

# CORPORATE GOVERNANCE REPORT

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 2024 (“**FY2024**”) 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 (together with its related practice guidance).

The Company confirms that during FY2024, 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 potential 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 any interested person transactions. Where the Director has a conflict or potential 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 the 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 FY2024, no new Director was appointed to the Board.

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

### Provision 1.3

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

In addition to statutory duties and responsibilities, the Board's duties, including the matters to be approved by the Board, are set out as follows:

- a) supervise and approve strategic direction of the Group;
- b) review the business practices and risk management of the Group;
- c) review the management performance of the Group;
- d) review and approve half yearly and full year results announcements;
- e) review and approve the annual report and audited financial statements;
- f) review and approve the budget plan;
- g) review and approve the dividend policy;
- h) review and approve interested person transactions;
- i) review and approve major transactions including but not limited to corporate restructuring, mergers and acquisitions, investments, acquisitions, and disposals of assets;
- j) review and approve major corporate policies on key areas of operations;
- k) ensure that there are policies and safeguards in the system of internal controls to preserve the integrity of assets; and
- l) 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 changes to the TOR for any Board Committee requires the specific written approval of the Board.

## CORPORATE GOVERNANCE REPORT

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 have full discretion to invite any Director or senior management to attend their meetings.

### Provision 1.5

Formal Board meetings are held at least half yearly 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 FY2024 as well as the frequency of such meetings held is set out in the table below:

	Board	AC	NC	RC
Number of Meetings Held	3	3	1	1
<b>Name of Director</b>	<b>Number of Meetings Attended</b>			
Ms Alice Yan	3	3	1	1
Mr Francis Lee	3	3*	1*	1*
Mr Salim Limanto	3	3*	1*	1*
Mr Hew Koon Chan	3	3	1	1
Mr Cheong Hock Wee	3	3	1	1

\* By invitation

Where a Director has multiple listed company board representations, and in considering the nomination of the 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. The Management will also provide any additional material information that is requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

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

## Provision 1.7

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

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

The Company Secretary and/or representatives from the Company Secretary's office attend(s) all meetings of the Board and the Board Committees and prepare(s) 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 that all applicable rules and regulations (including the requirements of the Companies Act and the Catalyst 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 Catalyst Rules. Each Independent Director is required to complete a Director's independent checklist annually to confirm his/her 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, given that the Independent and Non-Executive Directors currently represent majority of the Board members, who will

## CORPORATE GOVERNANCE REPORT

exercise objective judgement on Board affairs, maintain appropriate checks and balances, contribute to the Board process by monitoring and reviewing performance of Management to achieve the agreed goals and objectives, and avoid undue influence on the Board's decision-making process. The Independent Directors will constructively challenge Management's proposals or decisions and bring independent judgement. 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 FY2024 and as at the date of this report, the Board comprises five (5) Directors, three (3) of whom (including the Chairperson of the Board) are Independent and Non-Executive Directors. Accordingly, the Company has complied 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 Chairperson	Member	Chairperson	Member
Mr Hew Koon Chan	Independent Non-Executive Director	Chairperson	Member	Member
Mr Cheong Hock Wee	Independent Non-Executive Director	Member	Member	Chairperson

The Company acknowledges the significance of fostering a diverse Board as a crucial element in advancing the Group's strategic objectives for sustainable development. In this regard, the Company maintains a Board diversity policy that addresses, among others, gender, age, nationalities, skills, background, experience, length of service, and other relevant factors. In reviewing the diversity of the Board, the NC takes into consideration whether the Board comprises an appropriate balance and mix 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 that thrives on effective decision-making. The composition of the Board and Board Committees is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making, so to contribute to the overall success of the Group.

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, and is expected to bring a 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 FY2024, the Independent Non-Executive Directors communicated among themselves without the presence of the Management as and when the need arose.

## **PRINCIPLE 3: CHAIRPERSON 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 Chairperson of the Board and the Chief Executive Officer ("**CEO**") are separate to provide an appropriate balance of power and authority, increased accountability, and greater capacity of the Board for independent decision-making. As of the date of this report, the Chairperson of the Board is Ms Alice Yan (an Independent Non-Executive Director), and the CEO is Mr Francis Lee (who is an Executive Director). The Chairperson of the Board and the CEO are not related to each other and do not have any business relationship between them.

## Provision 3.2

The Chairperson leads the Board, ensures that the Directors receive accurate, timely and precise 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 Chairperson 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 Chairperson presides over each Board meeting and ensures complete discussion of agenda items. Moreover, the Chairperson is also responsible for ensuring that the Group complies with corporate governance guidelines. Management and external experts who can provide additional insights into the matters to be discussed are invited, when necessary, to attend Board meetings at relevant times.

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

## Provision 3.3

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



# CORPORATE GOVERNANCE REPORT

## 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 Chairperson of the Board, the CEO and key management personnel; (ii) the process and criteria for evaluation of the performance of the Board, the Board Committees and Directors; (iii) evaluation of the training and development programmes for the Board, the 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 and 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 can and has been adequately carrying out his/her 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/her 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 managerial staff and employees who are related to Directors, Executive Officers or controlling Shareholders; and
- (g) review training and professional development programmes for the Board.

The NC meets at least once a year and at other times as required by its TOR. The Chairperson 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 Chairperson) are Non- Executive and Independent Directors. The members of the NC (1) are as follows:

Ms Alice Yan	Chairperson	Independent Non-Executive Chairperson
Mr Hew Koon Chan	Member	Independent Non-Executive Director
Mr Cheong Hock Wee	Member	Independent Non-Executive Director

## Provision 4.3

The NC has a formal process for the selection, appointment, and re-appointment of directors to the Board. In sourcing new directors, the NC will tap into 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 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 (3) 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 be eligible for re-election.

In determining the nomination of a Director for re-election, the NC considers 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 Ms Alice Yan 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. Ms Alice Yan will, upon re-election as a Director, remain as an Independent Non-Executive Director, Chairperson of the Board of Directors and the NC, as well as a member of the AC and the RC. Ms Alice Yan 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 and 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 attend to the Company's matters in a timely and diligent manner and discharge his/her duties as a Director. The NC is satisfied that sufficient time and attention were 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 Director.

## **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 to assess the contribution by the Chairperson and each 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 improvement and to recommend appropriate action to the Board. 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 will be 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 FY2024 without the engagement of an external facilitator.

For FY2024, 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 have 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 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 Chairperson of the RC reports formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

# CORPORATE GOVERNANCE REPORT

## Provision 6.2

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

Mr Cheong Hock Wee	Chairperson	Independent Non-Executive Director
Ms Alice Yan	Member	Independent Non-Executive Chairperson
Mr Hew Koon Chan	Member	Independent Non-Executive Director

## 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 (as the case may be). 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 consultants 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 FY2024.

## **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 and the performance of each 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 except 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 of 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 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 and one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. The RC is of the view that the current remuneration structure (including the RGD ESOS and the RGD PSP) for the Executive Directors, the Independent Non-Executive Directors and key management personnel is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to manage the Company for long-term success.

## Provision 7.2

The Management, together with the RC, recommends the compensation for Independent Non-Executive Directors, taking into account factors such as time spent and the responsibilities of the Directors, the current market circumstances, long-term interest and risk policies of the Company, and the need to attract directors of experience and standing. The Independent Non-Executive Directors' fees are compared against market standards to ensure that they are in line with market norms and to ensure that their independence is not compromised. The Company has in place long-term incentive schemes such as the RGD ESOS and the RGD PSP, as set out in the Company's offer document dated 14 January 2021 ("**Offer Document**"), which are administered by the RC.

Independent Non-Executive Directors receive basic Directors' fees and additional fees for serving as a Chairperson 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 FY2025 (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 FY2024 at the previous AGM held on 29 April 2024. 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 (3) years taking effect from the date of admission of the Company to the Catalist of the SGX-ST on 31 January 2020 (the "**Initial Term**"). After the end of the Initial Term, the Service Agreements will automatically be renewed on the same terms contained in the Service Agreements, for a further period of three (3) years. For further details of the Service Agreements which set out information on the remuneration of Mr Francis Lee and Mr Salim Limanto, please refer to the section entitled "Directors, Executive Officers and Employees – Service Agreements" in the Company's Offer Document.

# CORPORATE GOVERNANCE REPORT

## Disclosure on Directors' Fees and Remuneration

The breakdown of the total remuneration of Directors (including the CEO and the COO) for FY2024 is set out below:

Name of Director	Salary (S\$)	Bonus (S\$)	Director's fee (S\$)	Allowances and other benefits <sup>(3)</sup> (S\$)	Total (S\$)
Mr Francis Lee <sup>(1)</sup>	288,860	22,220	–	23,964	335,044
Mr Salim Limanto <sup>(2)</sup>	240,168	7,029	–	17,961	265,158
Ms Alice Yan	–	–	57,500	–	57,500
Mr Hew Koon Chan	–	–	50,000	–	50,000
Mr Cheong Hock Wee	–	–	42,500	–	42,500

### Notes:

- (1) Mr Francis Lee is the CEO of the Company.
- (2) Mr Salim Limanto is the COO of the Company.
- (3) The allowances and other benefits include benefits-in-kind such as fixed allowances and payments in respect of the Company's statutory contributions to the Singapore Central Provident Fund.

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

## Disclosure on Key Management Personnel's Remuneration

As at 31 December 2024 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 the Directors, CEO or COO) for FY2024 is set out below:

Name of key management personnel	Salary (%)	Bonus (%)	Allowances and other benefits <sup>(1)</sup> (%)	Total (%)
<b>S\$250,001 to S\$500,000</b>				
Mr Yeo Tze Khern Thomas	87.4	6.7	5.9	100

### Note:

- (1) The allowances and other benefits include benefits-in-kind such as fixed allowances and payments in respect of the Company's statutory contributions to the Singapore Central Provident Fund.

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

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.

# CORPORATE GOVERNANCE REPORT

## Provision 8.2

The following table indicates the composition (in percentage terms) of the annual remuneration of employees who are substantial shareholders of the Company or immediate family members of a Director, the CEO or a substantial shareholders of the Company and whose remuneration exceeds S\$100,000 during FY2024:

Name and Relationship	Salary (%)	Bonus (%)	Allowances and other benefits (%) <sup>(1)</sup>	Total (%)
<b>S\$100,000 to S\$200,000</b>				
Mr Irianto Tan - Son of Mr Arifin Tan (who is deemed to be interested in the shares held by Deli International Resources Pte Ltd ("DIR"), the controlling shareholder of the Company)	83.9	6.4	9.7	100
<b>S\$200,000 to S\$300,000</b>				
Mr Salim Limanto - Son of Mr Djunaide Hardi and the nephew of Mr Juhadi and Mr Arifin Ang (all of whom are deemed to be interested in the shares held by DIR)	Please refer to Provision 8.1 above for information on the remuneration of Mr Salim Limanto.			

Note:

- (1) The allowances and other benefits include benefits-in-kind such as fixed allowances and payments in respect of the Company's statutory contributions to the Singapore Central Provident fund.

Save as disclosed above, there are no other employees who are substantial shareholders of the Company or immediate family members of a Director, the CEO or a substantial shareholders of the Company and whose remuneration exceeds S\$100,000 during FY2024.

## 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.



## CORPORATE GOVERNANCE REPORT

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.

The 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 and 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 and 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 Executive Director and CEO, the Executive Director and COO and Chief Financial Officer:

- (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 auditors and the 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 2024.

## **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 Executive Director and CEO, the Executive Director and COO and the Chief Financial Officer on the financial records and financial statements;
- (d) review with the external auditors, 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 auditors;
- (e) review with the internal auditors, 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 auditors and the 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 the external auditors and our management, and review the assistance given by the Management to the internal auditors and external auditors, and discuss problems and concerns, if any, and any matters which the internal auditors and the external auditors may wish to discuss (in the absence of the Management where necessary);
- (h) review the relevant policy and procedures, and the scope and adequacy thereof, in respect to the Group's ongoing compliance with the requirements of the Specific Operation Production Mining Business Licence for transportation and trading of coal (Izin Usaha Pertambangan Operasi Produksi Khusus);
- (i) review the periodic financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory and/or regulatory requirements;
- (j) review and discuss with the external auditors and the 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 auditors 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 auditors 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;

## CORPORATE GOVERNANCE REPORT

- (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 Catalyst Rules, and by such amendments made thereto from time to time.

The Chairperson 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, with 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 whistle blowing 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 AC is responsible for oversight and monitoring of whistle blowing. There was no whistle blowing report received by the AC in FY2024.

### 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	Chairperson	Independent Non-Executive Director
Ms Alice Yan	Member	Independent Non-Executive Chairperson
Mr Cheong Hock Wee	Member	Independent Non-Executive Director

At least two members, including the AC Chairperson, 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 auditors. The internal auditors report directly to the AC on audit matters and to the CEO on administrative matters. For FY2024, 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 auditors carry out its function according to the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The internal auditors have unfettered access to all the Group's documents, records, properties, and personnel, including access to the AC.

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

### **External Audit**

Baker Tilly TFW LLP ("**Baker Tilly**") was appointed as the Group's external auditors at the AGM held on 29 April 2024 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 FY2024 are as follows:

#### **Description of Services Amount Percentage**

<b>Description of Services</b>	<b>Amount (S\$'000)</b>	<b>Percentage</b>
Audit fees	191.1	95.5%
Non-audit fees	9.0	4.5%
<b>Total</b>	<b>200.1</b>	<b>100.0%</b>

The non-audit services provided by Baker Tilly related to proforma consolidation review in FY2024 (FY2023: 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 proposals for the appointment, re-appointment and removal of external auditors and approval of the remuneration of the external auditors. 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 auditors for the Company's audit obligations for the financial year ending 31 December 2025, 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.

## CORPORATE GOVERNANCE REPORT

The external auditors brief 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 auditors 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 auditors and Management on their assessment on the KAM reported by the external auditors.

The AC also reviewed and concurred with the external auditors 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 auditors and the internal auditors 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 auditors and the internal auditors. In respect of FY2024, the AC has met the external auditors and the internal auditors, 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. The notice of all general meetings together with the Annual Report or Circular to Shareholders will also be announced on the SGXNet.

Shareholders are entitled to attend the general meetings and are afforded the opportunity to participate effectively in and vote at general meetings. 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 a 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 a "relevant intermediary" to appoint more than two (2) proxies to attend, speak and vote at the general meeting. An independent polling agent is appointed by the Company for general meetings who will explain the rules, including the voting procedures, that govern the general meetings of Shareholders.

At the general meetings, shareholders are given the opportunity to express their view and ask questions regarding the Group. The Board is of the view that shareholders have sufficient opportunity to express their views and address their questions to the Board and Management.

The Board welcomes questions from shareholders who have an opportunity to raise issues either formally or informally before or at the general meetings, or by writing to the Company's Share Registrar or its email address: [info@rgd.sg](mailto:info@rgd.sg).

### Provision 11.2

Matters that require Shareholders' approval are presented and proposed as a separate resolution. The Company has 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. The 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.

### Provision 11.3

The chairperson 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 auditors 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 and the external auditors were present at the last AGM held on 29 April 2024.

### 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. These minutes will be available to shareholders on the SGXNet within 1 month from the date of the general meeting.



# CORPORATE GOVERNANCE REPORT

## 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 2025, the Board proposed a tax-exempt (one-tier) final dividend of S\$0.0072 per share, subject to Shareholders' approval at the forthcoming Annual General Meeting. The final dividend represented a dividend yield of 3.4%, based on share price of S\$0.21 as at 1 March 2025.

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

The Company's primary avenue to solicit and understand the views of Shareholders is via general meetings. Apart from general meetings, Shareholders may also contact our investor relations team at IR@rgd.sg or send in their enquiries to the general email at info@rgd.sg.

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) which 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 concerned;
- (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. During FY2024, the Company held analyst briefings and investor roadshows/meetings to engage with institutional and retail investors, as well as to solicit and understand the view of the investment community. The Board is 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 our 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 FY2024. 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).

### 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.

# CORPORATE GOVERNANCE REPORT

## INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that transactions with interested persons are properly reviewed, approved and reported to the AC on a timely basis, and are conducted at arm's length basis and will not be prejudicial to the interests of the Company and its minority Shareholders.

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 IPTs entered into by the Group during FY2024 are set out below:

Name of interested person	Nature of relationship	Aggregate value of all IPTs in FY2024 (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 FY2024 conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$'000)
PT Mitra Jasa Sebambar Utama ("PT MJSU") <sup>(1)</sup>	An associate of the Founding Shareholders of the Company	–	656.6 <sup>(2)</sup>
PT Bara Utama Sentosa ("PT BUS") <sup>(1)</sup>	An associate of the Founding Shareholders of the Company	3,092.0 <sup>(3)</sup>	–
PT Deli Pratama Nusantara ("PT DPN") <sup>(1)</sup>	An associate of the Founding Shareholders of the Company	9,029.3 <sup>(4)</sup>	–
PT Deli Pratama Coal ("PT DPC") <sup>(1)</sup>	An associate of the Founding Shareholders of the Company	699.1 <sup>(5)</sup>	–
PT Barito Teknik Prasarana ("PT BTP") <sup>(1)</sup>	An associate of the Founding Shareholders of the Company	1,253.9 <sup>(6)</sup>	–

### Notes:

- (1) Certain of the Founding Shareholders<sup>(7)</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) have shareholding interests in PT MJSU, PT BUS, PT DPN, PT DPC and PT BTP.
- (2) The IPT relates to PT Tri Oetama Persada ("PT TRIOP"), a subsidiary of the Company, obtaining jetty services provided by PT MJSU during FY2024.
- (3) The IPT relates to PT TRIOP obtained a loan from PT BUS in FY2024. The loan is short-term, interest free and unsecured.
- (4) The IPT relates to PT Bhakti Harapan Sejahtera ("PT BHS"), a subsidiary of the Company, obtained a loan from PT DPN in FY2024. The loan is short-term, interest free and unsecured.
- (5) The IPT relates to PT Perdana Karya Perkasa Tbk ("PKPK"), a subsidiary of the Company, renting heavy construction equipment from PT DPC during FY2024.
- (6) The IPT relates to PKPK providing infrastructure related construction services to PT BTP during FY2024.
- (7) Founding Shareholders refer to Mr Djunaidi Hardi, Mr Arifin Ang, Mr Limas Ananto, Mr Juhadi and Mr Arifin Tan. The Founding Shareholders are deemed to be interested in the shares of the Company held by Deli International Resources Pte. Ltd. (the controlling shareholder of the Company).

## RISK MANAGEMENT

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

## NON-SPONSORSHIP FEES

During FY2024, the Company's Sponsor, ZICO Capital Pte. Ltd. ("**ZICO Capital**") was appointed as the Placement Agent for the Company's placement exercise, and was paid an aggregate fee of S\$100,000 (excluding GST) by the Company.

Save as disclose above, with reference to Rule 1204(21) of the Catalist Rules, there were no other non-sponsorship fees payable or paid to ZICO Capital during FY2024.

## MATERIAL CONTRACTS

Save as disclosed in the section entitled "Interested Person Transactions" and in the section entitled "Material Contracts" in the Offer Documents, there are no other material contracts (including loans) entered into by the Company or its subsidiaries involving the interest of the CEO, any Director or controlling shareholder subsisting as at the end of the financial year under review or entered into since the end of the previous financial year ended 31 December 2023.

## CORPORATE GOVERNANCE REPORT

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

Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in Appendix 7F of the Catalist Rules on Mr Francis Lee and Ms Alice Yan, 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	Ms Alice Yan
Date of appointment	15 July 2019	27 December 2019
Date of last re-appointment (if applicable)	28 April 2023	29 April 2022
Age	56	64
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 Ms Alice Yan as an Independent Non-Executive Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Ms Yan's qualifications, expertise, past experiences, and overall contribution since she was appointed as a Director of the Company, 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 Chairperson, AC Member etc.)	Executive Director and Chief Executive Officer	Independent Non-Executive Chairperson, Chairperson of the NC and a member of the AC and the RC
Professional qualifications	<ul style="list-style-type: none"> <li>Bachelor of Economics (Honours)</li> <li>Member, CPA Australia</li> </ul>	Bachelor of Science

## CORPORATE GOVERNANCE REPORT

Name of Director	Mr Francis Lee	Ms Alice Yan
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>2007 – 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>Aug 2019 – Present:</b> Kode 101 – Co-Founder and Chief Executive Officer</p> <p><b>Nov 2014 – Dec 2016:</b> PT Bank ICBC Indonesia – Executive Vice President – Consumer Banking Group Head</p> <p><b>Apr 2013 – Aug 2014:</b> Julius Baer &amp; Co., Ltd (Singapore) – Director</p> <p><b>Nov 2011 – Apr 2013:</b> Standard Chartered Private Bank (Singapore) – Director</p> <p><b>May 2005 – Nov 2011:</b> Merill Lynch International Bank Limited (Merchant Bank) (Singapore) – Director of Investments Private Wealth Manager</p> <p><b>Sep 2004 – Apr 2005:</b> The Citigroup Private Bank Vice President – Private Banker</p> <p><b>Jun 1990 – Aug 2004:</b> Citibank Corporate Bank, Vice President (Jakarta, Indonesia)</p>
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	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	Ms Alice Yan
Past (for the last 5 years)	<ul style="list-style-type: none"> <li>• RG Nutrients Pte. Ltd</li> <li>• RG Camgen Pte Ltd</li> <li>• Granfill Pte. Ltd.</li> </ul>	Nil
Present	<ul style="list-style-type: none"> <li>• Alfra Resources Pte. Ltd.</li> <li>• Belle Tech Pte. Ltd.</li> <li>• Abilee Venture Pte. Ltd.</li> <li>• RG International Commodities Pte. Ltd.</li> </ul>	Kode 101 (Partnership)
(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

# CORPORATE GOVERNANCE REPORT

Name of Director	Mr Francis Lee	Ms Alice Yan
(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

## CORPORATE GOVERNANCE REPORT

Name of Director	Mr Francis Lee	Ms Alice Yan
(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
<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	Ms Alice Yan
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body, or government agency, whether in Singapore or elsewhere?	No	No.