



## SP CORPORATION LIMITED

(Company Registration No. 195200115K)

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### UPDATE ON REFUNDABLE TRADE DEPOSIT IN CONNECTION WITH COAL ALLOCATION AGREEMENT

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SP Corporation Limited (the “**Company**”) wishes to provide an update on the US\$6 million (equivalent to S\$8.1 million) interest-bearing refundable trade deposit (the “**Deposit**”) placed by SPRI Pte. Ltd. (“**SPRI**”) with the Company’s interested person, PT. INDEXIM Coalindo (“**INDEXIM**”), to secure coal allocations pursuant to the 2018 Supplemental Deed of Restatement dated 18 January 2018 (“**Coal Allocation Agreement**”).

The placing of the Deposit had been subject to renewal on an annual basis, with the latest due date for renewal of the Deposit falling on 31 July 2021.

Although SPRI was earlier engaged in discussions and negotiations with INDEXIM concerning, *inter alia*, the possible renewal of the Deposit after 31 July 2021, SPRI has since come to understand that INDEXIM has decided not to seek such renewal of the Deposit, and INDEXIM has repaid the Deposit in full on 28 September 2021 to SPRI pursuant thereto.

Separately, the Coal Allocation Agreement will be expiring on 31 December 2021, and SPRI has received indication from INDEXIM that it is not considering the renewal of such agreement upon its expiry. SPRI is currently engaged in discussions with INDEXIM, *inter alia*, to explore alternative terms or arrangements to continue to obtain coal allocation or supplies from INDEXIM following the expiry of the Coal Allocation Agreement, and the Company will update shareholders as and when there are any material developments relating to this.

Mr William Nursalim alias William Liem, Interim Executive Director of the Company, is deemed to be interested in the Coal Allocation Agreement by virtue of the deemed interest which his immediate family holds in INDEXIM. Mr Peter Sung, the Chairman of the Company, has disclosed that he is associated with person(s) deemed to have an interest in the Coal Allocation Agreement. Save as disclosed above, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Deposit or the Coal Allocation Agreement.

#### BY ORDER OF THE BOARD

Lee Pih Peng  
Group Company Secretary  
29 October 2021