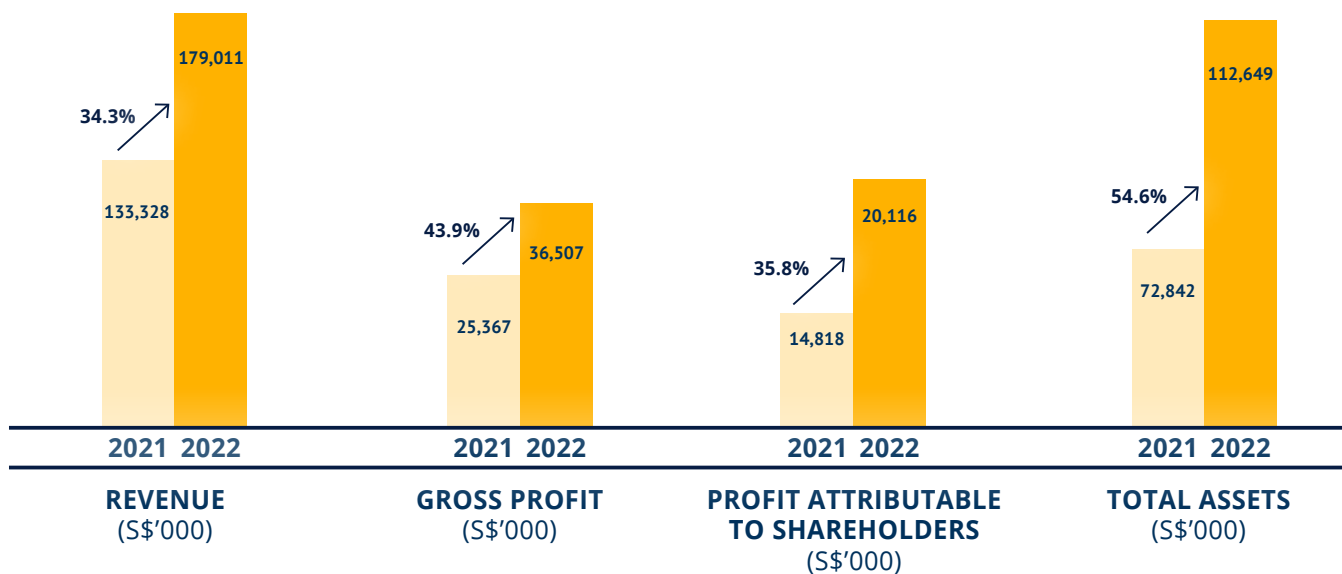
\*As at 31 December 2022

# CONTINUED FLEET EXPANSION



# FINANCIAL HIGHLIGHTS

## KEY FINANCIAL DATA



### Notes:

- <sup>(1)</sup> Calculated based on the equity 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 2022.
- <sup>(2)</sup> Calculated based on the profit attributable to the equity holders of the Company over the weighted average number of ordinary shares outstanding of 90,000,000 for FY2021 and FY2022.

# CHAIRMAN STATEMENT



“ We are well-positioned to capitalise on new opportunities and create shareholder value. Rest assured that the Board’s decision-making is guided by the best interests of our staff, customers, shareholders, and the communities we operate in. ”

## DEAR SHAREHOLDERS,

I am pleased to report that our company, Resources Global Development Limited, has had another exceptional year, despite the challenges presented by the pandemic and other market forces. Our net profit for the financial year ended 31 December (“FY”) 2022 has increased by 55.9% as compared to FY2021, demonstrating our ability to adapt to the changing landscape.

Throughout the year, we have remained focused on our core strengths of operational excellence and customer service. Leveraging our expertise and extensive industry network, we continued to identify opportunities and partnerships, expanding our capabilities to meet the evolving needs of our customers.

As a result of these efforts, we have seen continued growth and profitability in both our business segments – Trading and Shipping Services. Our strong financial performance has allowed us to reinvest in our business for growth and expansion.

We are committed to work with suppliers who are fully compliant with the environmental and social regulations in Indonesia.

As a responsible player in the coal supply chain, we recognise the importance of addressing environmental concerns around the industry. We are proud of our commitment to sustainability and shall continue to embrace responsible business practices to reduce carbon footprint and minimise our environmental impact. This includes measures such as pollution and waste management, biodiversity preservation, as well as energy and fuel efficiency.

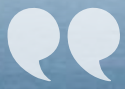
To prioritise the health and well-being of our valued employees, we have implemented stringent health and safety measures, while providing our employees with attractive workplace and talent retention benefits to develop their career with us. We are pleased to record yet another year of zero incidents of work-related ill-health, injuries and fatalities. We remain committed to providing a safe and secure work environment for all our employees.

We are well-positioned to capitalise on new opportunities and create shareholder value. Rest assured that the Board’s decision-making will be guided by the best interests of our staff, customers, shareholders and the communities we operate in.

**Ms Alice Yan**

*Independent Non-Executive Chairman*

# CEO STATEMENT



Tapping the opportunities ahead, we are expanding our fleet to pursue higher value projects. More newly built tugboats and barges will be progressively added in 2023 to increase our shipping capacity. We will also continue to explore ways to improve our fleet management so as to optimise shipping volume. Over the long term, our aim is to leverage our expanding fleet to build a shipping and logistics business, covering other commodities.



## DEAR SHAREHOLDERS,

Three years have passed since the Group's listing in January 2020. Throughout this period, we have shown our ability to navigate the pandemic and industry headwinds, achieving continued growth in profitability.

We attribute this performance to the strong management of our business. Our industry experience, network, nimbleness and tight capital management have enabled us to run a tight ship, while proactively tackling business challenges.

For FY2022, we are heartened to report yet another year of growth, with a 55.9% improvement in net profit to S\$29.6 million, on the back of a 34.3% increase in revenue to S\$179.0 million.

## Higher shipping volume and freight rates

FY2022 was driven mainly by our Shipping Services, which recorded improvements on all fronts.

With the addition of three more sets of tugboats and barges during the year, we expanded our fleet size to 14 operating vessels (1 bulk carrier and a total of 13 sets of tugboats and barges) and lifted our capacity by nearly 20%, from 132,000 deadweight tonnage ("dwt") to 156,000 dwt.

The expanded capacity has allowed us to tap the favourable dynamics in Indonesia, where the demand for chartering and transshipment services outstrips supply. Along with our improved shipping efficiency and faster turnaround time for each voyage, shipping volume rose 45.5% to 5.6 million metric tonnes in FY2022.

Revenue from Shipping Services jumped 82.8% to S\$36.8 million (FY2021: S\$20.1 million), as a result of higher volume and freight rates. Gross profit from Shipping Services increased 105.4% to S\$19.1 million (FY2021: S\$9.3 million), while gross profit margin improved 5.8 percentage points to 52.1% (FY2021: 46.3%).

### **Subdued momentum for Trading business**

Growth momentum for our Trading business was hampered by the tight supply of coal, which is currently our main shipping goods, due to weather-related disruptions in Indonesia. We believe this situation is temporary as Indonesian coal miners are aggressively ramping up production to meet the rising demand locally and overseas. We are also exploring ways to diversify our supply source to lift our performance.

While the tight coal supply has led to a 9.8% decline in sales volume in FY2022, revenue for Trading business increased 25.6% to S\$142.2 million (FY2021: S\$113.2 million) due to a higher selling price, which increased from S\$77.8/mt in FY2021 to S\$108.5/mt in FY2022. Gross profit improved 8.2% to S\$17.4 million (FY2021: S\$16.0 million). Gross profit margin was lower at 12.2%, compared to 14.2% a year ago due mainly to higher purchase price.

### **Strategy ahead**

To drive our Trading business, the Group is working hard to widen the pool of coal mines from which we can procure our supply. Only with the easing of coal supply can we fulfil more orders and diversify our sales beyond Indonesia, while to neighbouring countries.

Laying the ground for geographic diversification, we have set up a wholly-owned subsidiary RG International Commodities Pte. Ltd. ("RGIC") for trading outside of Indonesia, while PT DNS will continue to focus on the domestic market.

Indonesia is ramping up coal production to normalise domestic supply and fulfil the heightened export demands because of the global energy crisis. According to the Ministry of Energy and Mineral Resources, Indonesia is targeting to produce nearly 700 million tonnes of coal in 2023.<sup>1</sup> This augurs well for our Shipping Services as coal producers will need more chartering and transshipment services to reach customers.

Tapping the opportunities ahead, we are expanding our fleet to pursue higher value projects. More newly built tugboats and barges will be progressively added in 2023 to increase our shipping capacity. We will also continue to explore ways to improve our fleet management so as to optimise shipping volume. Over the long term, our aim is to leverage our expanding fleet to build a shipping and logistics business, covering other commodities.

Driving healthy cash flows and maintaining a strong balance sheet will remain a key focus as this provides us with the flexibility to pursue opportunities swiftly. So far, we have been using cash generated from operations to fund our fleet expansion, but access to bank loans remains an option. We will continue with our prudent capital management to manage risks.

Subject to feasibility and where resources permit, we would like to diversify geographically and widen the types of customers for both Shipping Services and Trading business. Additionally, in the long term, we may explore adding synergistic income pillars where it makes sense.

### **Corporate citizenship**

We will work closely with all stakeholders to keep improving on our social, environmental and governance efforts. In particular, we are mindful of managing our environmental footprint and will continue to optimise our resource consumption, as well as our shipping operations and routes to improve resource efficiency.

Staff development and workplace diversity will remain an important pillar as we grow the team professionally to tackle business challenges ahead and operate with the highest standards of governance.

<sup>1</sup> Source: <https://www.hellenicshippingnews.com/indonesia-to-produce-nearly-700-mln-tons-of-coal-in-2023/>

# CEO STATEMENT

## Dividends

We are pleased to declare a dividend of three (3) Singapore cent per share, subject to shareholders' approval at the upcoming annual general meeting on 28 April 2023.

## Words of appreciation

I would like to congratulate all staff for delivering yet another healthy report card. It is heartening to witness great teamwork and stronger performance year after year, since our listing.

My appreciation goes out to our customers and business partners for their continued support. I would also like to thank the board of directors for their guidance in driving the Group forward. Finally, to all our shareholders, thank you for being part of our growth journey.

**Mr Francis Lee**

*Executive Director and CEO*

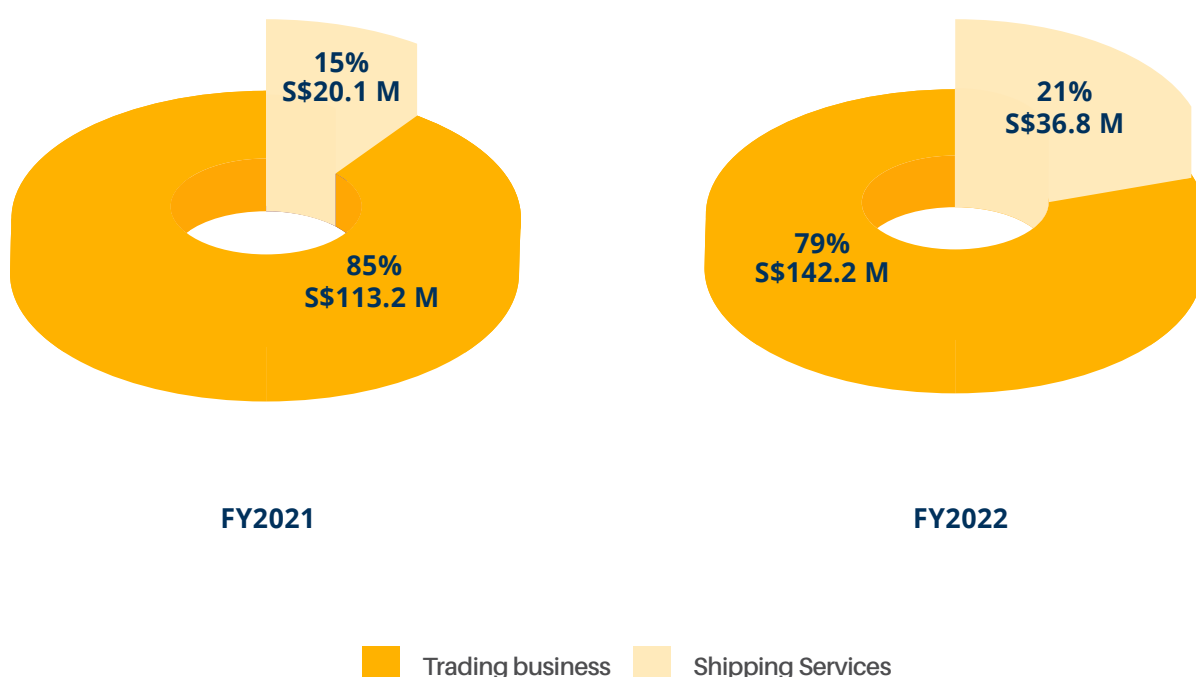


**OVERVIEW**

Resources Global Development Limited and its subsidiaries (the “Group”) recorded a 55.9% increase in net profit from S\$19.0 million for the financial year ended 31 December 2021 (“FY2021”) to S\$29.6 million for the financial year ended 31 December 2022

(“FY2022”). Gross profit improved 43.9% to S\$36.5 million in FY2022, compared to S\$25.4 million in FY2021. Earnings per share based on profit attributable to equity holders of the Company increased from 16.5 Singapore cents in FY2021 to 22.4 Singapore cents in FY2022.

**GROUP REVENUE BY SEGMENT**



**REVENUE**

In FY2022, the Group achieved record revenue of S\$179.0 million, approximately 34.3% higher as compared to FY2021. This was mainly due to (i) higher average sales price recorded by Trading business; and (ii) Shipping Services, mainly due to higher shipping volume as a result of fleet expansion, from 10 sets of tugboats and barges (“TBBGs”) in FY2021 to 13 sets of TBBGs in FY2022, as well as higher average freight rate in FY2022 from Shipping Services.

In geographical terms, 94.5% of revenue from Trading business in FY2022 was derived from Indonesia (FY2021: 93.1%) and 5.5% from the Philippines. During FY2022, the Group did not record sales to China (FY2021: 6.9%). For Shipping Services, 98.6% of revenue was derived from Indonesia (FY2021: 97.2%) and 1.4% from China (FY2021: 2.8%).

**GROSS PROFIT**

Gross profit increased from S\$25.4 million in FY2021 to S\$36.5 million in FY2022, while gross profit margin increased from 19.0% in FY2021 to 20.4% in FY2022. The improvement was mainly due to a higher gross profit margin generated by Shipping Services. This was achieved on the back of improved shipping efficiency with faster turnaround time, as well as higher charter freight rate in FY2022, but partially offset by a lower gross profit margin generated by Trading business due to higher average coal purchase prices.

## OTHER INCOME, COSTS AND EXPENSES

Other income increased from S\$44,000 in FY2021 to S\$122,000 in FY2022. This was mainly due to a reversal of over-accrual of post employee benefits liability, based on an actuarial report.

Administrative expenses increased from S\$2.9 million in FY2021 to S\$3.0 million in FY2022. This was mainly due to (i) increase in staff costs of S\$252,000 due to salary increment and increase of bonus in FY2022; (ii) increase in foreign exchange gain of S\$31,000 as a result of fluctuation in the exchange rate of Indonesian Rupiah against the United States Dollar; and (iii) increase in travelling expenses of S\$64,000, following the easing of travel restrictions related to the COVID-19 pandemic. The increase in administrative expenses was partially offset by the absence of inventory write off in FY2022 (FY2021: S\$291,000).

Finance costs decreased from S\$223,000 in FY2021 to S\$64,000 in FY2022, mainly due to full repayment of a bank loan in FY2021.

In line with the Group's improved financial performance in FY2022, tax expense increased from S\$3.6 million in FY2021 to S\$4.3 million in FY2022.

As a result of the above, net profit for the financial year increased from S\$19.0 million in FY2021 to S\$29.6 million in FY2022.

## BALANCE SHEET REVIEW

Non-current assets increased from S\$40.7 million as at 31 December 2021 to S\$63.3 million as at 31 December 2022. The increase was mainly due to the purchase of TBBGs and vessel equipment, as well as docking costs incurred for the TBBGs in FY2022.

Investment in associate amounting to S\$0.05 million as at 31 December 2022 (Nil as at 31 December 2021) relates to the newly incorporated 50% equity owned associate, RG Camgen Pte. Ltd. ("RGC") in FY2022. RGC remains dormant as at the date of this annual report.

Current assets increased from S\$32.2 million as at 31 December 2021 to S\$49.3 million as at 31 December 2022. The net increase was attributed mainly to a S\$20.2 million increase in trade and other receivables due to a pickup in sales in the latter half of FY2022, mainly from Trading business, and partially offset by a S\$2.2 million decrease in inventories as there was no coal inventory-in-transit as at 31 December 2022 (31 December 2021: S\$2.5 million).

Non-current liabilities decreased from S\$2.8 million as at 31 December 2021 to S\$2.5 million as at 31 December 2022, mainly due to the instalment repayment of a bank loan in FY2022, and a reversal of over-accrual for post-employment benefits in relation to the retirement funds payable to the employees in Indonesia.

Current liabilities increased from S\$14.3 million as at 31 December 2021 to S\$32.8 million as at 31 December 2022. The increase was mainly due to (i) a S\$7.2 million increase in trade and other payables, in line with increased business activities, as well as an increase in payables for the purchase of new sets of TBBGs in FY2022; and (ii) a S\$12.9 million increase in borrowings due to a new loan obtained in FY2022.

As a result of the above, net equity of the Group increased from S\$55.8 million as at 31 December 2021, to S\$77.4 million as at 31 December 2022.

## CASH FLOWS

The Group's overall cash balance was S\$20.0 million as at 31 December 2022, comparable to S\$20.3 million as at 31 December 2021.

Net cash generated from operating activities decreased from S\$24.7 million in FY2021 to S\$18.4 million in FY2022. The decrease was mainly due to uncollected trade receivables as at 31 December 2022.

In FY2022, net cash used in investing activities of S\$29.5 million was mainly related to payments for the purchase of new TBBGs and vessel equipment, as well as docking costs incurred for TBBGs.

Net Cash generated from financing activities of S\$12.5 million in FY2022 was mainly due to a new bank loan of S\$13.9 million obtained in FY2022, and partially offset by a S\$0.9 million of dividends paid to shareholders of the Company, following shareholders' approval at the Annual General Meeting held on 29 April 2022.

## OUR BOARD OF DIRECTORS AND KEY MANAGEMENT



**Ms Alice Yan**

*Independent Non-Executive Chairman*

Ms Alice Yan was appointed to the Board on 27 December 2019, and assumed the role of Non-Executive Chairman on 1 April 2021. With over two decades of expertise, having held leadership roles at some of the world's most reputable financial Institutions, Ms Yan brings a wealth of knowledge and experience to the Board.

Her financial career with Citibank Corporate Bank Jakarta spanned from June 1990 to August 2004, where she held various roles and was promoted to the position of Vice President. Ms Yan subsequently served as a Director at Citigroup Private Bank (Singapore) from April 2004 to April 2005 and then moved on to Merrill Lynch International Bank Limited (Merchant Bank) (Singapore) as a Director in the Private Bank from May 2005 to November 2011.

Subsequently, she joined Standard Chartered Bank (Singapore) from November 2011 to April 2013 as a Director and then Julius Baer (Singapore) as a Director from April 2013 to August 2014. Ms Yan then took on the role of Executive Vice President at PT. Bank ICBC Indonesia to manage the Consumer Banking Group business from November 2014 to December 2016.

In August 2019, Ms Yan co-founded Kode 101, a computer science education startup in Indonesia, and currently serves as the Chief Executive Officer. Additionally, she is 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 30 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 2019, Mr Lee was appointed the General Manager and Director of the fertiliser department at Agrifert Trading Pte. Ltd., and Agrifert Holdings Pte. Ltd., both subsidiaries of Kuok (Singapore) Ltd. As part of his various appointments in the Kuok group of companies, Mr Lee also held various senior positions, such as Chairman of 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.

Mr Lee previously served as an alternative non-executive director on the board of Singapore-listed Beng Kuang Marine Ltd. 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 and a member of Singapore Institute of Directors.

## OUR BOARD OF DIRECTORS AND KEY MANAGEMENT



**Mr Salim Limanto**

*Executive Director and Chief Operating Officer*



**Mr Hew Koon Chan**

*Independent Non-Executive Director*

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 Pratama Angkutan Laut PT DPAL and PT Deli Niaga Sejahtera ("PT DNS").

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 June 2006 to June 2018. He is the Director of our subsidiaries, PT DPAL and PT DNS since February 2013 and October 2013, respectively.

Mr Limanto obtained a Bachelor of Economics, majoring in Accountancy, from Universitas Tarumanagara, Jakarta, Indonesia in 2006.

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 December 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.

## OUR BOARD OF DIRECTORS AND KEY MANAGEMENT



**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 Programme 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](mailto:info@rgd.sg)

Website: [www.rgd.sg](http://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

### SPONSOR

**ZICO Capital Pte Ltd**

77 Robinson Road  
#06-03 Robinson 77  
Singapore 068896

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# SUSTAINABILITY REPORT

## CEO's Message to Stakeholders

We are pleased to present the Sustainability Report (the "Report") of Resources Global Development Limited ("RGD" or the "Company", and together with its subsidiaries, the "Group") on our performance and practices during the financial year ("FY") ended 31 December 2022.

We believe the core objective of Environmental, Social and Governance ("ESG") is to ensure that organisations are sufficiently prepared to adapt to changing stakeholder expectations and externalities related to sustainability. In order to create long-term value for our stakeholders, the Group focuses our sustainability efforts on maintaining good corporate governance, protecting our environment, and contributing towards the well-being of the people around us.

As an established player in trading and shipping in Indonesia, we remain mindful of the impact the Group's operations may have on the wider environment. To this end, we continue to take stock and explore various ways whereby the Group can optimise our resource consumption and manage our environmental footprint. This year, the Group also continues along on our sustainability journey by considering the impact of climate change on our business. We have presented our inaugural climate-related disclosure report based on the Taskforce for Climate-related Financial Disclosures ("TCFD") Recommendations.

As we learn to live together with COVID-19, the Group remains vigilant in ensuring that our workplace remains safe for our workers to return back to office. We continue to implement strict safety protocols and our employees are constantly reminded on personal hygiene and safety precautions when returning back to office. Despite the relaxation of safe distancing measures, we continue to operate in strict compliance with local COVID-19 measures for our workers and guests. The Group remains committed in ensuring that our workers and management continue to ride through this wave of uncertainty and volatility.

The Group will continuously ideate opportunities within our operations and collaborate with our stakeholders to develop a more sustainable environment for all. On behalf of the Board of Directors (the "Board"), I would like to express my gratitude to our customers, business partners, employees and shareholders for their unwavering support.

Francis Lee  
Chief Executive Officer  
Resources Global Development Limited

**About This Report*****Reporting Principles & Statement of Use***

This Report is produced in accordance with the Global Reporting Initiative (“GRI”) 2021 Standards, covering our Group’s performance from 1 January 2022 to 31 December 2022. The GRI standards were selected as it is one of the globally recognised sustainability reporting standards that is recommended by the SGX-ST and represents the global best practices for reporting on economic, environmental and social impacts.

The following GRI reporting principles have been applied to guide the Group in ensuring the quality and proper presentation of the information in this Report: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness and Verifiability. For more information on GRI disclosures, please refer to the GRI Standards Content Index.

This Report is compliant with the “Comply or Explain” requirements on sustainability reporting under Rule 711B and Practice Note 7F of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist (“Catalist Rules”). To provide stakeholders with an adequate understanding of our climate-related risks and opportunities, this Report presents the Group’s climate-related financial disclosures in line with the TCFD framework. The United Nations Sustainable Development Goals (“UN SDGs”) have also been incorporated into the Report to highlight the Group’s contributions to sustainable development.

The Board has reviewed and approved the reported information, including the material topics.

***Reporting Scope***

The scope of the Report covers the Group’s shipping in Indonesia and trading operations in Singapore and Indonesia.

***Restatements***

There are no restatements of information made from previous reporting periods.

***Assurance***

The Group has established internal controls and verification mechanisms to ensure the accuracy and reliability of the data and narratives disclosed within this Report. We have also considered the recommendations of an external ESG consultant for the selection of material topics as well as compliance with GRI Standards and the Catalist Rules. Pursuant to Rule 711B(3) of the Catalist Rules, the Company has subjected the sustainability reporting process to internal review.

The Board has therefore assessed that independent external assurance is not required at this juncture.

***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](mailto:info@rgd.sg).

# SUSTAINABILITY REPORT

## Organisational Profile

RGD was listed on the Catalist of the SGX-ST on 31 January 2020. The Group is principally engaged in the following businesses:

1. The procurement and sale of coal (“Trading”); and
2. The provision of chartering services of tugboats, barges and bulk carrier to our customers to transport goods (“Shipping Services”).

### Trading

Our Trading is mainly carried out through our subsidiary, PT Deli Niaga Sejahtera (“PT DNS”).

Our main trading product is currently thermal coal which we procure from coal mines located in South Kalimantan, Indonesia for domestic and overseas sales. Currently, our customers for our Trading are coal traders, who procure coal for domestic end-users operating in nickel smelting.

Our Group typically enters into back-to-back coal sale and purchase agreements. As such, we do not maintain coal stockpiles.

### Shipping Services

We operate our Shipping Services through our subsidiary, PT Deli Pratama Angkutan Laut (“PT DPAL”), which primarily covers domestic shipping routes in South Kalimantan to various anchorage and regions in Indonesia. Currently, our major customers in respect of our Shipping Services are coal traders and third-party charterers.

Our Shipping Services comprise the following:

- a) Chartering services

We mainly charter our tugboats and barges (“TBBGs”) to coal traders and third-party freight charter companies on voyage charter. Our customers mainly engage us to provide marine transportation of goods from a specified loading jetty or port, to various regions within Indonesia where their end-customers are located. We also offer our bulk carrier to customers for charter to international ports, on per time chartering basis.

- b) Transshipment services

Our TBBGs are engaged mainly by coal traders to provide transshipment services, which involve the transportation of goods from the loading jetties or ports to mother vessels at anchorage, for their onward transportation to other destinations.

As at 31 December 2022, PT DPAL owns a fleet of 14 Indonesian-flagged vessels, comprising 13 sets of TBBGs, as well as one bulk carrier, with an aggregate fleet capacity of approximately 156,000 deadweight tonnage.

Every set of TBBG has about 12 to 13 crew onboard (including a chief engineer and the owner representative). The crew size onboard the bulk carrier ranges between 25 and 30 crew members.

Our fleet undergo scheduled maintenance twice every five years and is also subject to mandatory classification inspections conducted by BKI (Bureau Klasifikasi Indonesia) annually to maintain each vessel’s and barge’s BKI classification.

For more details on the Group’s corporate structure and business activities, please refer to our Annual Report 2022.

## Sustainability Strategy Overview

### *Our ESG Strategy and Focus*

As a group operating in the coal industry, there are numerous ESG related concerns that the Group must address in our journey to build a viable and sustainable business model. We strive to ensure that the various ESG tenets have been considered in our business decisions, while focusing on areas which are most pertinent to our business.

In order to meet the increasingly stringent demands of our stakeholders, the Group has defined the following five focus areas to guide our sustainability strategy:



# SUSTAINABILITY REPORT

## **Focus 1: Upholding Governance and Ethics**

Our strong corporate governance practices have grounded us in ensuring we uphold our values as a responsible corporate citizen. Our sustainability practices are led by the Chief Executive Officer who guides the management team in setting a strong compliance culture.

## **Focus 2: Building Resiliency for Climate Change**

The widespread impact of climate change can be seen from recent global climatic events. The transition to a low-carbon economy poses a strategic challenge to the Group due to the nature of the industry we operate in, and we have taken steps to address such risks and capture opportunities during this transition.

## **Focus 3: Stewarding our Environment**

The Group strives to proactively improve our operations to optimise our environmental footprint, by actively managing our resource consumption.

## **Focus 4: Caring for our People**

The Group aims to provide a healthy and safe workplace for our workers. We aim to attain zero workplace health and safety incidents by implementing robust workplace health and safety policies and procedures.

## **Focus 5: Creating Inclusive Communities**







The Group believes in contributing back to the local community in areas where we operate. In doing so, we practise non-discriminatory local hiring and conduct charitable events and activities to contribute towards the local community.

## **Awards and Accreditations**




As a testament to our commitment to environmental sustainability, all the Group's vessels have also obtained the national pollution prevention certificate (Sertifikat Nasional Pencegahan Pencemaran Dari Kapal), as evidence of having fulfilled the required construction and equipment related regulations preventing pollution, as well as compliance with the relevant anti-dumping regulations in Indonesia. Each certificate is valid for 3 years, and must be renewed prior to expiry. The Company is also a member of the Singapore Business Federation ("SBF") which allows us to expand our network and partnership opportunities with industry peers and gain access to engage with the government and relevant organisations through the federation.

## Contribution to the UN SDGs

The Group's business focuses are aligned with the United Nations Sustainable Development Goals. 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)
	Provide access to high quality coal to customers in Indonesia and the region	Focus 1: Upholding Governance and Ethics
	Emphasise responsible and sustainable coal mining practices in supplier engagements	Focus 1: Upholding Governance and Ethics
	Uphold high standards of strong governance and transparency	Focus 1: Upholding Governance and Ethics
	Strengthened resilience and adaptive capacity to climate change	Focus 2: Building Resiliency for Climate Change
	Prudently manage discharge to avoid leakage of effluents into water bodies	Focus 3: Stewarding our Environment
	Provide work opportunities and a conducive working environment to the local community	Focus 4: Caring for our People Focus 5: Creating Inclusive Communities

## ESG Performance Highlights

	The Group's energy intensity improved compared to FY2021
	No instances of non-compliance with laws and regulations
	Zero incidents of work-related ill-health, injuries and fatalities

# SUSTAINABILITY REPORT

## Stakeholder Engagement and Materiality Assessment

### Stakeholder Engagement

The Group believes that stakeholder engagement is key to sustainable growth, and that open and transparent communication with our stakeholders would allow the Group to improve our services and ultimately contribute towards our sustainability goals. Our stakeholders are groups that have a material impact on or are materially impacted by our operations. We continuously engage in meaningful and effective communication with our stakeholders and we actively involve ourselves in various industry and government forums to keep abreast of any material stakeholder issues.

The following table summarises our key stakeholders, engagement platforms, their key concerns and how the Group has responded to those concerns.

Stakeholders	Engagement platforms	Key concerns	Our response	Section reference
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Site inspection</li> <li>Dialogues and meetings</li> </ul>	<ul style="list-style-type: none"> <li>Environmental compliance</li> <li>Social economic compliance</li> </ul>	<ul style="list-style-type: none"> <li>Continuous engagement and ongoing assessment of suppliers' performance</li> </ul>	<ul style="list-style-type: none"> <li>Focus 1: Upholding Governance and Ethics</li> </ul>
<b>Governments and Regulators</b>	<ul style="list-style-type: none"> <li>Ship and safety inspections</li> <li>Dialogues and meetings</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Sustainable operations</li> </ul>	<ul style="list-style-type: none"> <li>Implement robust policies and procedures</li> <li>Publish annual sustainability report</li> </ul>	<ul style="list-style-type: none"> <li>Focus 1: Upholding Governance and Ethics</li> <li>Focus 2: Building Resiliency for Climate Change</li> <li>Focus 3: Stewarding our Environment</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Point of delivery and shipments</li> <li>Feedback engagements</li> </ul>	<ul style="list-style-type: none"> <li>Timeliness of delivery</li> <li>Coal quality</li> </ul>	<ul style="list-style-type: none"> <li>Perform regular coal supplier assessment and due diligence</li> <li>Engage customers on shipment quality and act promptly on feedback</li> </ul>	<ul style="list-style-type: none"> <li>Focus 1: Upholding Governance and Ethics</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Safety trainings and inspections</li> <li>Periodic employee engagement</li> </ul>	<ul style="list-style-type: none"> <li>Benefits and remuneration</li> <li>Training and development</li> <li>COVID-19 safety measures</li> </ul>	<ul style="list-style-type: none"> <li>Implement comprehensive health and safety policies and practices, including COVID-19 safety measures</li> <li>Provide training and career development opportunities</li> <li>Remuneration and bonus</li> </ul>	<ul style="list-style-type: none"> <li>Focus 4: Caring for our People</li> </ul>
<b>Shareholders &amp; Investors</b>	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Financial results, company announcements and Annual Reports</li> <li>Investor relations management</li> </ul>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Compliance with laws and regulations</li> <li>Corporate governance and ethics</li> </ul>	<ul style="list-style-type: none"> <li>Publish informative annual reports, sustainability reports and announcements</li> <li>Engage shareholders through annual general meeting</li> </ul>	<ul style="list-style-type: none"> <li>Focus 1 to 5</li> </ul>

## Materiality Assessment

As part of our ongoing monitoring of ESG factors, we worked with an external consultant to conduct a materiality assessment workshop during FY2022. The purpose of the workshop was to identify new ESG factors that may have emerged as a result of recent global events, and to validate the ongoing relevance of existing material ESG factors. The workshop involved our senior management and the Board, and we have determined our material topics based on the significance of their impact in relation to the key issues of concerns raised by our internal and external stakeholders. Our selected material topics have also taken into consideration areas of concern in the coal industry, and current sustainability themes.

The following steps were taken to 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 previously identified material factors.
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: Upholding Governance and Ethics	GRI 205: Anti-corruption	Group-wide
	GRI 207: Tax	
	GRI 308: Supplier Environmental Assessment	
	GRI 414: Supplier Social Assessment	
	GRI 418: Customer Privacy	
Focus 2: Building Resiliency for Climate Change	GRI 201: Economic Performance	
Focus 3: Stewarding our Environment	GRI 302: Energy	
	GRI 305: Emissions	
Focus 4: Caring for our People	GRI 401: Employment	
	GRI 402: Labour Relations Management	
	GRI 403: Occupational Health and Safety	
	GRI 404: Training and Education	
	GRI 405: Diversity and Equal Opportunity	
	GRI 406: Non-discrimination	
Focus 5: Creating Inclusive Communities	GRI 202: Market Presence	
	GRI 204: Procurement Practices	
	GRI 413: Local Communities	

# SUSTAINABILITY REPORT

## Focus 1: Upholding Governance and Ethics

Strong corporate governance practices are fundamental to the Group making effective business decisions to navigate the increasingly volatile and complex business environment while ensuring that the interests of all stakeholders are considered.

### 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.

The Group and our stakeholders, including our sponsor, secretarial firm and financial auditors, regularly review new regulations and update existing ones on a timely manner. 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 emails, 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.

In FY2022, there were no instances of socioeconomic non-compliance.

### 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. The STF comprises representatives across different business functions. The 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. As mandated by the SGX-ST, all Directors have attended the mandatory sustainability training conducted by the approved service provider.



### 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 and Board members. Any forms of fraudulent activities will be escalated to the Chairman of the Audit Committee.

## ***Risk Management***

The Group implements a comprehensive risk management framework and takes a precautionary approach towards strategic decision making and our daily operations.

For more details on corporate governance practices and risk management framework, please refer to the Corporate Governance Report section in the Annual Report.

## ***Anti-Corruption***

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 in the employee handbook which strictly 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 addition, our Board members are promptly informed of the Company's anti-corruption policy. During the year, we have also conducted anti-corruption refresher training for all of our employees in Singapore and Indonesia's corporate office.

In FY2022, there were no cases of fraudulent activities within 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 employees with our 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 FY2022.

## ***Tax Compliance***

The Group complies 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. In FY2022, the Group was not informed of any significant non-tax compliance cases or fines by the local authority.

We intend to continue filing our tax returns and paying our taxes in a timely and correct manner. Relevant staff have received on-job trainings to keep abreast of key tax regulatory changes, by aiding in the preparation and submission of routine tax filings with the relevant authorities. All tax filings are reviewed and approved before submission to the relevant tax authorities. For complex tax matters, the Group will seek to engage qualified professional tax advisors or consult directly with the relevant authorities for advice.

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.

## ***Customer Data Privacy and Security***

The Group is aware of our stakeholder's trust in us to keep their data protected. We are committed to safeguard the privacy and confidentiality of all our customer's and supplier's data and strictly adhere to the provisions of the Personal Data Protection Act ("PDPA"), which comprises of various requirements governing the collection, use, disclosure and care of personal data.

The Group ensures that confidential information related to our customers and suppliers are stored and managed in a safe and secure manner. All employees and crews are reminded to keep documents in a secured location and not to leave documents unattended, especially sensitive documents.

In FY2022, the Group did not have any substantiated complaints on data privacy infringement from our customers and suppliers.

# SUSTAINABILITY REPORT

## Supply Chain Management

The Group understands that sustainability extends beyond the Group and its operations. In promoting sustainability to our upstream business partners, we ensure that our primary suppliers and service providers are assessed for use in our operations based on their competency and sustainability performance, both from the environmental as well as social angles, prior to engaging them. Importantly, we ensure that all our main suppliers<sup>1</sup> and service providers<sup>2</sup> are licensed by the Indonesian government which are certified to comply with the required social and environmental criteria.

For all new suppliers, our operations team will conduct background checks on them for any adverse news. Before on-boarding any main suppliers and service providers, the Group will evaluate these main suppliers to ensure that local rules and regulations are complied. The evaluation form will then be signed off by the Chief Operating Officer and the Chief Financial Officer. Environmental and social factors are also taken into consideration during the screening process.

For all our ongoing main suppliers and service providers, we also continue to monitor them on an ongoing basis after engaging them, to routinely assess their sustainability performance through media channels. If any suppliers are found to have negative social impacts, such supplier relationships shall be re-evaluated.

As at 31 December 2022, 100% of our new primary suppliers and service providers were screened using sustainability (both social and environmental) criteria and there were no main suppliers and service providers that were found to have significant negative social impacts.

## Governance and Ethics Targets

FY2022 Targets	Status
Zero incidents of non-compliance with the Catalist Rules or Code of Corporate Governance	Met
Zero reported cases of corruption brought against the Group	Met
Zero complaints concerning breaches of customer privacy and losses of customer data	Met
No tax related non-compliance	Met
FY2023 Targets	
<ul style="list-style-type: none"><li>• Zero incidents of non-compliance with the Catalist Rules or Code of Corporate Governance</li><li>• Zero reported cases of corruption brought against the Group</li><li>• Zero complaints concerning breaches of customer privacy and losses of customer data</li><li>• No significant tax related non-compliance</li></ul>	

## Focus 2: Building Resiliency for Climate Change

In recent times, we have witnessed the material impact of climate change around us and we acknowledge the impact of the environment on our business decisions. As the Group seeks to provide greater accountability and transparency on our sustainability efforts, this report will enclose our first TCFD report to highlight the Group's actions against climate change as we concurrently minimise our outwards impact on the environment.



<sup>1</sup> Our primary suppliers for our business operations refer to coal and marine fuel suppliers

<sup>2</sup> Our essential service providers for our business operations refer to shipyard service, custom agents and insurers










**Impact of Climate Change on our Business**

The extensive adoption of the TCFD Recommendations has led various stakeholders and investors to recognise that climate change poses a clear challenge to the coal industry, which is related to the Group’s principal activities. The need for economies to adapt and accommodate lower carbon modes of energy generation in order to avert a climate crisis entails a switch away from carbon intensive sources which poses a strategic challenge for the Group.

The TCFD disclosures in this section outlines the Group’s climate risks and opportunities and our response strategies.

TCFD Recommended Disclosures		FY2022 Status	Summary and Next Steps
Governance	Describe the board’s oversight of climate-related risks and opportunities		<p>Climate risks and opportunities were discussed and identified by the STF based on the TCFD framework. Alongside the risks and opportunities, management have also articulated their strategies and mitigation on these risks and opportunities. The consolidated risks and opportunities as well as mitigation strategies were presented to the Board.</p> <p>The Board has collectively reviewed and approved the climate risks and opportunities identified by the management.</p> <p>Moving forward, the Board will be updated on the progress of the Group’s mitigation and strategy against the identified climate risks and opportunities at least once a year or whenever necessary.</p>
	Describe management’s role in assessing and managing climate-related risks and opportunities		<p>The identification of climate related risks and opportunities was undertaken by the STF. The STF will be supporting the Board to implement the identified climate-related strategies from ground up together with the support of the operational leadership teams in various jurisdictions.</p> <p>The operational leaders and the Group’s management will regularly review the progress and strategies within their operational sites to ensure that the strategies are implemented accordingly.</p> <p>For critical decisions pertaining to sustainability, the STF and operational leaders will agree and make critical decisions pertaining to sustainability that might present risks or opportunities to the Group’s operations.</p>

# SUSTAINABILITY REPORT

TCFD Recommended Disclosures		FY2022 Status	Summary and Next Steps
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term		Please refer to the Climate Risks and Opportunities section for more information.
	Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning		
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario		In line with SGX-ST's phased implementation approach for TCFD adoption, the Group will incorporate scenario analysis in our subsequent sustainability reports.
Risk Management	Describe the organisation's processes for identifying and assessing climate-related risks		The Group has identified the relevant climate-related risks and opportunities as outlined in the Climate Risks and Opportunities section.  Having been identified, each risk is then assessed based on 1) the likelihood of occurrence and; 2) the severity of potential impacts arising from the risk; and
	Describe the organisation's processes for managing climate-related risks		The climate risk assessment process detailed above provides input for the Group to determine our risk management strategy. In addition to the likelihood and impact of the risk, we have also taken into consideration other relevant factors such as cost and time period involved.  The Board and STF will undertake periodic review of the identified climate-related risks and the risk management approach.
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management		The Board and management team will undertake a periodic review of the identified climate-related risks and the risk management approach.
Metrics and Targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process		For our energy consumption and emissions performance, please refer to Focus 3 "Stewarding our Environment". As this report is the Group's initial quantification of our emissions, we shall continue to monitor our emissions footprint before setting any quantitative emissions reduction targets.
	Disclose Scope 1 <sup>3</sup> , Scope 2 <sup>4</sup> , and if appropriate, Scope 3 <sup>5</sup> greenhouse gas (GHG) emissions, and the related risks		
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets		The Group is evaluating other metrics that may potentially warrant inclusion as targets to manage climate-related risks. In line with SGX-ST's phased implementation approach for TCFD adoption, the Group shall evaluate the need to quantify and monitor Scope 3 emissions in our subsequent sustainability reporting.

## FY2022 Status

 Met

 In Progress

<sup>3</sup> Scope 1 GHG emissions which are emissions resulting from the sources owned or controlled by the Group.

<sup>4</sup> Scope 2 GHG emissions are resulted from the generation of purchased electricity consumed by the Group.

<sup>5</sup> Scope 3 emissions are emissions from sources not owned or controlled by the Group such as the Group's value chain.

## Climate-related Risks and Opportunities

In line with our commitment to align with the TCFD Recommendations, our identification and assessment of climate risks consider:

- Transition risks: include changes to policy and legal obligations, technological innovation, changing market demand for products, and changing stakeholder expectations.
- Physical risks: risks relating to the physical impacts of climate change (both acute and chronic):
  - Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods.
  - Chronic physical risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heat waves.

The table below reflects our understanding of our most significant climate-related risks relevant to our business. The Group recognises and is aware that the list is not exhaustive, and we will continue to enhance our understanding and responses to these risks.

Transition Risks	Description	Risk Mitigation
Policy and Legal	<p><b>Indonesia's commitment to decarbonise will result in lower demand for coal</b></p> <ul style="list-style-type: none"> <li>- Indonesia has announced its ambition to reduce greenhouse gas emissions by 29% before 2030 and achieve Net-Zero emissions by 2060.</li> <li>- The Indonesian government has also announced the new Electricity Business Plan (RUPTL) 2021-2030 which sets out a plan to achieve 23% share of renewable energy in the energy mix by 2025.</li> <li>- These developments would reduce the reliance on coal for electricity generation and consequently, the demand for the Group's services.</li> </ul>	<p>In the short term, RGD is of the view that existing customers will still require coal supply for power generation.</p> <p>For the medium- and long-term, the Group will continue to monitor such policy changes.</p>
	Time period <sup>6</sup> : Short, Medium, Long	
	Likelihood <sup>7</sup> : Likely	
	Financial impact: Lower revenue due to reduced demand for the Group's Trading and Shipping Services	
	<p><b>Implementation of carbon tax will indirectly increase RGD's energy costs</b></p> <ul style="list-style-type: none"> <li>- Indonesia authorities have proposed to implement carbon tax for coal plants in the upcoming years.</li> <li>- Meanwhile in Singapore, the Government has already announced that the existing carbon tax rate of S\$5/tCO<sub>2</sub>e is expected to increase to \$50-\$80/tCO<sub>2</sub>e by 2030 for facilities that directly emit at least 25,000 tCO<sub>2</sub>e of GHG emissions annually.</li> <li>- These carbon taxes will likely see an increase in energy costs if the carbon tax burden is passed on to electricity consumers through increased electricity tariffs.</li> </ul>	<p>RGD will continue to monitor the development and impact of carbon tax implementation on the Group's operating costs.</p>
	Time period: Short, Medium, Long	
	Likelihood: Likely	
	Financial impact: Higher operational costs	

<sup>6</sup> Definition of time period used in this Report:

- Short: 1-3 years
- Medium: 3-5 years
- Long: More than 5 years

<sup>7</sup> 3 categories of likelihood have been used in this Report (in decreasing order of likelihood):

1. Certain
2. Likely
3. Possible

Transition Risks	Description	Risk Mitigation
Technology	<p><b>Introduction of cleaner and low emission fuels and equipment</b></p> <ul style="list-style-type: none"> <li>The Group faces the potential risk of infrastructure obsolescence due to the introduction of green fuels (e.g., hydrogen-derived fuels) and more energy efficient vessels to enable marine transportation.</li> </ul>	The Group will monitor and react to any changes in technology that directly impact the operations and business.
	Time period: Medium, Long	
	Likelihood: Likely	
	Financial impact: Increase in capital expenditure and/or increase operating expense	
Market	<p><b>Energy efficiency of coal that RGD provides do not meet stringent requirements</b></p> <ul style="list-style-type: none"> <li>In the transition to a lower-carbon economy, there may be more stringent specification of coal quality to comply with environmental regulations and concerns, which may result in the Group needing to source for new suppliers that meet the new requirement.</li> </ul>	The Group will work closely with customers to understand their requirements and secure coal that meets stricter coal specification and environmental requirements.
	Time period: Short, Medium, Long	
	Likelihood: Possible	
	Financial impact: Lower revenue (if the Group is unable to source for new suitable suppliers for the Trading segment)	
	<p><b>Increase in cost of marine fuel affecting the cost of shipping</b></p> <ul style="list-style-type: none"> <li>The use of a higher-grade biodiesel (from 30% in FY2022 to 35% since February 2023) to comply with the local regulations may result in an increase of operating costs.</li> <li>This uptick in marine fuel oil prices translates into a rise in operating costs for Shipping Services.</li> </ul>	<p>RGD will continue to monitor international trend on the use of alternative sources of energy to reduce the cost of transportation.</p> <p>The Group seeks to actively adjust its pricing strategy for its boat chartering services to take in the impact from the increase of fuel cost.</p>
	Time period: Short, Medium, Long	
	Likelihood: Certain	
	Financial impact: Higher operational costs	
Reputation	<p><b>RGD may face increasing cost of capital and limited access to capital markets as they are operating in a carbon intensive industry</b></p> <ul style="list-style-type: none"> <li>External stakeholders such as investors and our bankers perceive the Group to be perpetuating environmental damage.</li> <li>In a bid to achieve net zero by 2050, bankers and investors are reducing their financing towards pollutive industry. The Group faces a smaller pool of available bankers to provide us with capital funding.</li> </ul>	<p>RGD will continue to monitor its banking relationships to ensure access to capital funding and banking supports.</p> <p>The Group remains able to obtain the necessary funding based on current requirements.</p>
	Time period: Short	
	Likelihood: Certain	
	Financial impact: Reduced access to financing	

Physical Risks	Description	Risk Mitigation
Acute/ Chronic	<p><b>Seasonal torrential rain results in flooding of coal mines in Indonesia</b></p> <ul style="list-style-type: none"> <li>- The Group sees the effect of climate change as coal mines in Indonesia, particularly Kalimantan, are flooded seasonally.</li> <li>- Seasonal flooding results in low production from the coal mines and affects the supply of coal. This results in business disruptions towards our Trading and Shipping Services.</li> </ul>	The Group will continue to observe and monitor weather directory and mitigate the impact on its supply chain.
	Time period: Short, Medium, Long	
	Likelihood: Likely	
	Financial impact: Lower revenue due to supply chain disruption	

While changes in the economy and the environment brought about by climate change represents certain risks to the Group, there are also opportunities that arises. The Group is well positioned to capture such opportunities and create long-term value for our stakeholders.

Opportunities	Description	Management's Response
Resource Efficiency	<p><b>Optimisation of shipping routes to reduce energy usage</b></p> <ul style="list-style-type: none"> <li>- RGD can consider planning for more efficient shipping routes and improve in time management on transportation of goods.</li> </ul>	The Group will continue to optimise its shipping routes to ensure resource efficiency.
	Time period: Short, Medium	
	Likelihood: Likely	
	Financial impact: Lower operational cost for the Shipping Services	
Products/ Services	<p><b>Diversify into other businesses</b></p> <ul style="list-style-type: none"> <li>- RGD can consider diversifying into other commodities.</li> </ul>	RGD will actively consider trading and transporting other commodities instead of solely on coal.
	Time period: Short, Medium	
	Likelihood: Possible	
	Financial Impact: Increase in alternative source of revenue	

**Focus 3: Stewarding our Environment**

The Group endeavours to continuously operate in a sustainable manner that complies with the local regulatory requirements. Due to the geographical nature of our operations, which are situated close to natural flora and fauna and marine biodiversity and ecosystem, the Group makes every effort to minimise negative environmental impacts of our shipping as well as trading activities so as to preserve the longevity of the surrounding natural environment.

The Group acts in accordance with local environmental laws and regulations where we operate. Regular on-site inspections are 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 mitigates the possibility of environmental incidents and pollution at sea.

There were no incidents of non-compliance with environmental laws and regulations in FY2022.

# SUSTAINABILITY REPORT

## Responsible Shipping

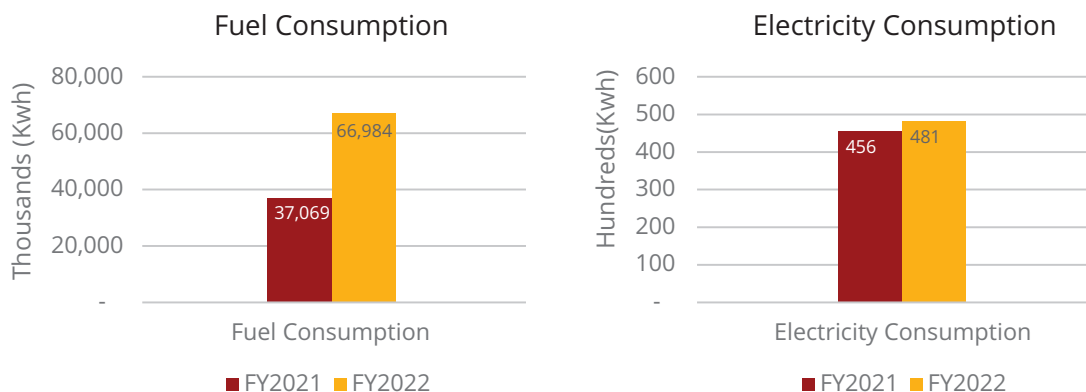
The Group, which provides Shipping Services, has a fundamental responsibility to carefully manage the adverse impact of our operations on the environment. In addition to complying with the relevant environmental laws and regulations, the Group also aims to minimise its impact on the environment through managing our energy consumption efficiently and emissions across our operations.

With the economy recovering from the impacts of COVID-19, we have seen an increase in our business activities and an increase in demand for chartering services and demand for coal. This has resulted in an increase in coal trading volume and more vessels being utilised because of our improved shipping efficiency. Therefore, fuel and electricity consumption increased from FY2021 to FY2022.

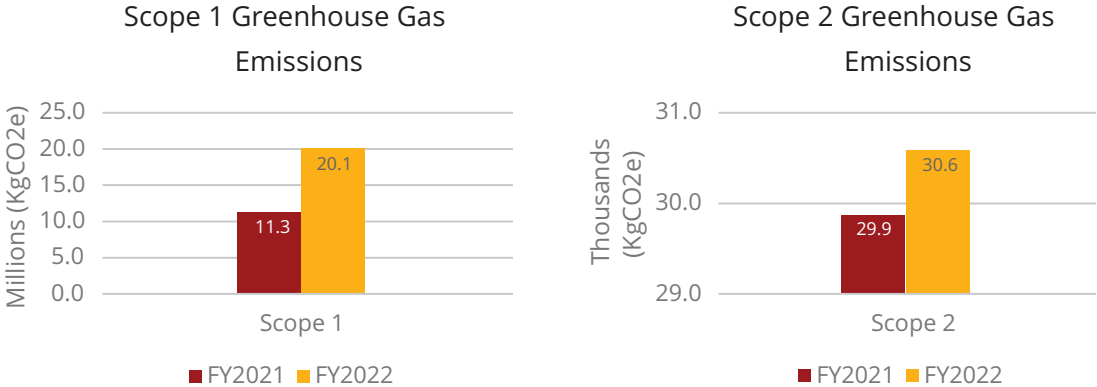
In FY2022, the Group used 66,984,312 Kwh (FY2021: 37,069,255 Kwh) of energy from its fuel consumption across all its operating vessels. The Group uses predominantly High Speed Diesel Solar (“HSD Solar”) or Marine Diesel Oil (“MDO”) which are fuels for our vessels for our shipping operations. Starting from January 2020, the Indonesian authorities have mandated that the biofuel blending rate to be at 30% of the total diesel demand. With the increasingly stringent regulations by the Indonesian authorities, the Group has adopted the usage of biodiesel blended marine fuel for its vessels. Our vessels will continue to use the stipulated 30% biodiesel blended marine fuel, which has since increased to 35% biodiesel blended marine fuel starting February 2023 to comply with the local regulations. Currently, while the Group relies on non-renewable energy sources such as diesel, the incorporation of biodiesel reduces the Greenhouse Gas (“GHG”) emissions produced as compared to the combustion of pure fossil fuel.

Aside from marine fuel, the Group also consumes purchased electricity for our office. In FY2022, we have consumed 48,114 Kwh (FY2021: 45,569 Kwh) of electricity in the office. The Group will continue to closely monitor our electricity consumed by installing energy saving photocopiers and energy efficient air-conditioning units at our workplace. In particular, we are closely monitoring our office air-conditioning temperature to be between 24 and 25 degrees and switch off any electrical appliances such as laptops and air-conditioning when not in use.

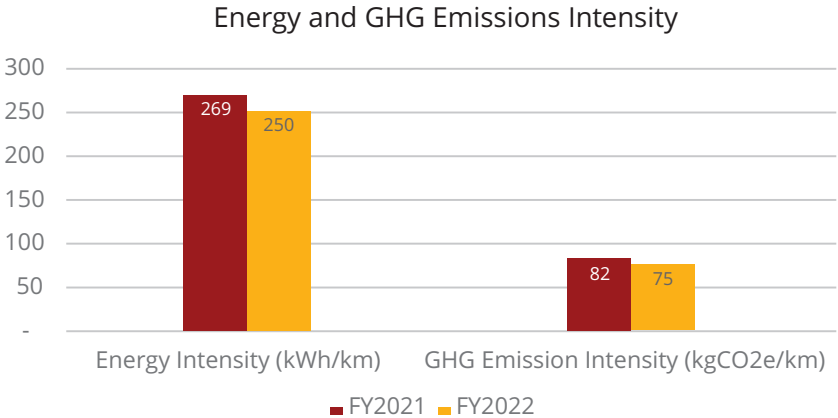
The Group is aware that the consumption of energy generates GHG emissions which have an adverse impact on the environment. We strive to reduce our carbon footprints through implementing various energy-efficient initiatives, such as using LED lightings instead of traditional light bulbs to save electricity usage. The Group’s energy consumption is summarised in the charts below.



The Group accounts for its Scope 1 and Scope 2 GHG emissions<sup>8</sup> from its business operations. Scope 1 GHG emissions refers to all fuels used directly by our companies, while Scope 2 GHG emissions refers to all electricity procured for our business operations. In FY2022, our GHG emissions are as follows:



Our energy consumption and emissions intensities are calculated based on kilometres (“km”) travelled by the vessels. The Group tracks the energy efficiency of our vessels by calculating the energy intensities based on the total distance travelled by our vessels. Despite the overall increase of our energy usage attributable to the vessel operations, our overall energy intensity has improved from 269 kWh/km in FY2021 to 250 kWh/km in FY2022. Similarly, emissions intensity recorded has also improved from 82 kgCO<sub>2</sub>e/km in FY2021 to 75 kgCO<sub>2</sub>e/km in FY2022. These improvements can be attributed to an increase in shipping and trading volumes which has enabled us to improve our vessels management and efficiency to reduce the turnaround time for each voyage and allowing for more trips to be fulfilled.



To prevent fuel leakage and unusually high emissions from the vessel engines, the Group conducts periodic dry docking for our vessels to ensure that our vessels are maintained regularly for fuel efficiency. Frequent maintenance on our engines are also conducted to ensure that our ships obtained the required certifications for sea worthiness. These measures seek to benefit the Group in achieving cost savings as well as improve the capability of our vessels to handle long shipments.

<sup>8</sup> Emission conversion factors were taken from the following sources  
 EMA: Singapore Energy Statistics, Singapore’s average Operating Margin (OM) Grid Emission Factor  
 US Environmental Protection Agency, International Grid Emission Factor

# SUSTAINABILITY REPORT

## Environmental Targets

FY2022 Targets	Status
Comply with Marine Classification mandatory requirements by sending our vessels for dry docking maintenance every two and a half years	Met
No incidents of environmental non-compliance	Met
Ensure all new suppliers are licensed	Met
FY2023 Targets	
<ul style="list-style-type: none"> <li>Comply with Marine Classification mandatory requirements by sending our vessels for dry docking maintenance every two and a half years</li> <li>No incidents of environmental non-compliance</li> <li>Ensure all new main suppliers are licensed</li> </ul>	

## Focus 4: Caring for our People

Our employees are key to the Group’s operations. We strive to provide our employees with attractive workplace and talent retention benefits to develop their career with us. We also strive to provide a safe and healthy workplace of our employees during our daily operations to ensure that the Group’s workplace environments are safe and conducive for all of our employees and crews.

### Our Workforce

As at 31 December 2022, the Group’s workforce consists of 33 full-time and permanent employees at our corporate office in Singapore and Indonesia, of whom 2 are new hires. In Indonesia, we have 72 permanent crew members and 120 new crew members who are temporary<sup>9</sup> employees with contract terms. New crew members are given contract terms to determine their suitability before converting them into permanent crew members. Our corporate employees comprise of 17 males (52%) and 16 females (48%) at our corporate offices while crew members consist of 192 male crew members (100%). The Group is cognizant that it operates in a male-dominated industry with all male crew members but we strive to have a diverse pool of corporate employees in our workforce in Singapore and Indonesia. The following shows a breakdown of our workforce in FY2022.

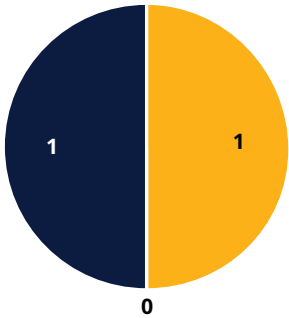
Employees Geographical Break down



<sup>9</sup> Temporary employee refers to employee with a contract for a limited period that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed

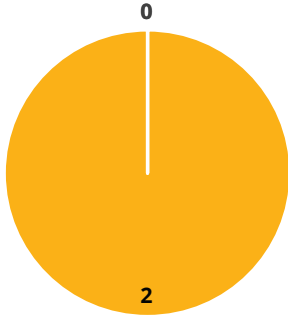
We highly appreciate our employees as they are the main pillar of the Group. Therefore, we are committed to keep our turnover rate low through minimising dissatisfaction among employees by providing reasonable benefits and employees’ career progression. As the Group hopes to reflect an accurate turnover and new hires employed, we will not include the turnover attributed by the crews as they are temporary employees with short-term contracts. In FY2022, at our Indonesia’s corporate office, 2 male employees were hired, while 2 female employees resigned. This translates to a new hire rate of 6% and turnover rate of 6%. With low turnover rate, the Group is able to ensure quality and productivity of operations and products for creating a more sustainable business condition for the Group.

**New Employee Hires  
- by age groups**



■ Below 30 years old ■ Above 50 years old

**Employee Turnover  
- by age groups**



■ Below 30 years old

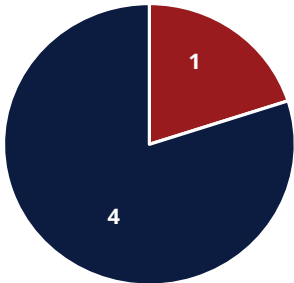
**Employment and Board Diversity**

The Group is cognizant of the importance of ensuring gender balance in its workforce and providing employment opportunities locally and regionally whenever possible. Due to the nature of the shipping industry, all the crews engaged are males. However, we strive for greater gender diversity at our corporate office in Singapore and Indonesia.

The Group also recognises the importance of having a diverse Board leadership and senior management in ensuring the diversity of viewpoints during decision making processes. In ensuring independence in decision making, we have three (60%) Independent Directors on the Board. In improving gender diversity, we have one (20%) female member on the Board.

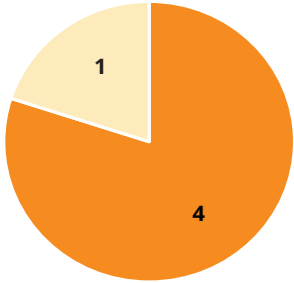
For more information on our Board, please refer to our Corporate Governance report in page 51.

**Board Age Diversity**



■ Between 30 and 50 years old ■ Above 50 years old

**Board Gender Diversity**

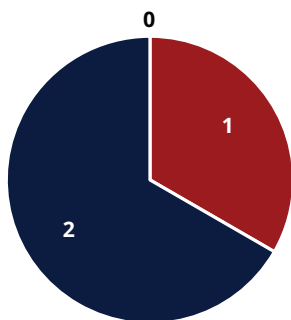


■ Male ■ Female

# SUSTAINABILITY REPORT

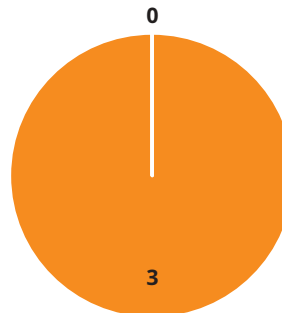
The following charts provide information on the age and gender diversity of our senior<sup>10</sup> management, middle<sup>11</sup> management and employees:

**Senior Management - Age Diversity**



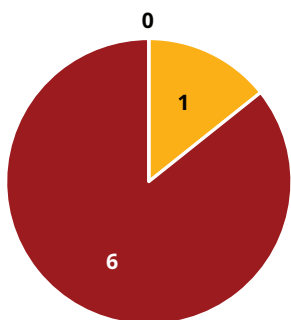
■ < 30 years old ■ 30-50 years old ■ >50 years old

**Senior Management - Gender Diversity**



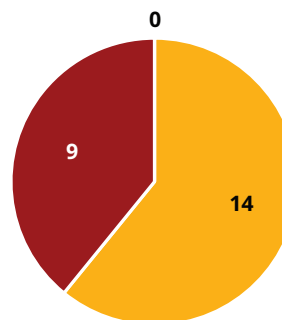
■ Male ■ Female

**Middle Management - Age Diversity**



■ < 30 years old ■ 30-50 years old ■ >50 years old

**Employees - Age Diversity**



The Group promotes workplace diversity and we strictly prohibit any form of discrimination, including 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.

In FY2022, there were no reported incidents of workplace discrimination. The Group does not tolerate any incidents of discrimination. Any reported incidents will be investigated and corrective actions will be implemented.

<sup>10</sup> Senior Management refers to the Group's C-suites

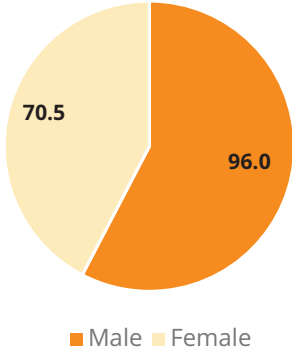
<sup>11</sup> Middle Management refers to the Group's managers

**Employee Development and Benefits**

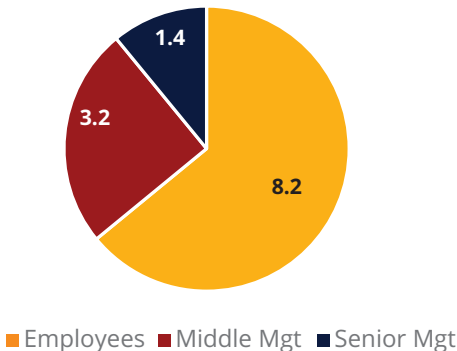
The Group believes in continuous learning and provides progression to employees through on-the-job training and mentorship programmes, as well as refresher courses to enhance their knowledge and familiarity with operations and processes. On-the-job training is regularly reviewed and updated against our business and operational needs as we advocate for continuous learning and on-the-job training for all our employees. In providing guidance for our employees on their jobs, we evaluate 100% of our employees based on their daily performance and provide informal evaluation throughout the year on their job performance to encourage learning and improve service standards to our customers. Therefore, we assess our employees’ skillset and knowledge and remunerate them based on the merit of the work that was performed across FY2022, regardless of their gender.

During FY2022, our employees attended 166.5 hours of training, with male employees attributing to 96.0 training hours and female employees attributing to 70.5 hours. The average training hours conducted for each male and female employee were 5.6 hours and 4.4 hours respectively.

**Training Hours - Gender**



**Training Hour per Staff - Employee Category**



We take responsibility for the well-being of all our employees, both permanent and temporary. The Group provides Hospitalisation and Surgical insurance coverage to all employees in Singapore but this does not extend to our employees in Indonesia. Instead, we reimburse our employees in Indonesia for any medical expenses incurred. As part of our talent retention strategy, we provide leave entitlement and additional health benefits to our permanent employees. The Group also provides support for employees who require parental leave, in accordance with local regulations. In FY2022, while 100% of our employees were entitled to parental leave, no employees had taken parental leave.

**Workplace Health and Safety**

In order to ensure that our employee’s well-being and safety concerns are addressed, the Group has implemented a health and safety management system which complies with the requirements of the international management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code). We strive to ensure that prompt resolution and remediation are provided should any incidents occur, as well as business continuity if any workplace safety hazards were to arise. For all crew members, mandatory orientation on personal health and safety is conducted to ensure that these crew members are aware of the potential safety procedures and hazards when working on-board. We ensure that our crew members are safely equipped with safety equipment while on-board to minimise the risk of personal health and safety. The health and safety policies are also documented in Bahasa Indonesia for our crews to read and understand. As protocol, 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. The Captain is responsible for reporting the incident to the Head of Operation. For all reported workplace incidents, the Group ensures that we uphold our integrity in protecting our employees and crew personal data while resolving the reported hazard. The Group have appointed a Safety Management Officer (“SMO”) who oversees workplace health and safety concerns.

## SUSTAINABILITY REPORT

For employees and workers health and safety, the Group regularly conducts inspection for vectors such as mosquito breeding, rodent, flies and cockroaches on our ships to limit the possibility of disease transmission. In FY2022, there were no work-related fatalities and no high-consequence work-related injuries. There were no incidents resulting in man-days lost in FY2022.

### *COVID-19 Safety Measures*

In FY2022, we have seen the globe gradually recovering from the COVID-19 pandemic. Nevertheless, we continue to take a precautionous stance towards safeguarding our employees against COVID-19 and we remain committed to prioritise their safety and well-being.

We have implemented Safe Management Measures (“SMM”) at our shipping sites and vessels, as well as at our Singapore and Indonesia offices to provide a safe working environment for our employees. These SMM includes mandating Antigen Rapid Test (“ART”) for all employees and visitors in the Singapore office when seminars are conducted by external parties, Board and committee meetings and our annual meetings. Temperature taking exercise continues to be conducted in the Indonesia office twice a week. At areas with high contact points at our premises, we have also increased the frequency of sanitisation and disinfection. For both internal and external meetings, we continue to encourage the use of video-conferencing instead of face-to-face meetings, and all employees are briefed on the SMM and are required to ensure strict enforcement. The Group makes certain that adequate personal protection equipment like sanitisers, masks and testing kits remains accessible to all staff in both the office and vessels.

Moving forward, with COVID-19 becoming endemic, the Group will continually adapt our safety measures to the prevailing regulations in the respective jurisdictions we operate in.

### *Labour and Management Relations*

The Group understands that there could be changes at our operational sites which could result in changes in our employee’s working hours and condition. Therefore, the Group strives to provide sufficient notice to our employees prior to the implementation of any significant operational changes, should such changes arise.

### *Caring for our People Targets*

<b>FY2022 Targets</b>	<b>Status</b>
No incidents of non-compliance with COVID-19 safety regulations	Met
No workplace health and safety incidents	Met
Continue providing training and mentorship to all employees	Met
No incidences of non-compliance with labour laws and regulations	Met
<b>FY2023 Targets</b>	
<ul style="list-style-type: none"> <li>• No significant workplace health and safety incidents</li> <li>• Continue providing training and mentorship to all employees</li> <li>• No incidences of non-compliance with labour laws and regulations</li> </ul>	

**Focus 5: Creating Inclusive Communities**

*Responsible Business Operations*

**Local Procurement**

The Group promotes economic growth in Indonesia by procuring coal from our Indonesia suppliers for our Trading and engaged local service providers for our Shipping Services. In addition to complying with strict sourcing practices which includes local environmental and emission criteria, the Group also enjoys the economic benefit of procuring coal from Indonesia in increasing the resiliency of our supply chain. The Group have defined local procurement to include all purchases made from local suppliers and local service providers based in Indonesia.

In FY2022, it is estimated that 100% of the procurement budget were spent on local coal suppliers and major service providers for our Trading. Similarly, 100% of our Shipping Services' procurement budget was spent on new vessels, vessel equipment, marine fuel, vessel dockings/repairs/maintenance and payment to other service providers in Indonesia.

**Local Employment**

Aside from procuring local materials, the Group is aware of the benefit of hiring locals with improved communication and liaison with the local suppliers and customers. Therefore, providing employment serves as our contribution back to the local communities. All employment contracts comply with the labour laws and regulations in their respective jurisdictions.

In FY2022, 100% of our senior management comprise of Indonesian residents, Singapore citizens and Singapore permanent residents in the respective jurisdictions where we operate in.

The Group is committed to be a socially responsible employer by introducing transparent mechanisms for reporting labour grievances, and these policies are communicated to all workers through trainings and announcements. The Group mandates that all our employees employed in the Indonesian jurisdictions are remunerated according to the stipulated minimum wage. In FY2022, there were no violations of minimum wage laws reported in Indonesia. As there are no minimum wage laws in Singapore, we remunerate our employees fairly in Singapore, according to the merit of their experience and qualifications.

*Impact on Local Communities*

As a corporate citizen, we acknowledge our responsibilities towards the wider society. The Group strives to contribute to the local communities through charitable projects and monetary donations.

During FY2022, the Group made a donation to the Dover Park Hospice, in appreciation of the specialised palliative care given by the hospice during this challenging period.

*Creating Inclusive Communities Targets*

<b>FY2023 Targets</b>
<ul style="list-style-type: none"><li>• Achieve at least 1 corporate social responsibility event</li></ul>

# SUSTAINABILITY REPORT

## SGX-ST Primary Components Index

S/N	Primary Component	Section Reference
1	Material ESG Factors	Stakeholder Engagement and Materiality Assessment
2	Climate-related disclosures consistent with the TCFD recommendations	Focus 2: Building Resiliency for Climate Change
3	Policies, Practices and Performance	<ul style="list-style-type: none"> <li>Sustainability Strategy Overview</li> <li>Focus 1 to 5</li> </ul>
4	Board Statement	Sustainability Governance and Statement of the Board
5	Targets	<ul style="list-style-type: none"> <li>Governance and Ethics Targets</li> <li>Environmental Targets</li> <li>Caring for our People Targets</li> <li>Creating Inclusive Communities Targets</li> </ul>
6	Sustainability Reporting Framework	About this Report

## GRI Standards Content Index

<b>Statement of use</b>	Resources Global Development Limited has reported in accordance with the GRI Standards for the period from 1 January 2022 to 31 December 2022
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	Not applicable

GRI Standard/ Other Source	Disclosure	Location / Reason for omission	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>General Disclosures</b>					
<b>GRI 2: General Disclosures 2021</b>	2-1 Organisational details	Annual Report	-	-	-
	2-2 Entities included in the organisation's sustainability reporting	Annual Report	-	-	-
	2-3 Reporting period, frequency and contact point	About this Report	-	-	-
	2-4 Restatements of information	About this Report	-	-	-
	2-5 External assurance	About this Report	-	-	-
	2-6 Activities, value chain and other business relationships	Organisational Profile	-	-	-
	2-7 Employees	Focus 4: Caring for our people	-	-	-
	2-8 Workers who are not employees	-	-	Not applicable	The Group does not employ contractors for its business operations

GRI Standard/ Other Source	Disclosure	Location / Reason for omission	Omission		
			Requirement(s) Omitted	Reason	Explanation
	2-9 Governance structure and composition	Focus 1: Upholding Governance and Ethics	-	-	-
	2-10 Nomination and selection of the highest governance body	Corporate Governance Report	-	-	-
	2-11 Chair of the highest governance body	Corporate Governance Report	-	-	-
	2-12 Role of the highest governance body in overseeing the management of impacts	Focus 1: Upholding Governance and Ethics	-	-	-
	2-13 Delegation of responsibility for managing impacts	Focus 1: Upholding Governance and Ethics	-	-	-
	2-14 Role of the highest governance body in sustainability reporting	Focus 1: Upholding Governance and Ethics	-	-	-
	2-15 Conflicts of interest	Corporate Governance Report	-	-	-
	2-16 Communication of critical concerns	Focus 1: Upholding Governance and Ethics	-	-	-
	2-17 Collective knowledge of the highest governance body	Focus 1: Upholding Governance and Ethics	-	-	-
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Report	-	-	-
	2-19 Remuneration policies	Corporate Governance Report	-	-	-
	2-20 Process to determine remuneration	Corporate Governance Report	-	-	-
	2-21 Annual total compensation ratio	-	-	Confidentiality constraints	Intense competition for talent in the industry the Group operates in
	2-22 Statement on sustainable development strategy	CEO's Message to Stakeholders	-	-	-
	2-23 Policy commitments	Focus 1 to 5	-	-	-
	2-24 Embedding policy commitments	Focus 1 to 5	-	-	-
	2-25 Processes to remediate negative impacts	Focus 1: Upholding Governance and Ethics	-	-	-
	2-26 Mechanisms for seeking advice and raising concerns	Focus 1: Upholding Governance and Ethics	-	-	-

# SUSTAINABILITY REPORT

GRI Standard/ Other Source	Disclosure	Location / Reason for omission	Omission		
			Requirement(s) Omitted	Reason	Explanation
	2-27 Compliance with laws and regulations	About this Report	-	-	-
	2-28 Membership associations	The Group is a member of the Singapore Business Federation	-	-	-
	2-29 Approach to stakeholder engagement	Stakeholder Engagement and Materiality Assessment	-	-	-
	2-30 Collective bargaining agreements	-	-	Not applicable	The Group does not have employees who are covered by collective bargaining agreements
<b>Material Topics</b>					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement and Materiality Assessment	-	-	-
	3-2 List of material topics	Stakeholder Engagement and Materiality Assessment  <u>List of material topics deleted from FY2021 Report:</u> <ul style="list-style-type: none"> <li>- GRI 203: Indirect Economic Impacts</li> <li>- GRI 303: Water and Effluents</li> <li>- GRI 304: Biodiversity</li> <li>- GRI 306: Waste</li> <li>- GRI 408: Child Labour</li> <li>- GRI 409: Forced or Compulsory Labour</li> <li>- GRI 411: Rights of Indigenous Peoples</li> </ul> <u>List of material topics added from FY2021 Report:</u> <ul style="list-style-type: none"> <li>- GRI 201: Economic Performance</li> <li>- GRI 204: Procurement Practices</li> </ul>	-	-	-
<b>Economic Performance</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> <li>● Annual Report</li> <li>● Focus 2: Building Resiliency for Climate Change</li> </ul>	-	-	-

GRI Standard/ Other Source	Disclosure	Location / Reason for omission	Omission		
			Requirement(s) Omitted	Reason	Explanation
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report	-	-	-
	201-2 Financial implications and other risks and opportunities due to climate change	Focus 2: Building Resiliency for Climate Change	-	-	-
	201-3 Defined benefit plan obligations and other retirement plans	Annual Report	-	-	-
	201-4 Financial assistance received from government	Annual Report	-	-	-
<b>Market Presence</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 5: Creating Inclusive Communities	-	-	-
GRI 202: Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Focus 5: Creating Inclusive Communities	-	-	-
	202-2 Proportion of senior management hired from the local community	Focus 5: Creating Inclusive Communities	-	-	-
<b>Procurement Practices</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 5: Creating Inclusive Communities	-	-	-
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	Focus 5: Creating Inclusive Communities	-	-	-
<b>Anti-corruption</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 1: Upholding Governance and Ethics	-	-	-
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Focus 1: Upholding Governance and Ethics	-	-	-
	205-2 Communication and training on anti-corruption policies and procedures	Focus 1: Upholding Governance and Ethics	c*.	Confidentiality constraints	Anti-corruption policies are for internal communication with our employees
	205-3 Confirmed incidents of corruption and actions taken	Focus 1: Upholding Governance and Ethics	-	-	-

\* Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations.

# SUSTAINABILITY REPORT

GRI Standard/ Other Source	Disclosure	Location / Reason for omission	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>Tax</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 1: Upholding Governance and Ethics	-	-	-
GRI 207: Tax 2019	207-1 Approach to tax	Focus 1: Upholding Governance and Ethics	-	-	-
	207-2 Tax governance, control, and risk management	Focus 1: Upholding Governance and Ethics	-	-	-
	207-3 Stakeholder engagement and management of concerns related to tax	Focus 1: Upholding Governance and Ethics	-	-	-
	207-4 Country-by-country reporting	-	-	Confidentiality constraints	-
<b>Energy</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 3: Stewarding our Environment	-	-	-
GRI 302: Energy 2019	302-1 Energy consumption within the organisation	Focus 3: Stewarding our Environment	-	-	-
	302-2 Energy consumption outside of the organisation	-	-	Information unavailable	The Group will disclose in subsequent years
	302-3 Energy intensity	Focus 3: Stewarding our Environment	-	-	-
	302-4 Reduction of energy consumption	Focus 3: Stewarding our Environment	-	-	-
	302-5 Reductions in energy requirements of products and services	-	-	Not applicable	-
<b>Emissions</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 3: Stewarding our Environment	-	-	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Focus 3: Stewarding our Environment	-	-	-
	305-2 Energy indirect (Scope 2) GHG emissions	Focus 3: Stewarding our Environment	-	-	-
	305-3 Other indirect (Scope 3) GHG emissions	-	-	Information unavailable	The Group will disclose in subsequent years
	305-4 GHG emissions intensity	Focus 3: Stewarding our Environment	-	-	-
	305-5 Reduction of GHG emissions	Focus 3: Stewarding our Environment	-	-	-

GRI Standard/ Other Source	Disclosure	Location / Reason for omission	Omission		
			Requirement(s) Omitted	Reason	Explanation
	305-6 Emissions of ozone-depleting substances (ODS)	-	-	Not applicable	-
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	-	-	Not applicable	-
<b>Supplier Environmental Assessment</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 1: Upholding Governance and Ethics	-	-	-
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Focus 1: Upholding Governance and Ethics	-	-	-
	308-2 Negative impacts in the supply chain and actions taken	Focus 1: Upholding Governance and Ethics	-	-	-
<b>Employment</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 4: Caring for our People	-	-	-
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Focus 4: Caring for our People	-	-	-
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Focus 4: Caring for our People	-	-	-
	401-3 Parental leave	Focus 4: Caring for our People	-	-	-
<b>Labour/Management Relations</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 4: Caring for our People	-	-	-
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Focus 4: Caring for our People	-	-	-
<b>Occupational Health and Safety</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 4: Caring for our People	-	-	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Focus 4: Caring for our People	-	-	-
	403-2 Hazard identification, risk assessment, and incident investigation	Focus 4: Caring for our People	-	-	-
	403-3 Occupational health services	Focus 4: Caring for our People	-	-	-

# SUSTAINABILITY REPORT

GRI Standard/ Other Source	Disclosure	Location / Reason for omission	Omission		
			Requirement(s) Omitted	Reason	Explanation
	403-4 Worker participation, consultation, and communication on occupational health and safety	Focus 4: Caring for our People	-	-	-
	403-5 Worker training on occupational health and safety	Focus 4: Caring for our People	-	-	-
	403-6 Promotion of worker health	Focus 4: Caring for our People	-	-	-
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Focus 4: Caring for our People	-	-	-
	403-8 Workers covered by an occupational health and safety management system	Focus 4: Caring for our People	-	-	-
	403-9 Work-related injuries	Focus 4: Caring for our People	-	-	-
	403-10 Work-related ill health	Focus 4: Caring for our People	-	-	-
<b>Training and Education</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 4: Caring for our People	-	-	-
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Focus 4: Caring for our People	-	-	-
	404-2 Programmes for upgrading employee skills and transition assistance programme	Focus 4: Caring for our People	-	-	-
	404-3 Percentage of employees receiving regular performance and career development reviews	Focus 4: Caring for our People	-	-	-
<b>Diversity and Equal Opportunity</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 4: Caring for our People	-	-	-
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Focus 4: Caring for our People	-	-	-
	405-2 Ratio of basic salary and remuneration of women to men	Focus 4: Caring for our People	-	-	-

GRI Standard/ Other Source	Disclosure	Location / Reason for omission	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>Non-discrimination</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 4: Caring for our People	-	-	-
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Focus 4: Caring for our People	-	-	-
<b>Local Communities</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 5: Creating Inclusive Communities	-	-	-
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programmes	Focus 5: Creating Inclusive Communities	-	-	-
	413-2 Operation with significant actual & potential negative impacts on local communities	Focus 5: Creating Inclusive Communities	-	-	-
<b>Supplier Social Assessment</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 1: Upholding Governance and Ethics	-	-	-
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Focus 1: Upholding Governance and Ethics	-	-	-
	414-2 Negative social impacts in the supply chain and actions taken	Focus 1: Upholding Governance and Ethics	-	-	-
<b>Customer Privacy</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Focus 1: Upholding Governance and Ethics	-	-	-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Focus 1: Upholding Governance and Ethics	-	-	-

## TCFD Index

TCFD Disclosure	Section reference
<b>Governance</b>	
a) Board's oversight of climate related risks	Focus 2: Building Resiliency for Climate Change
b) Management's role in assessing and managing climate-related risks	
<b>Strategy</b>	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Focus 2: Building Resiliency for Climate Change
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 degree or lower scenario	The Group is taking a phased approach to TCFD adoption. The Group will incorporate scenario analysis and planning into our subsequent sustainability reports when more information and tools are available for greater accuracy and relevant analysis.
<b>Risk Management</b>	
a) Describe the organisation's processes for identifying and assessing climate-related risks.	Focus 2: Building Resiliency for Climate Change
b) Describe the organisation's processes for managing climate-related risks.	
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	
<b>Metrics and Targets</b>	
c) Disclose the metrics used by organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Focus 2: Building Resiliency for Climate Change
c) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Focus 2: Building Resiliency for Climate Change Focus 3: Stewarding our Environment
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Focus 2: Building Resiliency for Climate Change

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 2022 (“**FY2022**”) with specific reference made to the principles and the provisions of the Code of Corporate Governance 2018 (the “**Code**”) issued on 6 August 2018 and revised on 11 January 2023.

The Company confirms that during FY2022, 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. Each Director is required to promptly disclose any conflict or potentially conflict of interest, in relation to a transaction or proposed transaction with the Group as soon as is practicable after the relevant facts have come to his/her knowledge. On an annual basis, each Director is also required to submit a director’s interest declaration form for the purpose of monitoring interested persons transactions. Where the Director has a conflict or potentially conflict of interest in relation to any matter, he or she is required to declare such interest when the conflict-related matter is discussed and recuse himself or herself from discussions and abstained from voting in relation to the conflict-related matters.

#### 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 programme 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 from date of appointment. During FY2022, no new Director was appointed to the Board.

# CORPORATE GOVERNANCE REPORT

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 Singapore Companies Act 1967 ("**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.

During FY2022, all Directors have attended the prescribed sustainability training courses organised by the relevant training providers as required under the enhanced sustainability reporting rules announced by the SGX-ST in December 2021.

## 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 conducts regular scheduled meetings. The Board Committees report its activities regularly to the Board to keep the Board updated on business activities and the overall business environment in which the Group operates. 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.

# CORPORATE GOVERNANCE REPORT

## Provision 1.5

Formal Board meetings are held at least half yearly to coincide with the Group's half yearly and full year financial results. Ad-hoc meetings are convened as and when required to address any significant issues that arise in between the scheduled meetings. 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 FY2022 as well as the frequency of such meetings held is set out in the table below:

	<b>Board</b>	<b>AC</b>	<b>NC</b>	<b>RC</b>
Number of Meetings Held	6	6	1	1
<b>Name of Director</b>	<b>Number of Meetings Attended</b>			
Ms Alice Yan	5	5	1	1
Mr Francis Lee	6	6*	1*	1*
Mr Salim Limanto	6	6*	1*	1*
Mr Hew Koon Chan	6	6	1	1
Mr Cheong Hock Wee	6	6	1	1

\* *By invitation*

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.

# CORPORATE GOVERNANCE REPORT

The Independent Non-Executive Directors are available to provide guidance to the Management on business issues and in areas which they specialise 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. Each Independent Director is required to complete a Director's independent checklist annually to confirm his independence based on the guideline as set out in the Code. 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. The Board believes that there is a sufficient independent element on the Board to exercise objective judgement on Board affairs, maintain appropriate checks and balances and avoid undue influence on the Board's decision-making process. The Board is of the opinion that given the scope and nature of the Group's operations, the size of the Board is appropriate in facilitating effective decision making.

### Provisions 2.2 and 2.3

During FY2022 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 make up 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	Independent Non-Executive Chairman	Member	Chairman	Member
Mr Hew Koon Chan	Independent Non-Executive Director	Chairman	Member	Member
Mr Cheong Hock Wee	Independent Non-Executive Director	Member	Member	Chairman

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 and Board Committees is reviewed on an annual basis by the NC to ensure that the Board and Board Committees have 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 size and composition of the Board and Board Committees to be adequate to facilitate effective decision making and mitigate against groupthink. The Board includes one (1) 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, and hence meeting the objective of the Board diversity policy. 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.

Independent and/or Non-executive Directors contribute to the Board's decision-making processes by being involved in the Group's strategic proposals and monitoring and reviewing Management's performance against agreed goals and objectives. Their views and opinions provide alternative perspectives to the Group's 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 FY2022, 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 (who is an Independent Non-Executive Director) and the CEO is Mr Francis Lee (who is an 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. Moreover, the Chairman is also responsible for ensuring that the Group is in compliance with corporate governance guidelines. 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.

# CORPORATE GOVERNANCE REPORT

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	Chairman	Independent Non-Executive Chairman
Mr Hew Koon Chan	Member	Independent Non-Executive Director
Mr Cheong Hock Wee	Member	Independent Non-Executive Director

## 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, Mr Francis Lee and Mr Hew Koon Chan, will retire by rotation pursuant to Regulation 103 of the Company's Constitution (collectively, the "**Retiring Directors**"). The Retiring Directors, being eligible, have offered themselves for re-election at the forthcoming AGM.

Mr Francis Lee will, upon re-election as a Director, remain as an Executive Director and the Chief Executive Officer of the Company. Mr Hew Koon Chan will, upon re-election as a Director, remain as an Independent Non-Executive Director, Chairman of the AC, as well as a member of the NC and the RC. Mr Hew Koon Chan is 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 conflict 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.

# CORPORATE GOVERNANCE REPORT

## 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. The NC is satisfied that sufficient time and attention was given by the Directors to the affairs of the Group and is of the view that such multiple board representations do not hinder their ability to carry out duties as Directors of the Company. The Board affirms and concurs with this view.

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 result of the performance evaluation will be compiled by the Company Secretary and the consolidated responses are submitted to the NC for review. 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 FY2022 without the engagement of an external facilitator.

For FY2022, 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 the 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	Chairman	Independent Non-Executive Director
Ms Alice Yan	Member	Independent Non-Executive Chairman
Mr Hew Koon Chan	Member	Independent Non-Executive Director

# CORPORATE GOVERNANCE REPORT

## 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. The Board also ensures that the remuneration policy supports the Company's objective and strategies.

## Provision 6.4

The RC will, from time to time, and where necessary, seek advice from external remuneration consultant in structuring the remuneration policy and determine the level and mix of remuneration for the Directors and key management personnel. The RC did not engage any remuneration consultant for FY2022.

## **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. 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 and commensurate with their contributions, efforts, responsibilities and achievements. 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 2020 ("**Offer Document**"), which are administered by the RC.

# CORPORATE GOVERNANCE REPORT

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 FY2023 (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 payment of Directors' fees of S\$150,000 for FY2022 at the previous AGM held on 29 April 2022. The RC and the Board are of the view that the fees of the current Independent Non-Executive Directors are adequate and not excessive.

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 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 FY2022 is set out below:

Name of Director	Directors' Fees (%)	Salary (%)	Bonus (%)	Other Benefits (%)	Total (%)
<b>S\$250,001 to S\$500,000</b>					
Mr Francis Lee <sup>(1)</sup>	–	75.0	23.1	1.9	100.0
Mr Salim Limanto <sup>(2)</sup>	–	76.6	23.4	–	100.0
<b>Up to S\$250,000</b>					
Ms Alice Yan	100.0	–	–	–	100.0
Mr Hew Koon Chan	100.0	–	–	–	100.0
Mr Cheong Hock Wee	100.0	–	–	–	100.0

#### Notes:

- (1) Mr Francis Lee is also the CEO of the Company.  
 (2) Mr Salim Limanto is also the COO of the Company.

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.

# CORPORATE GOVERNANCE REPORT

## Disclosure on Key Management Personnel's Remuneration

As at 31 December 2022 and as 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 FY2022 is set out below:

Name of key management personnel	Fees (%)	Salary (%)	Bonus (%)	Other Benefits (%)	Total (%)
<b><i>S\$250,001 to S\$500,000</i></b>					
Mr Thomas Yeo	-	81.2	18.8	-	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. The Company has also provided a high level of transparency on remuneration matters, as information on its remuneration policies, level and mix of remuneration, the relationships between remuneration, performance and value creation has been disclosed in detail in Principles 7 and 8 of the Code. Accordingly, the Board is of the view that the non-disclosure in the quantum of remuneration of key management personnel will not be prejudicial to the interest of shareholders.

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 FY2022.

### 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. The AC assists the Board in providing risk management oversight and monitoring existing internal control systems that are delegated to the Management.

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. The Board and the AC have, at least on an annual basis, reviewed the adequacy and effectiveness of the Group's risk management systems as well as the internal control systems including financial, operational, compliance and information technology controls based on procedures established.

## 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 2022.

## **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);

## CORPORATE GOVERNANCE REPORT

- (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 (formerly known as PT Deli Indonesia Sejahtera) 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, to enable it to discharge its functions properly.

## Whistle Blowing Policy

The Group has a whistle blowing policy which sets out the procedures for a whistleblower to make a report to the Company on misconduct or wrongdoing relating to the Company and its employees. The whistle blowing policy sets out channels for employees to raise concerns about possible improprieties in matters of financial reporting or other matters of which they become aware, and will be implementing the same whistle blowing policy to include stakeholders, to ensure that:

- (i) independent investigations are carried out in an appropriate and timely manner;
- (ii) appropriate action is taken to correct the weakness in internal controls and policies which allowed the perpetration of fraud and/or misconduct and to prevent a recurrence; and
- (iii) administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate, balance and fair, while providing reassurance that employees will be protected from reprisals or victimisation for whistle blowing in good faith and without malice.

The Group has designated an independent function to investigate whistleblowing report made in good faith and ensures that the identity of the whistleblower is kept confidential and the Group is committed to ensure protection of the whistleblower against detrimental or unfair treatment. The Audit Committee is responsible for oversight and monitoring of whistle blowing. There was no whistle-blowing report received by the AC in FY2022.

### Provision 10.2

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	Member	Independent Non-Executive Director

At least two members, including the AC Chairman, 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.

### Provision 10.3

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.

### Provision 10.4

## Internal Audit

The Company 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 FY2022, 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.

# CORPORATE GOVERNANCE REPORT

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 appointed as the Group's external auditor at the AGM held on 29 April 2022 until the conclusion of the forthcoming AGM. The aggregate amount of expenses paid or payable to Baker Tilly and the independent member firm of Baker Tilly International for FY2022 are as follows:

### Description of Services Amount Percentage

Description of Services	Amount (S\$'000)	Percentage
Audit fees	147.7	100.0%
Non-audit fees	-	-
<b>Total</b>	<b>147.7</b>	<b>100.0%</b>

There were no non-audit services provided by Baker Tilly in FY2022 (FY2021: 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 2023, 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**") due to its financial significance and the underlying different revenue recognition policies in the various business segments. 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.

The AC also reviewed and concurred with the external auditor and Management on their assessment on the expected credit losses on its trade and other receivables, that no impairment was required as there was subsequent full settlement by the customers with no incidence of bad debts.

### 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 FY2022, 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.

For FY2021, due to the COVID-19 outbreak and the circuit breaker put in place by the Singapore Government, the Company's AGM on 29 April 2022 was held by way of electronic means, through "live webcast" and "live audio stream". 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 29 April 2022, 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 but has responded to queries from the Securities Investors Association via announcement on SGXNET before the AGM held on 29 April 2022.

#### 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 FY2021, as the AGM on 29 April 2022 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.

# CORPORATE GOVERNANCE REPORT

## 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 29 April 2022. Save for the last AGM held on 29 April 2022, there were no other general meetings of the Company held during FY2022.

## 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. All minutes of general meetings are available to Shareholders upon their request. For the AGM held on 29 April 2022, 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 1 March 2023, the Board proposed a tax-exempt (one-tier) final dividend of S\$0.03 per share, subject to the approval of the Company's shareholders at the forthcoming Annual General Meeting. The final dividend, representing a dividend yield of 2.6%, based on share price of S\$1.14 as at 1 March 2023.

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 retained 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.**

## Provisions 12.1, 12.2 and 12.3

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 Shareholders by post and published 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.**

#### Provisions 13.1 and 13.2

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 its key stakeholders. The stakeholders have been identified as those who are impacted by the Group's business and operations and those who are similarly able to impact the Group's business and operations. The Group has also undertaken a process to determine the economic, environmental, social and governance issues, which are important to these stakeholders.

Detailed approach to the stakeholder engagement and materiality assessment has been disclosed in the Group's sustainability report for FY2022. Please refer to the section entitled "Sustainability Report" as set out in this annual report for more information.

#### 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](mailto:info@rgd.sg).

# CORPORATE GOVERNANCE REPORT

## 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 by the Group from interested persons. The IPT entered into by the Group during FY2022 is set out as follows:

Name of interested person	Nature of relationship	Aggregate value of all IPTs in FY2022 (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 FY2022 conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$'000)
PT Deli Pratama Angkutan Laut ("PT DPAL")	An associate of the controlling shareholders of the Company	2,840 <sup>(2)</sup>	— <sup>(5)</sup>
PT Deli Indonesia Raya ("PT DIR")	An associate of the controlling shareholders of the Company	— <sup>(3)</sup>	— <sup>(5)</sup>
PT DIR	An associate of the controlling shareholders of the Company	— <sup>(4)</sup>	— <sup>(5)</sup>

### 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 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<sup>(6)</sup> (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 IDR30 billion ("DNS 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. There was no security provided for the DNS Loan and it has been fully repaid by PT DPAL in December 2022.
- (3) The IPT relates to an interest-free loan of IDR21.5 billion ("DIR Loan") provided by PT DIR (being the interested person) to PT DPAL (being the entity at risk), to partially finance PT DPAL's purchase of new sets of tugboat and barge. There was no security provided for the DIR Loan and it has been fully repaid by PT DPAL in December 2022.
- (4) The IPT relates to a cash collateral of IDR150.0 billion (the "Cash Collateral") provided by PT DIR (being the interested person) to a local Indonesia Bank, which in turn provided a short-term and interest-bearing loan of the same amount to PT DPAL (being the entity at risk), to partially finance the purchase of new sets of tugboat and barge and repayment of the DNS Loan and DIR Loan. There was no security provided for and no fee paid for the Cash Collateral to PT DIR.

- (5) There were no transactions conducted under the shareholders' mandate in FY2022 with the interested persons, PT Sumber Alam Makmur Utama and PT Sarolangun Ketalo Coal. Notwithstanding, the Company intends to seek shareholders' approval for the renewal of the shareholders' mandate on purchase of coal from the interested persons at the forthcoming annual general meeting.
- (6) Founding Shareholders refer to Mr Limas Ananto, Mr Djunaidi Hardi, Mr Arifin Ang, 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-SPONSORSHIP FEES**

With reference to Rule 1204(21) of the Catalist Rules, no non-sponsor fees were paid to the Company's Sponsor, ZICO Capital Pte. Ltd., for FY2022.

## **MATERIAL CONTRACTS**

Save as disclosed in the section entitled "Material Contracts" in the Offer Document, and in the section entitled "Interested Person Transactions" of this report, 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 FY2022 or if not then subsisting, entered into since the end of the previous financial year ended 31 December 2021.

# CORPORATE GOVERNANCE REPORT

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

Pursuant to Rule 720(5) of the Catalyst Rules, the information as set out in Appendix 7F of the Catalyst Rules on Mr Francis Lee and Mr Hew Koon Chan 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	Mr Francis Lee	Mr Hew Koon Chan
Date of appointment	15 July 2019	27 December 2019
Date of last re-appointment (if applicable)	26 April 2021	26 April 2021
Age	54	61
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Francis Lee as an Executive Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr Lee's qualifications, expertise, past experiences, and overall contribution since he was appointed as a Director of the Company, as well as the size, composition and diversity of skillsets on the Board.	The re-election of Mr Hew Koon Chan as an Independent Non-Executive Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr Hew's qualifications, expertise, past experiences, and overall contribution since he was appointed as a Director of the Company, as well as the size, composition and diversity of skillsets on the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive.  Mr Lee is responsible for the overall management of the Group, as well as the strategic planning and development of the Group's business, and spearheading the expansion and growth of the Group.	Non-executive.
Job Title (e.g., Lead ID, AC Chairman, AC Member etc.)	Executive Director and Chief Executive Officer	Independent Non-Executive Director, Chairman of the AC and a member of the NC and the RC
Professional qualifications	<ul style="list-style-type: none"> <li>● Bachelor of Economics (Honours)</li> <li>● Member, CPA Australia</li> </ul>	<ul style="list-style-type: none"> <li>● Bachelor of Engineering (Mechanical)</li> <li>● Graduate Diploma in Financial Management</li> <li>● Certified Diploma in Accounting &amp; Finance</li> </ul>

# CORPORATE GOVERNANCE REPORT

Name of Director	Mr Francis Lee	Mr Hew Koon Chan
Working experience and occupation(s) during the past 10 years	<p><b>July 2019 – Present:</b> Company – Executive Director and Chief Executive Officer</p> <p><b>October 2015 – June 2019:</b> Agrifert Trading Pte Ltd – General Manager and Director</p> <p><b>2011 – 2019:</b> NewQuest Vietnam Company Ltd – Executive Chairman</p> <p><b>2017 – 2019:</b> Agri Malar Company Limited (Myanmar) – Managing Director</p> <p><b>2013 – 2016:</b> Beng Kuang Marine Ltd - Alternate Non-Executive Director</p> <p><b>2014 – 2015:</b> KSM Strategic Pte Ltd – General Manager</p> <p><b>2004 – 2015:</b> NewQuest (Trading) Pte Ltd - General Manager of the Fertiliser Department</p>	<p><b>December 2004 – Present:</b> Integer Capital Pte Ltd - Managing Director (Founder &amp; Owner)</p>
Shareholding interest in the listed issuer and its subsidiaries	Mr Lee holds 100,000 shares of the Company, representing 0.1% of the issued and paid up share capital of the Company.	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	No
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes

# CORPORATE GOVERNANCE REPORT

Name of Director	Mr Francis Lee	Mr Hew Koon Chan
Past (for the last 5 years)	<ul style="list-style-type: none"> <li>● Agrifert Malar Company Limited (Myanmar)</li> <li>● Agrifert Trading Pte. Ltd.</li> <li>● Agrifert Vietnam Co. Ltd. (formerly known as NewQuest Vietnam Company Ltd)</li> <li>● Beng Kuang Marine Limited</li> <li>● Foodprints Investments Pte. Ltd.</li> <li>● Foodprints Summit Pte. Ltd.</li> <li>● Hoe Seng F&amp;B Enterprise Pte. Ltd.</li> <li>● Sekib Pte. Ltd.</li> <li>● Setia Holding Pte. Ltd.</li> <li>● Tacit Pte. Ltd.</li> <li>● RG Nutrients Pte. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>● Declout Pte. Ltd. (formerly known as DeClout Limited)</li> <li>● Livingstone Health Ltd. (formerly known as Ardmore Medical Group Limited)</li> <li>● Nordic Group Limited</li> <li>● Roxy-Pacific Holdings Limited</li> <li>● Tai Icon Sdn Bhd. (struck off as at 25 July 2018)</li> <li>● Far East Group Limited</li> <li>● ATXL Invest Pte Ltd (Struck off as at 8 February 2021)</li> <li>● EcoWise Holdings Limited</li> <li>● SP Manufacturing Pte. Ltd.</li> </ul>
Present	<ul style="list-style-type: none"> <li>● Alfra Resources Pte. Ltd.</li> <li>● Belle Tech Pte. Ltd.</li> <li>● Abilee Ventures Pte. Ltd.</li> <li>● RG International Commodities Pte. Ltd.</li> <li>● RG Camgen Pte. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>● Oiltek International Limited</li> <li>● Integer Capital Pte. Ltd.</li> <li>● SEA Family Trust Pte. Ltd.</li> <li>● shopper360 Limited</li> </ul>
(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?	No	No
(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
(c) Whether there is any unsatisfied judgment against him?	No	No

Name of Director	Mr Francis Lee	Mr Hew Koon Chan
(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
(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
(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
(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
(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
(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

# CORPORATE GOVERNANCE REPORT

Name of Director	Mr Francis Lee	Mr Hew Koon Chan
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: -</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(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</p> <p>(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</p> <p>(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?</p>	No	No

## CORPORATE GOVERNANCE REPORT

Name of Director	Mr Francis Lee	Mr Hew Koon Chan
<p>(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?</p>	<p>No</p>	<p>Yes.</p> <p>During his tenure as an independent director of DeClout Limited (now known as DeClout Pte. Ltd., a company which was previously listed on the Catalist Board of SGX-ST), Mr Hew sold 200,000 shares in DeClout Limited in the public market. Although the shares were sold on 8 March 2017 (Wednesday), he only received the contract statement from his broker on 11 March 2017 (Saturday) and he subsequently informed DeClout Limited on 13 March 2017 (Monday).</p> <p>The notification made on 13 March 2017 (Monday) was more than 2 business days from the date of change of his interest on 8 March 2017. On 28 April 2017, he was held by the Monetary Authority of Singapore (“MAS”) to be in breach of Section 133 of the Securities and Futures Act (Cap. 289) (“SFA”) which, inter alia, requires directors of a corporation to notify the corporation of any change of their interest in the shares of the corporation within 2 business days from their becoming aware of such change of interest.</p> <p>MAS has not taken any regulatory action against Mr Hew in respect of this matter, except to remind him of the obligations to comply with Section 133 of the SFA and other applicable laws and regulations at all times, and that MAS may take this contravention into account when considering actions to be taken against him for any future violations. Accordingly, this matter has been concluded.</p>



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# DIRECTORS' STATEMENT

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 2022.

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 85 to 132 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 2022 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

## 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 2023 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, except as follows:

Number of ordinary shares			
Shareholdings registered in his own name			
Direct interest		Deemed interest	
At	At	At	At
1.1.2022	31.12.2022	1.1.2022	31.12.2022

## The Company

Francis Lee	-	100,000	-	-
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# DIRECTORS' STATEMENT

## Share options

The RGD Employee Share Option Scheme (the "RGD ESOS") of the Company was approved and adopted on 23 December 2019. 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 2022.

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

31 March 2023

# INDEPENDENT AUDITOR'S REPORT

To the members of Resources Global Development Limited

## 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 85 to 132, which comprise the statements of financial position of the Group and of the Company as at 31 December 2022, 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 2022 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 \$179,010,828 (2021: \$133,327,996) for the financial year ended 31 December 2022 from Trading and Shipping Services (Note 4). The accounting policy for revenue recognition is set out in Note 2(e) 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 revenue process. We performed substantive procedures, which include test of details on a sample basis and cut-off procedures. Cut-off procedures include reviewing relevant documents for Trading and Shipping Services and management's estimation on data such as shipping schedules, departure dates and arrival dates for vessel voyages in progress at year end for Shipping Services 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.

# INDEPENDENT AUDITOR'S REPORT

To the members of Resources Global Development Limited

## 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

31 March 2023

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2022

	Note	Group	
		2022 \$	2021 \$
<b>Revenue</b>	4	<b>179,010,828</b>	133,327,996
Cost of sales and services		<b>(142,504,098)</b>	(107,961,493)
Gross profit		<b>36,506,730</b>	25,366,503
Interest income		<b>302,274</b>	205,113
Other income	5	<b>121,828</b>	44,414
<b>Expenses</b>			
Administrative expenses		<b>(2,963,432)</b>	(2,854,979)
Finance costs	6	<b>(63,503)</b>	(222,675)
Share of result of an associate		<b>(2,174)</b>	-
<b>Profit before tax</b>	7	<b>33,901,723</b>	22,538,376
Tax expense	9	<b>(4,335,891)</b>	(3,574,300)
<b>Profit for the financial year</b>		<b>29,565,832</b>	18,964,076
<b>Other comprehensive (loss)/income</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising from consolidation		<b>(4,475,462)</b>	244,494
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Remeasurement of post-employment benefits liabilities, net of tax		<b>(41,660)</b>	27,942
Currency translation differences arising from consolidation		<b>(2,296,084)</b>	119,593
<b>Other comprehensive (loss)/income for the financial year, net of tax</b>		<b>(6,813,206)</b>	392,029
<b>Total comprehensive income for the financial year</b>		<b>22,752,626</b>	19,356,105
<b>Profit for the financial year attributable to:</b>			
Equity holders of the Company		<b>20,115,874</b>	14,818,035
Non-controlling interests		<b>9,449,958</b>	4,146,041
		<b>29,565,832</b>	18,964,076
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company		<b>15,597,049</b>	15,074,956
Non-controlling interests		<b>7,155,577</b>	4,281,149
		<b>22,752,626</b>	19,356,105
<b>Earnings per share attributable to equity holders of the Company (cents per share)</b>			
Basic and diluted	10	<b>22.4</b>	16.5

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

# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2022

	Note	Group		Company	
		2022 \$	2021 \$	2022 \$	2021 \$
<b>Non-current assets</b>					
Property, plant and equipment	11	<b>63,131,732</b>	40,548,725	<b>3,299,544</b>	3,147,084
Intangible assets	12	<b>124,390</b>	115,220	-	-
Deferred tax assets		<b>4,701</b>	7,846	-	-
Investment in subsidiaries	13	-	-	<b>1,801,028</b>	2,061,028
Investment in an associate	14	<b>47,826</b>	-	-	-
Other receivables	15	<b>3,059</b>	2,572	-	-
		<b>63,311,708</b>	40,674,363	<b>5,100,572</b>	5,208,112
<b>Current assets</b>					
Contract assets	16	<b>29,581</b>	531,523	-	-
Inventories	17	<b>1,965,573</b>	4,180,409	-	-
Trade and other receivables	15	<b>27,298,689</b>	7,110,085	<b>3,865,358</b>	242,384
Cash and cash equivalents		<b>20,043,549</b>	20,346,000	<b>2,198,902</b>	3,628,977
		<b>49,337,392</b>	32,168,017	<b>6,064,260</b>	3,871,361
<b>Total assets</b>		<b>112,649,100</b>	72,842,380	<b>11,164,832</b>	9,079,473
<b>Non-current liabilities</b>					
Liabilities for post-employment benefits	18	<b>251,360</b>	318,971	-	-
Borrowings	19	<b>2,277,768</b>	2,461,381	<b>2,227,830</b>	2,382,750
		<b>2,529,128</b>	2,780,352	<b>2,227,830</b>	2,382,750
<b>Current liabilities</b>					
Trade and other payables	20	<b>16,812,116</b>	9,648,892	<b>509,171</b>	411,196
Contract liabilities	16	<b>696,212</b>	1,748,401	-	-
Borrowings	19	<b>14,143,232</b>	1,246,698	<b>1,155,805</b>	1,201,385
Tax payable		<b>1,118,387</b>	1,640,697	-	1,166
		<b>32,769,947</b>	14,284,688	<b>1,664,976</b>	1,613,747
<b>Total liabilities</b>		<b>35,299,075</b>	17,065,040	<b>3,892,806</b>	3,996,497
<b>Net assets</b>		<b>77,350,025</b>	55,777,340	<b>7,272,026</b>	5,082,976
<b>Equity</b>					
Share capital	21	<b>5,701,262</b>	5,701,262	<b>5,701,262</b>	5,701,262
Retained earnings/(accumulated losses)		<b>51,454,292</b>	32,281,781	<b>1,570,764</b>	(618,286)
Currency translation reserve		<b>(5,369,197)</b>	(893,735)	-	-
Equity attributable to equity holders of the Company		<b>51,786,357</b>	37,089,308	<b>7,272,026</b>	5,082,976
Non-controlling interests		<b>25,563,668</b>	18,688,032	-	-
<b>Total equity</b>		<b>77,350,025</b>	55,777,340	<b>7,272,026</b>	5,082,976

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

	← Attributable to equity holders of the Company →					
	Share capital \$	Retained earnings \$	Currency translation reserve \$	Total \$	Non-controlling interests \$	Total equity \$
<b>Group</b>						
<b>2022</b>						
Balance at 1 January 2022	5,701,262	32,281,781	(893,735)	37,089,308	18,688,032	55,777,340
Profit for the financial year	-	20,115,874	-	20,115,874	9,449,958	29,565,832
<i>Other comprehensive income</i>						
Currency translation differences arising from consolidation	-	-	(4,475,462)	(4,475,462)	(2,296,084)	(6,771,546)
Remeasurement of post-employment benefits liabilities	-	(43,363)	-	(43,363)	1,703	(41,660)
Other comprehensive income for the financial year, net of tax	-	(43,363)	(4,475,462)	(4,518,825)	(2,294,381)	(6,813,206)
Total comprehensive income for the financial year	-	20,072,511	(4,475,462)	15,597,049	7,155,577	22,752,626
Dividend paid (Note 22)	-	(900,000)	-	(900,000)	-	(900,000)
Dividend payable by a subsidiary to non-controlling shareholders (Note 20)	-	-	-	-	(43,160)	(43,160)
Return of capital arising from struck off of a subsidiary	-	-	-	-	(236,781)	(236,781)
<b>Balance at 31 December 2022</b>	<b>5,701,262</b>	<b>51,454,292</b>	<b>(5,369,197)</b>	<b>51,786,357</b>	<b>25,563,668</b>	<b>77,350,025</b>

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

	← Attributable to equity holders of the Company →				Non-controlling interests	Total equity						
	Share capital	Retained earnings	Currency translation reserve	Total								
	\$	\$	\$	\$	\$	\$						
<b>Group</b>												
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						
<i>Other comprehensive income</i>												
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						

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

## STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

	Share capital \$	(Accumulated) losses)/ retained earnings \$	Total equity \$
<b>Company</b>			
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	5,701,262	(618,286)	5,082,976
Profit for the financial year	-	3,089,050	3,089,050
Dividend paid (Note 22)	-	(900,000)	(900,000)
<b>Balance at 31 December 2022</b>	<b>5,701,262</b>	<b>1,570,764</b>	<b>7,272,026</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

	Group	
	2022	2021
	\$	\$
<b>Cash flows from operating activities</b>		
Profit before tax	<b>33,901,723</b>	22,538,376
Adjustments for:		
Depreciation of property, plant and equipment	<b>4,769,541</b>	3,932,481
Post-employment benefits	<b>(97,044)</b>	7,685
Inventories written off	-	291,284
Interest income	<b>(302,274)</b>	(205,113)
Interest expense	<b>63,503</b>	222,675
Property, plant and equipment written off	<b>12,521</b>	-
Share of result of an associate	<b>2,174</b>	-
Operating cash flows before working capital changes	<b>38,350,144</b>	26,787,388
Change in operating assets and liabilities:		
Inventories	<b>1,985,760</b>	(2,480,790)
Receivables and contract assets	<b>(21,901,153)</b>	4,020,768
Payables and contract liabilities	<b>4,351,231</b>	(1,537,321)
Currency translation difference	<b>(73,872)</b>	85,723
Cash generated from operations	<b>22,712,110</b>	26,875,768
Interest received	<b>302,274</b>	205,113
Taxes paid	<b>(4,726,406)</b>	(2,370,338)
<b>Net cash generated from operating activities</b>	<b>18,287,978</b>	24,710,543
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment (Note 11(b))	<b>(29,465,574)</b>	(8,613,010)
Purchases of intangible assets	<b>(20,812)</b>	(114,342)
<b>Net cash used in investing activities</b>	<b>(29,486,386)</b>	(8,727,352)
<b>Cash flows from financing activities</b>		
Proceeds from bank loans	<b>13,930,422</b>	2,560,000
Interest paid	<b>(63,503)</b>	(222,675)
Dividend paid to non-controlling shareholder	-	(18,975)
Dividend paid to shareholders of the Company (Note 22)	<b>(900,000)</b>	-
Loan from holding company	-	1,000,000
Loan from a related party	<b>1,996,694</b>	-
Repayment of bank loans	<b>(153,903)</b>	(4,662,462)
Repayment of loan to a related party	<b>(1,996,694)</b>	-
Repayment of lease liabilities	<b>(93,729)</b>	(126,143)
Return of capital arising from struck off of a subsidiary	<b>(236,781)</b>	-
<b>Net cash generated from/(used in) financing activities</b>	<b>12,482,506</b>	(1,470,255)
<b>Net increase in cash and cash equivalents</b>	<b>1,284,098</b>	14,512,936
Effect of exchange rate changes on cash and cash equivalents	<b>(1,586,549)</b>	(12,123)
Cash and cash equivalents at beginning of financial year	<b>20,346,000</b>	5,845,187
<b>Cash and cash equivalents at end of financial year</b>	<b>20,043,549</b>	20,346,000

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

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

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., a company incorporated in Singapore.

## 2 Summary of significant accounting policies

### a) Basis of preparation

The financial statements, expressed in Singapore dollar ("S\$"), 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 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 2022 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;
- 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;

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### b) Basis of consolidation (cont'd)

- 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.

### 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### d) Associate

An associate is an entity over which the Group has significant influence but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist generally when the Group holds 20% or more of the voting power of another entity.

Investment in associate is accounted for in the consolidated financial statements using the equity method of accounting, less impairment losses, if any.

Investment in associate is initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately as income in the Group's profit or loss.

Subsequent to initial recognition, the consolidated financial statements include the Group's share of the post-acquisition profit or loss and other comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

Distributions received from associate is adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate. The Group determines at the end of each reporting period whether there is objective evidence that the investment in associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment and its carrying value and recognises the amount in profit or loss.

Where a group entity transacts with an associate of the Group, unrealised gains are eliminated to the extent of the Group's interest in the relevant associate. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred.

In the company's financial statements, investment in associate is carried at cost less accumulated impairment loss. On disposal of investment in associate, the difference between the disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

### e) Revenue recognition

#### *Sale of coal ("Trading")*

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### e) Revenue recognition (cont'd)

#### *Coal shipping services ("Shipping Services")*

Revenue from 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.

#### *Dividend income*

Dividend income is recognised when the right to receive payment is established.

### f) 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.

#### *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 and Government Regulation No. 35/2021 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### f) Employee benefits (cont'd)

#### *Post-employment benefits (cont'd)*

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.

### g) 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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### g) Leases (cont'd)

#### *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(l).

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.

### h) 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### h) Income taxes (cont'd)

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.

### i) 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.

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
Office unit	50
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 - 10

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### i) Property, plant and equipment (cont'd)

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.

### j) 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.

### k) 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.

### l) 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### l) Impairment of non-financial assets excluding goodwill (cont'd)

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.

### m) 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.

### n) 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### n) Financial assets (cont'd)

#### *Subsequent measurement*

Debt instruments include cash and cash equivalents and trade and other receivables (excluding advance payment to suppliers, prepayments, VAT receivable and prepaid taxes). 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.

#### *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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### o) Financial liabilities

Financial liabilities include trade and other payables 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.

### p) 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### p) Functional and foreign currencies (cont'd)

#### *Translation of Group entities' financial statements (cont'd)*

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.

### q) 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.

### r) 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.

### s) 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.

### t) 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.

### u) 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 2 Summary of significant accounting policies (cont'd)

### v) 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 4 Revenue

	Group	
	2022	2021
	\$	\$
Trading	<b>142,223,300</b>	113,201,753
Shipping Services	<b>36,787,528</b>	20,126,243
	<b>179,010,828</b>	133,327,996

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

	Trading	Shipping Services	Total
	\$	\$	\$
<b>2022</b>			
<b>Primary geographical markets</b>			
Indonesia	134,382,495	36,273,362	170,655,857
Philippines	7,840,805	-	7,840,805
People's Republic of China	-	514,166	514,166
	<b>142,223,300</b>	<b>36,787,528</b>	<b>179,010,828</b>
<b>Timing of revenue recognition</b>			
At a point in time	142,223,300	-	142,223,300
Over time	-	36,787,528	36,787,528
	<b>142,223,300</b>	<b>36,787,528</b>	<b>179,010,828</b>
<b>2021</b>			
<b>Primary geographical markets</b>			
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
<b>Timing of revenue recognition</b>			
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

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 5 Other income

	Group	
	2022	2021
	\$	\$
Government grant income	<b>13,184</b>	20,684
Rental income (Note 11(a))	<b>11,600</b>	16,652
Post-employment benefits (Note 18)	<b>97,044</b>	-
Others	-	7,078
	<b>121,828</b>	<b>44,414</b>

Government grant income consists of Job Growth Incentives and (2021: Job Growth Incentives and Jobs Support Scheme).

## 6 Finance costs

	Group	
	2022	2021
	\$	\$
Interest expense on:		
- Bank loans	<b>45,766</b>	204,545
- Lease liabilities (Note 11(a))	<b>17,737</b>	18,130
	<b>63,503</b>	<b>222,675</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 7 Profit before tax

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
This is arrived at after charging/(crediting):		
Included in cost of sales and services:		
Coal purchases	<b>121,318,614</b>	91,341,699
Depreciation of vessels and vessel equipment	<b>4,483,775</b>	3,668,168
Freight charter	<b>2,923,200</b>	4,276,895
Fuel expenses	<b>6,202,719</b>	2,502,276
Insurance expenses	<b>402,220</b>	326,412
Loading/discharging expenses	<b>699,974</b>	1,058,755
Mooring and anchoring expenses	<b>87,176</b>	48,818
Repair and maintenance	<b>985,237</b>	550,186
Staff costs	<b>2,440,383</b>	1,879,200
<hr style="border-top: 3px double #000;"/>		
Included in administrative expenses:		
Audit fees paid/payable to:		
- Auditor of the Company	<b>100,000</b>	95,000
- Other auditors*	<b>47,731</b>	39,557
Fees for non-audit services paid/payable to:		
- Auditor of the Company	-	-
- Other auditors	-	-
Depreciation of other property, plant and equipment	<b>285,766</b>	264,313
Inventories written off	-	291,284
Property, plant and equipment written off	<b>12,521</b>	-
Gain on foreign currency exchange, net	<b>(233,780)</b>	(264,694)
Office supplies	<b>87,675</b>	65,045
Professional fees	<b>371,652</b>	285,972
Staff costs	<b>2,217,529</b>	1,965,101
<hr style="border-top: 3px double #000;"/>		

\* Includes independent member firm of Baker Tilly International network

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 8 Staff costs

	Group	
	2022	2021
	\$	\$
Directors:		
- Salaries and related costs	<b>815,550</b>	705,553
Other key management personnel (non-directors):		
- Salaries and related costs	<b>313,980</b>	301,490
Total key management personnel compensation	<b>1,129,530</b>	1,007,043
Other personnel:		
- Salaries and related costs	<b>3,528,382</b>	2,829,573
- Post-employment benefits (Note 18)	-	7,685
	<b>4,657,912</b>	3,844,301

## 9 Tax expense

	Group	
	2022	2021
	\$	\$
Tax expense attributable to profits is made up of:		
Current income tax provision	<b>3,893,022</b>	3,385,143
Current deferred tax	<b>15,585</b>	1,301
Withholding tax expenses	<b>427,284</b>	187,856
	<b>4,335,891</b>	3,574,300

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	
	2022	2021
	\$	\$
Profit before tax	<b>33,901,723</b>	22,538,376
Tax calculated at domestic rate in the countries in which the Group entities operate	<b>7,495,549</b>	4,963,382
Income not subject to tax	<b>(35,990)</b>	(31,657)
Effect of income subject to Final Income Tax on revenue from Shipping Services	<b>(3,665,817)</b>	(1,561,673)
Withholding tax expenses	<b>427,284</b>	187,856
Deferred tax assets not recognised	<b>114,865</b>	16,392
	<b>4,335,891</b>	3,574,300

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 9 Tax expense (cont'd)

Deferred tax asset has not been recognised in respect of the following deductible temporary differences:

	Group	
	2022	2021
	\$	\$
Property, plant and equipment	41,000	32,000
Tax losses	1,781,000	1,115,000
	<b>1,822,000</b>	<b>1,147,000</b>

As at 31 December 2022, the Group and the Company have unrecognised unutilised tax losses of approximately \$1,781,000 (2021: \$1,115,000) that are available for carry forward to set off against future taxable profits subject to agreement by the tax authority and compliance with relevant provisions of the tax legislation in Singapore. No deferred tax asset has been recognised in respect of the losses as it is not probable that future taxable profits will be sufficient to allow the related tax benefits to be realised.

Deferred tax asset of the Group totalling \$310,000 (2021: \$195,000) has not been recognised with respect of the above as it is not probable that future taxable profits will be available and/or sufficient to allow the related tax benefits to be realised.

The corporate income tax rate applicable to the Company is 17% (2021: 17%). The corporate income tax rate applicable to the subsidiaries in Indonesia is 22% (2021: 22%).

For revenue earned through Shipping Services provided by a subsidiary in Indonesia, the Final Income Tax payable is 1.2% (2021: 1.2%) on its revenue.

At 31 December 2022, the Group has unrecognised deferred tax on temporary differences associated with undistributed earnings of subsidiaries of \$5,000,000 (2021: \$3,300,000). 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	
	2022	2021
	\$	\$
Profit for the financial year attributable to equity holders of the Company	<b>20,115,874</b>	14,818,035

	Group	
	2022	2021
	\$	\$
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share	<b>90,000,000</b>	90,000,000

The basic and diluted earnings per share for 2021 and 2022 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 11 Property, plant and equipment

Group Cost	Land \$	Buildings \$	Office unit \$	Vessels and barges \$	Dry docking \$	Motor vehicles \$	Vessel equipment \$	Capital work-in progress \$	Office premises under leases \$	Others <sup>(1)</sup> \$	Total \$
At 1 January 2021	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
Additions	-	-	-	13,649,459	863,106	21,704	623,929	17,163,349	-	298,466	32,620,013
Write off	-	-	-	-	-	-	(49,944)	-	-	(23,227)	(73,171)
Lease expiration	-	-	-	-	-	-	-	-	(384,653)	-	(384,653)
Exchange difference	(131,654)	(17,685)	-	(4,725,458)	(691,562)	(35,239)	(84,809)	(1,210,419)	(2,434)	(21,772)	(6,921,032)
<b>At 31 December 2022</b>	<b>1,359,367</b>	<b>182,600</b>	<b>3,110,350</b>	<b>51,539,627</b>	<b>7,314,360</b>	<b>368,225</b>	<b>991,224</b>	<b>15,952,930</b>	<b>-</b>	<b>532,802</b>	<b>81,351,485</b>
<b>Accumulated depreciation</b>											
At 1 January 2021	-	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
Depreciation charge	-	9,823	62,207	2,668,226	1,694,191	47,107	121,358	-	87,280	79,349	4,769,541
Write off	-	-	-	-	-	-	(37,423)	-	-	(23,227)	(60,650)
Lease expiration	-	-	-	-	-	-	-	-	(384,653)	-	(384,653)
Exchange difference	-	(5,409)	-	(1,057,799)	(543,373)	(23,700)	(18,765)	-	(1,622)	(15,420)	(1,666,088)
<b>At 31 December 2022</b>	<b>-</b>	<b>57,823</b>	<b>77,759</b>	<b>11,459,268</b>	<b>5,951,549</b>	<b>254,216</b>	<b>210,560</b>	<b>-</b>	<b>-</b>	<b>208,578</b>	<b>18,219,753</b>
<b>Net carrying value</b>											
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
<b>At 31 December 2022</b>	<b>1,359,367</b>	<b>124,777</b>	<b>3,032,591</b>	<b>40,080,359</b>	<b>1,362,811</b>	<b>114,009</b>	<b>780,664</b>	<b>15,952,930</b>	<b>-</b>	<b>324,224</b>	<b>63,131,732</b>

(1) Others include office equipment and renovation.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 11 Property, plant and equipment (cont'd)

	Office unit \$	Office equipment \$	Office premises under leases \$	Renovation \$	Total \$
<b>Company</b>					
<b>Cost</b>					
At 1 January 2021	–	20,445	252,714	22,795	295,954
Additions	3,110,350	1,500	7,093	–	3,118,943
At 31 December 2021	3,110,350	21,945	259,807	22,795	3,414,897
Additions	–	44,154	–	238,882	283,036
Write off	–	–	–	(22,795)	(22,795)
Lease expiration	–	–	(259,807)	–	(259,807)
<b>At 31 December 2022</b>	<b>3,110,350</b>	<b>66,099</b>	<b>–</b>	<b>238,882</b>	<b>3,415,331</b>
<b>Accumulate depreciation</b>					
At 1 January 2021	–	8,742	126,357	17,096	152,195
Depreciation charge	15,552	6,582	87,785	5,699	115,618
At 31 December 2021	15,552	15,324	214,142	22,795	267,813
Depreciation charge	62,207	10,760	45,665	11,944	130,576
Write off	–	–	–	(22,795)	(22,795)
Lease expiration	–	–	(259,807)	–	(259,807)
<b>At 31 December 2022</b>	<b>77,759</b>	<b>26,084</b>	<b>–</b>	<b>11,944</b>	<b>115,787</b>
<b>Net carrying value</b>					
At 31 December 2021	3,094,798	6,621	45,665	–	3,147,084
<b>At 31 December 2022</b>	<b>3,032,591</b>	<b>40,015</b>	<b>–</b>	<b>226,938</b>	<b>3,299,544</b>

- 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 leases for both the Group and the Company have ended on 31 December 2022 and 30 June 2022 respectively.

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 24(b).

During the previous financial year, the Group purchased a new office unit which has an existing tenancy agreement expiring on 28 February 2022 and the rental income earned is disclosed in Note 5.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 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	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>Carrying amount of right-of-use assets</b>				
<i>Classified within property, plant and equipment</i>				
Motor vehicles	114,009	150,951	-	-
Office premises under leases	-	88,092	-	45,665
	<b>114,009</b>	<b>239,043</b>	<b>-</b>	<b>45,665</b>

	Group	
	2022	2021
	\$	\$
<b>Amounts recognised in statement of financial position</b>		
Additions to right-of-use assets (Note 11 (b))	<b>21,704</b>	68,824

	Group	
	2022	2021
	\$	\$
<b>Amounts recognised in statement of comprehensive income</b>		
<i>Depreciation charge for the financial year</i>		
Motor vehicles	47,107	37,768
Office premises under leases	87,280	129,888
	<b>134,387</b>	<b>167,656</b>

	Group	
	2022	2021
	\$	\$
<b>Lease expenses not included in the measurement of lease liabilities</b>		
Interest expenses on lease liabilities (Note 6)	<b>17,737</b>	18,130

During the financial year, total cash flow for leases amounted to \$111,466 (2021: \$144,273).

### **Lease not yet commenced to which the lessee is committed**

On 30 December 2022, the subsidiaries entered into 3-year leases to rent office premises, of which the lease period will only commence in January 2023. The aggregate future cash outflows to which the Group is exposed is fixed payment of \$47,532 per year, for the next three years. There are no extension or termination options on the lease.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 11 Property, plant and equipment (cont'd)

b) Non-cash transactions:

	Group	
	2022	2021
	\$	\$
Aggregate cost of property, plant and equipment acquired	<b>32,620,013</b>	13,589,308
Less: Additions to right-of-use assets (Note 11 (a))	<b>(21,704)</b>	(68,824)
Less: Unpaid portion of the construction of tugboats and barges (Note 20)	<b>(8,000,203)</b>	(4,799,256)
Less: Unpaid portion of the vessel equipment (Note 20)	<b>(40,006)</b>	-
Less: Unpaid portion of the dry-docking costs (Note 20)	-	(108,218)
Add: Paid for construction of vessels	<b>4,799,256</b>	-
Add: Paid for dry-docking costs	<b>108,218</b>	-
Net cash outflow for purchase of property, plant and equipment	<b><u>29,465,574</u></b>	<u>8,613,010</u>

c) Capital commitments not provided for in the financial statements:

	Group	
	2022	2021
	\$	\$
Capital commitment constructed for in respect of plant and equipment	<b><u>38,213,532</u></b>	<u>-</u>

## 12 Intangible asset

	Group	
	2022	2021
	\$	\$
<b>System work-in-progress, at cost</b>		
Balance at beginning of financial year	<b>115,220</b>	-
Additions	<b>20,812</b>	114,342
Exchange difference	<b>(11,642)</b>	878
Balance at end of financial year	<b><u>124,390</u></b>	<u>115,220</u>

## 13 Investment in subsidiaries

	Company	
	2022	2021
	\$	\$
<b>Unquoted equity shares, at cost</b>		
Balance at beginning of financial year	<b>2,061,028</b>	2,061,028
Addition	<b>100,000</b>	-
Subsidiary struck off	<b>(360,000)</b>	-
Balance at end of financial year	<b><u>1,801,028</u></b>	<u>2,061,028</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 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	
		2022 %	2021 %
PT Deli Niaga Sejahtera <sup>(1)</sup> (Indonesia) ("PT DNS")	Trading	99*	99*
PT Deli Pratama Angkutan Laut <sup>(1)</sup> (Indonesia) ("PT DPAL")	Shipping Services	49#	49#
RG Nutrients Pte. Ltd. <sup>(2)</sup> (Singapore)	Dormant	-	60
RG International Commodities Pte. Ltd. <sup>(3)&amp;(4)</sup> (Singapore)	Investment holding and trading	100	-

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

(2) The subsidiary has been struck off from the register on 5 September 2022.

(3) Not required to be audited.

(4) On 18 August 2022, the Group incorporated a 100% owned subsidiary, RG International Commodities Pte. Ltd., in Singapore for a consideration of \$100,000.

\* 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	
		2022 %	2021 %
PT DPAL	Indonesia	51	51

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 13 Investment in subsidiaries (cont'd)

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

#### *Summarised Statement of Financial Position*

	2022 \$	2021 \$
Non-current assets	59,792,014	37,312,273
Current assets	13,092,570	4,960,087
Non-current liabilities	262,775	323,615
Current liabilities	22,930,169	6,053,380
<b>Net assets</b>	<b>49,691,640</b>	<b>35,895,365</b>
<b>Net assets attributable to NCI</b>	<b>25,342,736</b>	<b>18,306,636</b>

#### *Summarised Statement of Comprehensive Income*

	2022 \$	2021 \$
Revenue	36,787,529	20,126,243
Profit before tax	18,696,098	8,186,276
Income tax expense	(447,324)	(239,308)
Profit after tax	18,248,774	7,946,968
Other comprehensive (loss)/income	(4,452,499)	262,376
<b>Total comprehensive income</b>	<b>13,796,275</b>	<b>8,209,344</b>
<b>Total comprehensive income allocated to NCI</b>	<b>7,036,100</b>	<b>4,186,765</b>

#### *Summarised Cash Flows*

	2022 \$	2021 \$
Cash flows generated from operating activities	17,444,088	11,504,151
Cash flows used in investing activities	(26,406,909)	(5,741,233)
Cash flows generated from/(used in) financing activities	12,868,557	(4,748,028)
Net increase in cash and cash equivalents	3,905,736	1,014,890

## 14 Investment in an associate

The Group's investment in an associate is summarised below:

	Group	
	2022 \$	2021 \$
Carrying amount	47,826	-

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 14 Investment in an associate (cont'd)

The following information relates to associate of the Group:

Name of Company (Country of incorporation)	Principal activity	Ownership interest held by the Group	
		2022 %	2021 %
<i>Held by RG International Commodities Pte. Ltd.</i>			
RG Camgen Pte. Ltd. (Singapore)	Trading in commodities	50	-

On 18 August 2022, the Group incorporated RG Camgen Pte. Ltd. together with a third party. The associate remains dormant as at the end of the financial year. The intended activities of the associate are strategic to the Group.

Aggregate information (based on the Group's share of result) about the Group's investment in associate that are individually immaterial are as follows:

	Group	
	2022 \$	2021 \$
Loss after tax	(2,174)	-
Total comprehensive loss	(2,174)	-

## 15 Trade and other receivables

	Group		Company	
	2022 \$	2021 \$	2022 \$	2021 \$
<b>Current</b>				
Trade receivables	26,649,626	5,996,843	-	-
Other receivables				
- Associate	4,348	-	4,348	-
- Subsidiary	-	-	2,812	-
- Third parties	55,987	57,545	-	-
Dividend receivable from a subsidiary	-	-	3,845,556	-
Advance payment to suppliers	1,701	5,831	-	-
Deposits	2,000	16,084	2,000	15,300
Prepaid taxes	288,947	544,189	-	-
Prepayments	294,353	225,311	8,915	22,407
GST receivable	1,727	204,677	1,727	204,677
VAT receivable	-	59,605	-	-
	<b>27,298,689</b>	<b>7,110,085</b>	<b>3,865,358</b>	<b>242,384</b>
<b>Non-current</b>				
Other deposits	3,059	2,572	-	-

Other receivables from associate and subsidiary are unsecured, non-trade in nature, interest-free and repayable on demand.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 16 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.

	2022	2021	1.1.2021
	\$	\$	\$
<b>Group</b>			
Trade receivables from contracts with customers	<b>26,649,626</b>	5,996,843	10,801,771
Contract assets	<b>29,581</b>	531,523	390,026
Contract liabilities	<b>696,212</b>	1,748,401	1,617,592
<b>Company</b>			
Trade receivables from contracts with customers	-	-	3,962,425
Contract assets	-	-	45,949

Contract assets balance decreased significantly as the Group has billed for the service completed.

Contract liabilities for services rendered has decreased significantly due to less contracts in which the Group billed and received consideration ahead of provision of services. Contract liabilities at beginning of the financial year of \$1,748,401 (2021: \$1,617,592) have been recognised as revenue during the financial year.

## 17 Inventories

	Group	
	2022	2021
	\$	\$
<i>At cost</i>		
Spare parts	<b>326,212</b>	439,092
Coal-in-transit	-	2,475,400
Fuel	<b>1,639,361</b>	1,265,917
	<b>1,965,573</b>	4,180,409

Inventories included as an expense in cost of sales amounted to \$128,298,203 (2021: \$94,244,952).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 18 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:

	2022	2021
Normal retirement age	<b>58 years old</b>	58 years old
Salary increment rate per annum	<b>10%</b>	10%
Discount rate per annum	<b>7.40% to 7.45%</b>	7.55% to 7.60%
Mortality rate	<b>TMI 4 2019</b>	TMI 4 2019
Disability level	<b>10% x TMI</b>	10% x TMI
Resignation level per annum	<b>10% until age 25 then decreasing to 1% at age 55</b>	10% until age 25 then 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 \$340,115 (2021: \$441,678) lower. If the discount rate had been 1 percent lower, the present value of defined benefits obligation would have been \$429,309 (2021: \$591,191) higher.

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

	Group	
	2022	2021
	\$	\$
Present value of defined benefit obligations	<b>381,365</b>	509,492
Fair value of plan assets	<b>(177,911)</b>	(190,521)
Effect of assets ceiling	<b>47,906</b>	-
	<b>251,360</b>	318,971

Movements in the account are as follows:

At beginning of the financial year	<b>318,971</b>	336,585
Remeasurement recognised in other comprehensive loss/(income), gross of tax	<b>54,606</b>	(27,229)
Post-employment benefits (income)/expense (Note 5 & Note 8 respectively)	<b>(97,044)</b>	7,685
Exchange difference	<b>(25,173)</b>	1,930
At end of the financial year	<b>251,360</b>	318,971

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 18 Liabilities for post-employment benefits (cont'd)

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

	Group	
	2022	2021
	\$	\$
Current service cost	<b>104,126</b>	115,072
Past service cost - amendment	<b>(46,079)</b>	(124,128)
Past service cost - curtailment	<b>(19,441)</b>	(23,327)
Interest cost on defined benefit obligation	<b>7,178</b>	11,801
Adjustment due to recognition of past services	<b>1,724</b>	28,267
Adjustment in accordance with International Financial Reporting Interpretations Committee Agenda Decision: Attributing Benefit to Periods of Service	<b>(144,552)</b>	-
Post-employment benefits (income)/expense	<b><u>(97,044)</u></b>	<u>7,685</u>

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

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

	Group	
	2022	2021
	\$	\$
Gross amount of remeasurement	<b>54,606</b>	(27,229)
Less tax	<b>(12,946)</b>	(713)
Amount net of tax	<b><u>41,660</u></b>	<u>(27,942)</u>

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 19 Borrowings

	Group		Company	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>Current</b>				
Bank loan I	<b>155,805</b>	154,788	<b>155,805</b>	154,788
Bank loan II	<b>12,948,000</b>	-	-	-
Lease liabilities	<b>39,427</b>	91,910	-	46,597
Loan from holding company	<b>1,000,000</b>	1,000,000	<b>1,000,000</b>	1,000,000
	<b>14,143,232</b>	1,246,698	<b>1,155,805</b>	1,201,385
<b>Non-current</b>				
Bank loan I	<b>2,227,830</b>	2,382,750	<b>2,227,830</b>	2,382,750
Lease liabilities	<b>49,938</b>	78,631	-	-
	<b>2,277,768</b>	2,461,381	<b>2,227,830</b>	2,382,750
	<b>16,421,000</b>	3,708,079	<b>3,383,635</b>	3,584,135

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 has a 1-year tenure and is repayable on 11 December 2023. Interest is payable at 2.90% per annum. A related party has provided a cash collateral for this bank loan.

Loan from holding company is unsecured, interest free and repayable within 12 months.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 19 Borrowings (cont'd)

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

	Bank loans \$	Loan from holding company \$	Lease liabilities \$	Loan from a related party \$	Total \$
<b>Group</b>					
Balance at 1.1.2021	4,705,000	-	227,065	-	4,932,065
Changes from financing cash flows:					
- Proceed	2,560,000	1,000,000	-	-	3,560,000
- Repayments	(4,662,462)	-	(126,143)	-	(4,788,605)
- Interest paid	(204,545)	-	(18,130)	-	(222,675)
Non-cash changes:					
- Addition of lease	-	-	68,824	-	68,824
- 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
Changes from financing cash flows:					
- Proceed	13,930,422	-	-	1,996,694	15,927,116
- Repayments	(153,903)	-	(93,729)	(1,996,694)	(2,244,326)
- Interest paid	(45,766)	-	(17,737)	-	(63,503)
Non-cash changes:					
- Addition of lease	-	-	21,704	-	21,704
- Interest expenses	45,766	-	17,737	-	63,503
- Exchange difference	(982,422)	-	(9,151)	-	(991,573)
<b>Balance at 31.12.2022</b>	<b>15,331,635</b>	<b>1,000,000</b>	<b>89,365</b>	<b>-</b>	<b>16,421,000</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 20 Trade and other payables

	Group		Company	
	2022	2021	2022	2021
	\$	\$	\$	\$
Trade payables	<b>7,738,850</b>	3,969,026	-	-
Other payables				
- Associate	<b>50,000</b>	-	-	-
- Third parties	<b>190,551</b>	163,862	<b>3,169</b>	26,254
- Subsidiary	-	-	<b>75,000</b>	-
- Payable for dry-docking costs (Note 11(b))	-	108,218	-	-
- Payable for construction of tugboats and barges (Note 11(b))	<b>8,000,203</b>	4,799,256	-	-
- Payable for vessel equipment (Note 11(b))	<b>40,006</b>	-	-	-
- Dividend payable to non-controlling shareholders	<b>43,160</b>	-	-	-
Accrued expenses	<b>749,346</b>	608,530	<b>431,002</b>	384,942
	<b>16,812,116</b>	9,648,892	<b>509,171</b>	411,196

Other payables due to associate and subsidiary are non-trade in nature, unsecured, interest-free and repayable on demand.

## 21 Share capital

	2022		2021	
	No. of ordinary shares	\$	No. of ordinary shares	\$
At beginning and end of the financial year	<b>90,000,000</b>	<b>5,701,262</b>	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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 22 Dividend

### Group and Company

2022	2021
\$	\$

Ordinary dividends:

Final tax exempted dividend of SGD0.01 per share, on the 90,000,000 ordinary shares, was declared on 26 February 2022 and paid on 25 May 2022 in respect of the financial year ended 31 December 2021

<b>900,000</b>	-
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The directors have proposed a final exempt dividend for the financial year ended 31 December 2022 of \$0.03 per share amounting to a total of \$2,700,000 on 1 March 2023. These financial statements do not reflect this dividend payable, which will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2023 upon approval by the Company's shareholders at the annual general meeting of the Company to be held on 28 April 2023.

## 23 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

2022	2021
\$	\$

With holding company:

Loan from

-	1,000,000
---	-----------

With associate:

Expenses paid on behalf by holding company

4,348	-
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Subscription of ordinary shares

<b>50,000</b>	-
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With other related parties:

Loan from

1,996,694	-
-----------	---

Cash collateral provided by a related party

<b>13,930,422</b>	-
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Other related parties comprise of companies in which the controlling shareholders or their close family members have controlling or substantial interests.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 24 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	
	2022	2021	2022	2021
	\$	\$	\$	\$
<i>Financial assets</i>				
At amortised costs	<b>46,758,569</b>	26,419,044	<b>6,053,618</b>	3,644,277
<i>Financial liabilities</i>				
At amortised costs	<b>33,233,116</b>	13,356,971	<b>3,892,806</b>	3,995,331

### 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**

The Group's and the Company's exposure to interest rate risk arises primarily from their bank borrowings. Borrowings at variable rates expose the Group and the Company to cash flow interest rate risk (ie. the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates). Borrowings at fixed rates expose the Group and the Company to fair value interest rate risk (ie. the risk that the value of a financial instrument will fluctuate due to changes in market rates).

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 24 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:

	2022	2021
	\$	\$
<b>Group</b>		
Denominated in USD:		
<i>Financial assets</i>		
Cash and cash equivalents	<b>3,032,387</b>	1,587,677
<i>Financial liabilities</i>		
Trade and other payables	<b>(8,293,295)</b>	(4,907,705)
Net exposure	<b><u>(5,260,908)</u></b>	<u>(3,320,028)</u>
<b>Company</b>		
Denominated in USD:		
<i>Financial assets</i>		
Cash and cash equivalents	<b>1,158,815</b>	74,525
Net exposure	<b><u>1,158,815</u></b>	<u>74,525</u>

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	
	2022	2021
	\$	\$
<b>Group</b>		
USD/IDR		
- strengthened 5% (2021: 5%)	<b>(274,922)</b>	(145,926)
- weakened 5% (2021: 5%)	<b>274,922</b>	145,926
USD/SGD		
- strengthened 5% (2021: 5%)	<b>50,097</b>	4,044
- weakened 5% (2021: 5%)	<b>(50,097)</b>	(4,044)
<b>Company</b>		
USD/SGD		
- strengthened 5% (2021: 5%)	<b>49,522</b>	3,185
- weakened 5% (2021: 5%)	<b>(49,522)</b>	(3,185)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 24 Financial instruments (cont'd)

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

#### *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.

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"):

<b>Description of evaluation of financial assets</b>	<b>Basis for recognition and measurement of ECL</b>
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.

## 24 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 24 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 trade receivables comprise 1 debtor (2021: 1 debtor) that individually represented at least 73% (2021: 94%) of the trade receivables.

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 2022 and 31 December 2021.

##### *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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 24 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 \$
<b>Group</b>				
<b>At 31 December 2022</b>				
Trade and other payables	16,812,116	-	-	16,812,116
Loan from holding company	1,000,000	-	-	1,000,000
Bank loans	13,140,715	572,833	2,030,068	15,743,616
Lease liabilities	50,004	61,561	-	111,565
	<b>31,002,835</b>	<b>634,394</b>	<b>2,030,068</b>	<b>33,667,297</b>
<b>At 31 December 2021</b>				
Trade and other payables	9,648,892	-	-	9,648,892
Loan from 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
	<b>10,951,281</b>	<b>861,431</b>	<b>2,030,068</b>	<b>13,842,780</b>
<b>Company</b>				
<b>At 31 December 2022</b>				
Trade and other payables	509,171	-	-	509,171
Loan from holding company	1,000,000	-	-	1,000,000
Bank loan	192,715	572,833	2,030,068	2,795,616
	<b>1,701,886</b>	<b>572,833</b>	<b>2,030,068</b>	<b>4,304,787</b>
<b>At 31 December 2021</b>				
Trade and other payables	411,196	-	-	411,196
Loan from 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
	<b>1,652,185</b>	<b>765,548</b>	<b>2,030,068</b>	<b>4,447,801</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 25 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.

## 26 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 2021.

## 27 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.

### *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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 27 Segment information (cont'd)

### *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	
	2022	2021	2022	2021
	\$	\$	\$	\$
Singapore	-	-	<b>3,347,370</b>	3,147,084
Indonesia	<b>170,655,857</b>	124,939,465	<b>59,956,578</b>	37,516,861
People's Republic of China	<b>514,166</b>	8,388,531	-	-
Philippines	<b>7,840,805</b>	-	-	-
	<b>179,010,828</b>	133,327,996	<b>63,303,948</b>	40,663,945

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 three (2021: two) external customers who individually contributed 10% or more of the Group's revenue and attributable to the segment as detailed below:

	Attributable segments	Group	
		2022	2021
		\$	\$
Customer 1	Trading	<b>32,954,691</b>	47,131,398
Customer 2	Trading	<b>101,106,466</b>	46,479,718
Customer 3	Shipping Services	<b>21,071,206</b>	10,282,709
		<b>155,132,363</b>	103,893,825

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

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 27 Segment information (cont'd)

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

	Trading		Shipping Services		Per consolidated statements	
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
<b>Revenue:</b>						
External customers	<b>142,223,300</b>	113,201,753	<b>36,787,528</b>	20,126,243	<b>179,101,828</b>	133,327,996
<b>Segment profit:</b>						
Interest income	<b>16,820,761</b>	15,730,749	<b>18,691,508</b>	8,355,540	<b>35,512,269</b>	24,086,289
Finance costs	<b>259,480</b>	173,673	<b>30,399</b>	31,419	<b>289,879</b>	205,092
Inventories written off	<b>(13,221)</b>	(10,809)	<b>(13,289)</b>	(200,683)	<b>(26,510)</b>	(211,492)
Property, plant and equipment written off	-	-	-	(291,284)	-	(291,284)
Share of results of associate	-	-	<b>(12,521)</b>	-	<b>(12,521)</b>	-
Unallocated corporate expenses	-	-	-	-	<b>(1,859,220)</b>	(1,250,229)
Profit before tax	<b>17,067,020</b>	15,893,613	<b>18,696,097</b>	7,894,992	<b>33,901,723</b>	22,538,376
Income tax expense					<b>(4,335,891)</b>	(3,574,300)
Profit for the financial year					<b>29,565,832</b>	18,964,076
<b>Assets</b>						
Segment assets	<b>34,172,336</b>	22,889,839	<b>72,595,637</b>	41,728,171	<b>106,767,973</b>	64,618,010
Unallocated assets					<b>5,881,127</b>	8,224,370
Total assets					<b>112,649,100</b>	72,842,380
<b>Liabilities</b>						
Segment liabilities	<b>7,166,424</b>	5,108,119	<b>23,146,459</b>	6,320,893	<b>30,312,883</b>	11,429,012
Unallocated liabilities					<b>4,986,192</b>	5,636,028
Total liabilities					<b>35,299,075</b>	17,065,040
<b>Other segment information</b>						
Capital expenditure	<b>37,134</b>	100,887	<b>32,299,843</b>	10,483,820	<b>32,336,977</b>	10,584,707
Unallocated capital expenditure					<b>303,848</b>	3,118,943
Depreciation	<b>71,166</b>	61,304	<b>4,567,799</b>	3,755,559	<b>4,638,965</b>	3,816,863
Unallocated corporate depreciation					<b>130,576</b>	115,618
Other non-cash expenses	-	72,111	-	-	-	72,111

## 28 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 2022 were authorised for issue in accordance with a resolution of the directors dated 31 March 2023.

## STATISTICS OF SHAREHOLDINGS

As at 16 March 2023

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	11	27.50	7,700	0.01
1,001 - 10,000	11	27.50	59,200	0.06
10,001 - 1,000,000	16	40.00	1,347,400	1.50
1,000,001 & ABOVE	2	5.00	88,585,700	98.43
TOTAL	40	100.00	90,000,000	100.00

### TOP TWENTY SHAREHOLDERS

	NAME OF SHAREHOLDERS	NO. OF SHARES	%
1	DELI INTERNATIONAL RESOURCES PTE LTD	75,000,000	83.33
2	UOB KAY HIAN PTE LTD	13,585,700	15.10
3	NG KIAN ANN	534,500	0.59
4	ONG YI BIN	105,000	0.12
5	LEE YAW LOONG FRANCIS	100,000	0.11
6	RATIH ANGGARAINI	100,000	0.11
7	JONSON SOFIAN TEO	94,500	0.11
8	LIANG MEI ANG	80,700	0.09
9	TAN SONG KAR	80,000	0.09
10	DBS NOMINEES PTE LTD	50,900	0.06
11	LING CHUI FONG	38,800	0.04
12	ANG POON BENG	37,200	0.04
13	POH GIONG HONG	30,000	0.03
14	ABN AMRO CLEARING BANK N.V.	23,100	0.03
15	IFAST FINANCIAL PTE LTD	20,600	0.02
16	LEE LAI LAN OR NEE SENG KIAT LEONARD	20,000	0.02
17	YEO TZE KHERN (YANG ZHIQIN)	20,000	0.02
18	NG KIM PANG	12,100	0.01
19	SURIATI	10,000	0.01
20	NG YIK PENG	8,200	0.01
	TOTAL:	89,951,300	99.94

# STATISTICS OF SHAREHOLDINGS

As at 16 March 2023

## SUBSTANTIAL SHAREHOLDERS

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

NO.	Name of Shareholder	Direct Interest		Deemed Interest	
		No. of shares	%	No. of shares	%
1	Deli International Resources Pte Ltd <sup>(1)</sup>	75,000,000	83.33	-	-
2	Juhadi <sup>(1)(2)</sup>	-	-	75,000,000	83.33
3	Arifin Tan <sup>(1)</sup>	-	-	75,000,000	83.33
4	Djunaidi Hardi <sup>(1)(2)</sup>	-	-	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 2023, approximately 16.44% 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 OF ANNUAL GENERAL MEETING

**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, 28 April 2023 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 2022, together with the Directors’ Statement and the Independent 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. Mr Francis Lee [See Explanatory Note (1)] **(Resolution 2)**
  - ii. Mr Hew Koon Chan [See Explanatory Note (2)] **(Resolution 3)**
3. To approve the payment of Directors’ fees of S\$150,000 for the financial year ending 31 December 2023 (31 December 2022: S\$150,000), payable quarterly in arrears. **(Resolution 4)**
4. To declare and approve a final tax-exempt dividend of S\$0.03 per ordinary share for the financial year ended 31 December 2022. **(Resolution 5)**
5. To re-appoint Messrs Baker Tilly TFW LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**
6. 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:

### 7. **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,

# NOTICE OF ANNUAL GENERAL MEETING

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 convertible securities;
  - (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,and provided also that 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 (3)]

**(Resolution 7)**

# NOTICE OF ANNUAL GENERAL MEETING

## 8. 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 2023 ("**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 (4)]

**(Resolution 8)**

## 9. 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 (5)]

**(Resolution 9)**

# NOTICE OF ANNUAL GENERAL MEETING

## 10. 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 (6)]

**(Resolution 10)**

BY ORDER OF THE BOARD

Leong Chuo Ming  
Company Secretary  
13 April 2023

### EXPLANATORY NOTES:

- (1) Mr Francis Lee will, upon re-election as a Director, remain as an Executive Director and the Chief Executive Officer of the Company. Further detailed information on Mr Francis Lee 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 2022 Annual Report.
- (2) Mr Hew Koon Chan will, upon re-election as a Director, remain as Independent Non-Executive Director, Chairman of the Audit Committee, as well as a member of the Nominating Committee and the Remuneration Committee. There are no relationships (including family relationships) between Mr Hew Koon Chan and the other Directors, the Company, its related corporation, its officer or its substantial shareholders, which may affect his independence. The Board considers Mr Hew Koon Chan to be independent for the purpose of Rule 704(7) of the Catalist Rules. Further detailed information on Mr Hew Koon Chan 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 2022 Annual Report.
- (3) Ordinary Resolution 7 proposed in item 7 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).

# NOTICE OF ANNUAL GENERAL MEETING

For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares and Instruments will be calculated based on the total number of issued shares (excluding treasury shares subsidiary holdings, if any) at the time Resolution 7 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 7 is passed and any subsequent bonus issue, consolidation or subdivision of shares.

- (4) 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 8 proposed in item 8 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.
- (5) Ordinary Resolution 9 proposed in item 9 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.
- (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 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 annual general meeting of the Company (the “**Meeting**” or “**AGM**”) 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, and shareholders of the Company (“**Shareholders**” or “**Members**”) will not be able to attend the AGM in person.

The Company will arrange for (i) a “live” audio-visual webcast of the AGM, which allows shareholders to participate in the proceedings of the AGM contemporaneously (“**live audio-visual webcast**”) and (ii) a “live” audio-only stream, which allows shareholders to listen to the proceedings of the AGM contemporaneously (“**live audio-only stream**”). Shareholders can **ONLY** participate in the AGM via LIVE AUDIO-VISUAL WEBCAST or LIVE AUDIO-ONLY STREAM (collectively, the “**electronic means**”). The Company will implement real-time electronic voting (“live” voting) and real-time electronic communication (“live” Q&A) at the AGM.

2. Alternative arrangements relating to attendance at the AGM via electronic means, submission of questions in advance of the AGM, addressing of substantial and relevant questions before or at the AGM, and voting at the AGM (i) “live” by the member or by his/her/its duly appointed proxy(ies) (other than the Chairman of the AGM) via electronic means; or (ii) by appointing the Chairman of the Meeting as proxy at the AGM, are set out in this Notice of AGM dated 13 April 2023.
3. Printed copies of this Notice of AGM will **NOT** be sent to Shareholders. Instead, this Notice of AGM, together with the Proxy Form (as defined below) and the Annual Report for the financial year ended 31 December 2022, 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-4/>

## PRE-REGISTRATION OF AGM

4. Members who wish to attend the AGM via live audio-visual webcast or live audio-only stream, must pre-register online at <https://globalmeeting.bigbangdesign.co/rgd2023> no later than 2.00 p.m. on 25 April 2023 to enable the Company to verify their status as members.
5. Authenticated members will receive a confirmation email by 2.00 p.m. on 27 April 2023 which will contain login details to access the live audio-visual webcast or a telephone number with details to access the live audio-only stream of the AGM proceedings.
6. Members should not disclose such login details to persons who are not entitled to attend the AGM. Members who do not receive the confirmation email by 2.00 p.m. on 27 April 2023 may contact the Company by email at [info@rgd.sg](mailto:info@rgd.sg).
7. Shareholders, who would have been able to be appointed as proxies by relevant intermediaries under Section 181(1C) of the Companies Act 1967 of Singapore, such as SRS investors, should approach their respective agents, such as SRS Operators, to participate in the AGM via electronic means.

# NOTICE OF ANNUAL GENERAL MEETING

## VOTING

8. Members (including depositors registered and holding shares through CDP) who wish to vote on any or all of the resolutions at the AGM may:
- (a) (where such shareholders are individuals) vote “live” via the live audio-visual webcast at the AGM or (whether such shareholders are individuals or corporates) appoint a proxy(ies) (other than the Chairman of the Meeting) to vote “live” via live audio-visual webcast at the AGM on their behalf; or
  - (b) (whether such shareholders are individuals or corporates) appoint the Chairman of the Meeting as their proxy to vote on their behalf at the AGM.

Shareholders and, where applicable, appointed proxy(ies), who wish to vote “live” at the AGM must first pre-register at the pre-registration website at <https://globalmeeting.bigbangdesign.co/rgd2023>, by 2.00 p.m. on 25 April 2023. At the pre-registration website, Members who have selected the option for a telephone number with details to access the live audio-visual stream of the AGM proceedings will not be able to vote “live” via electronic means at the AGM.

9. The instrument appointing a proxy(ies) (“**Proxy Form**”) must be submitted to the Company in the following manner:
- (a) if submitted by post or personally, be lodged with the Company’s registered address at 144 Robinson Road, #11-02 Robinson Square, Singapore 068908; or
  - (b) if submitted electronically, be submitted via email to the Company at [info@rgd.sg](mailto:info@rgd.sg),

in each case, by 2.00 p.m. on 25 April 2023. A member must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment will be treated as invalid. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post, or before scanning and sending it by email.

10. A Member (other than a Relevant Intermediary\*) is entitled to attend and vote at the AGM, and may appoint not more than two (2) proxies to attend and vote “live” via electronic means at the AGM in his/her/its stead. A Member which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.
11. Where a Member (other than a Relevant Intermediary\*) appoints two (2) proxies, he/she/it shall specify the proportion of his or her shareholding to be represented by each proxy in the instrument appointing the proxies.
12. A Relevant Intermediary\* may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
13. SRS Investors who wish to vote at the AGM should approach their SRS operators to submit their votes at least seven (7) working days before the date of the AGM (i.e. by 2.00 p.m. on 19 April 2023).

\* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

## SUBMISSION OF QUESTIONS

14. Members (including depositors registered and holding shares through CDP) may submit any questions they may have in advance in relation to any resolution set out in the Notice of AGM **by 2.00 p.m. on 21 April 2023 (“Cut-Off Deadline”)** via the pre-registration website at <https://globalmeeting.bigbangdesign.co/rgd2023> when they register for the AGM, or via email to [info@rgd.sg](mailto:info@rgd.sg), or by post to the Company at 144 Robinson Road, #11-02 Robinson Square, Singapore 068908 stating their questions and provide their particulars as follows:
- (a) Full name (for individuals)/Company name (for corporates) as per scrip/CDP account records;
  - (b) NRIC or passport number (for individuals) / Company registration number (for corporates);
  - (c) the manner in which you hold shares in the Company (e.g., via CDP, CPF or SRS); and
  - (d) Contact number or email address

# NOTICE OF ANNUAL GENERAL MEETING

- Members and, where applicable, appointed proxy(ies) can also ask questions related to the resolutions to be tabled for approval at the AGM, “live” at the AGM, by typing in and submitting their questions via the online platform hosting the live audio-visual webcast or the live audio-only stream of the AGM proceedings. Members and, where applicable, appointed proxy(ies), who wish to ask questions “live” at the AGM must first pre-register at the pre-registration website <https://globalmeeting.bigbangdesign.co/rgd2023>, by 2.00 p.m. on 25 April 2023.

At the pre-registration website, Members who have selected the option for a telephone number with details to access the live audio-only stream of the AGM proceedings will not be able to ask questions “live” via electronic means at the AGM.

- The Company will provide responses to substantial and relevant questions received from shareholders by the Cut-Off Deadline by publishing the responses to such questions via SGXNet and the Company’s website at <https://rgd.sg/newsroom-press-release-4/>, by 2.00 p.m. on 23 April 2023. The Company will address any subsequent clarifications sought, or follow-up questions received after the Cut-Off Deadline for the submission of questions in advance of the AGM which have not already been addressed prior to the AGM, as well as substantial and relevant questions received “live” at the AGM itself, during the AGM through the live audio-visual webcast. Where substantially similar questions are received, the Company will consolidate such questions and consequently, not all questions may be individually addressed.
- The Company will publish the minutes of the AGM on SGXNet and the Company’s website at <https://rgd.sg/newsroom-press-release-4/> within one month from the date of the AGM, and the minutes will include the responses to substantial and relevant questions from shareholders which are addressed during the AGM.
- SRS Investors should approach their SRS operators to submit their questions in relation to any resolution set out in the Notice of AGM prior to the AGM and have their substantial queries and relevant comments answered.

## Personal Data Privacy

By (a) submitting details for the registration to observe the proceedings of the AGM via the live audio-visual webcast or the live audio-only stream, or (b) submitting the Proxy Form appointing the proxy(ies), speak and vote at the AGM and/or any adjournment thereof, or (c) submitting any question prior to the AGM in accordance with this notice, 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:

- processing and administration by the Company (or its agents or service providers) of the appointment of the proxy(ies) for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof);
- 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 observe the proceedings of the AGM and providing them with any technical assistance where necessary;
- addressing relevant and substantial questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions; and
- enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared for the AGM. Accordingly, the member’s personal data and its proxy’s and/or representative’s personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the abovementioned purposes and retained for such period as may be necessary for the Company’s verification and record purposes.

*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 Catalyst.*

*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 Karen Soh, Managing Director, 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-4/>. A printed copy of this proxy form will **NOT** be despatched to members of the Company.

### IMPORTANT:

- Pursuant to the COVID-19 (Temporary Measures) Act 2020 (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the Annual General Meeting of the Company ("AGM") will be held by way of electronic means. The Company will not be arranging for a physical meeting and as such, a member will not be able to attend the AGM in person.
- A member will not be able to attend the AGM in person. Alternative arrangements relating to the attendance of the AGM through electronic means, as well as conduct of the AGM and relevant guidance with full details are set out in the Notice of AGM dated 13 April 2023, which can be accessed via the SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's corporate website <https://rgd.sg/newsroom-press-release-4/>.
- An investor who holds shares under the Supplementary Retirement Scheme ("SRS Investor") and wishes to appoint Chairman of the AGM as proxy should inform their respective SRS Operators to submit their votes at least 7 working days (i.e. by 2.00 p.m. on 19 April 2023) before the AGM.
- This Proxy Form is not valid for use by SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

\*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 appoint:

Name	NRIC/PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%

AND/OR

Name	NRIC/PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%

or failing him/her/them, or if no person is named above, hereby appoint 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 of the Company to be held by way of electronic means on Friday, 28 April 2023 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 2022, together with the Directors' Statement and the Independent Auditors' Report thereon.			
2.	Re-election of Mr Francis Lee as a Director of the Company.			
3.	Re-election of Mr Hew Koon Chan as a Director of the Company.			
4.	Approval of the payment of Directors' fees of S\$150,000 for the financial year ending 31 December 2023, payable quarterly in arrears.			
5.	Approval of the payment of a final tax-exempt (one-tier) dividend of S\$0.03 per ordinary share for the financial year ended 31 December 2022.			
6.	Re-appointment of Messrs Baker Tilly TFW LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
7.	Authority to allot and issue shares in the capital of the Company.			
8.	Renewal of the Shareholders' General Mandate for Interested Person Transactions.			
9.	Authority to allot and issue Shares under the Resources Global Development Limited Employee Share Option Scheme.			
10.	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 \_\_\_\_\_ 2023.

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 annual general meeting of the Company (the “**Meeting**” or “**AGM**”) 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, and shareholders of the Company (“**Shareholders**” or “**Members**”) will not be able to attend the AGM in person.

The Company will arrange for (i) a “live” audio-visual webcast of the AGM, which allows shareholders to participate in the proceedings of the AGM contemporaneously (“**live audio-visual webcast**”) and (ii) a “live” audio-only stream, which allows shareholders to listen to the proceedings of the AGM contemporaneously (“**live audio-only stream**”). Shareholders can ONLY participate in the AGM via LIVE AUDIO-VISUAL WEBCAST or LIVE AUDIO-ONLY STREAM (collectively, the “**electronic means**”). The Company will implement real-time electronic voting (“live” voting) and real-time electronic communication (“live” Q&A) at the AGM.

At the pre-registration website, Members who have selected the option for a telephone number with details to access the live audio-only stream of the AGM proceedings will not be able to vote and ask questions “live” via electronic means at the AGM.

If a member (individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it may:

- (a) (where the member is an individual) vote “live” via the live audio-visual webcast at the AGM or (where the member is an individual or corporate) appoint a proxy(ies) (other than the Chairman of the AGM)# to vote “live” via the live audio-visual webcast at the AGM on his/her/its behalf; or

#For the avoidance of doubt, SRS Investors who wish to vote at the AGM should approach their SRS operators to submit their votes at least seven (7) working days before the date of the AGM (i.e. by 2.00 p.m. on 19 April 2023).

- (b) (whether the member is individual or corporate) appoint the Chairman of the Meeting as their proxy to vote on their behalf at the AGM.

Shareholders and, where applicable, appointed proxy(ies), who wish to vote “live” at the AGM must first pre-register at the pre-registration website at <https://globalmeeting.bigbangdesign.co/rgd2023>, by 2.00 p.m. on 25 April 2023. 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 a proxy(ies) must be submitted to the Company in the following manner:
  - (a) if submitted by post or personally, be lodged with the Company’s registered address at 144 Robinson Road, #11-02 Robinson Square, Singapore 068908; or
  - (b) if submitted electronically, be submitted via email to the Company at [info@rgd.sg](mailto:info@rgd.sg), in each case, by 2.00 p.m. on 25 April 2023. A member must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment will be treated as invalid. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post, or before scanning and sending it by 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 19 April 2023**.

## 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 2023.



**RESOURCES GLOBAL DEVELOPMENT LIMITED**

144 Robinson Road,  
#11-02 Robinson Square,  
Singapore 068908  
[www.rgd.sg](http://www.rgd.sg)