



RICH CAPITAL

FORGING AHEAD

ANNUAL REPORT 2022

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This Annual Report has been reviewed by the Company's sponsor SAC Capital Private Ltd (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange 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 Tay Sim Yee (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

CORPORATE PROFILE



RICH CAPITAL

Rich Capital Holdings Limited (“**Rich Capital**” and together with its subsidiaries, the “**Group**”) is a property developer focusing on residential and industrial properties in Singapore. Its core businesses include property development, investment and management and the provision of specialist construction services. In line with its vision to be a property developer that offers quality, innovative and responsive built environments, Rich Capital has augmented its value proposition by providing residential, hospitality and building turnkey consultancy services. The Company is currently listed on the Catalist of the Singapore Exchange Securities Trading Limited (the “**Singapore Exchange**”).

MESSAGE TO SHAREHOLDERS

DEAR SHAREHOLDERS,

On behalf of the Board of Directors of Rich Capital Holdings Limited (“**Rich Capital**” or the “**Group**”), I present to you the annual report for the financial year ended 31 March 2022 (“**FY2022**”).

EMERGING STRONGER THROUGH ADVERSITY

Notwithstanding the formidable challenges which the Group has encountered over the past three years, we are pleased to update the shareholder on the key developments in our transformation journey.

Kim Chuan Project

As part of the Group’s strategic initiative to optimise the value of the asset, we had entered into a sale and purchase agreement to sell the entire share capital of First Capital Pte Ltd (“**First Capital**”), for an aggregate consideration of S\$14.5 million during the financial year under review. First Capital was incorporated as a special purpose vehicle to own the property located at 6 Kim Chuan Terrace Singapore 537029 (“**Kim Chuan Property**”). The disposal of First Capital was completed in May 2022. In addition, the wholly-owned subsidiary of the Group, Merco Pte. Ltd. (“**Merco**”) has been appointed as project manager for the redevelopment of Kim Chuan Property into an 8-story food production factory.

Construction Services

The Group has continued to build on its encouraging start in providing specialist construction services. Merco has clinched several contracts to perform construction works and provide project management services. This has contributed to the improvement in our financial performance for FY2022. We will continue to remain focused on project execution and pursue more projects in both public and private sectors.

Updates on Batam Project

For the dispute and lawsuit regarding the Batam Project, the Group is currently in consultation with its legal advisors in Singapore and Indonesia to protect the Group’s interests by defending the claims in Batam and Jakarta and seeking recovery of its investment, either in Indonesia or in Singapore. We will consider such advice carefully and take the appropriate steps to protect the interests of the Company and our shareholders. The Company will make further announcements when there are material updates.

FINANCIAL RESULTS UNDER REVIEW

The Group posted revenue of S\$2.2 million for the financial year under review mainly due to the revenue recognised from construction contracts in Singapore. Net loss attributable to equity holders narrowed from S\$12.4 million in the previous financial year to S\$1.9 million in FY2022 mainly due to the revenue contribution of the construction contracts, lower general and administrative expenses and the absence of impairment on loss of joint control over a joint venture in Indonesia.

The Group’s total equity decreased from S\$4.9 million to S\$3.0 million during the year under review, mainly due to the loss incurred during the financial year. Equity attributable to shareholders stood at S\$2.0 million while cash and cash equivalents was S\$1.4 million as at 31 March 2022.

MESSAGE TO SHAREHOLDERS

TACKLING HEADWINDS AMIDST ECONOMIC RECOVERY

The progressive reopening of borders to facilitate access to foreign labour and materials has led to the resumption of projects which had stalled due to border closures and lockdowns. However, the local real estate and construction sectors continue to grapple with headwinds such as soaring input costs amidst a tight labour market and supply chain disruptions. The Group will continue to enhance operational efficiencies and achieve savings through strong cost discipline.

LOOKING AHEAD

The Group will continue to build on the foundations set in place and leverage on our core expertise in property investment and development to actively identify and pursue suitable accretive business opportunities that are accretive to earnings and shareholder value. The Board is currently working closely to submit a proposal to the Singapore Exchange Regulation (“**SGX RegCo**”) to lift the trading suspension of the Company’s shares. We will make further announcements when there are material updates.

We will continue to focus on developing our track record in the construction services sector and executing our projects on time. While our existing projects continue to face rising cost pressures because of increasing manpower costs and enhanced safety measures imposed in the sector, we will strive to manage costs rigorously to deliver value to our stakeholders.

IN APPRECIATION

Finally, I would like to take this opportunity to thank our shareholders, sponsors and business partners for their patience and unflinching commitment. I am also deeply appreciative of our management team and staff for their tremendous efforts to strengthen our business amidst the challenging operating environment.

I believe that the strategic initiatives which we have undertaken will deliver sustainable shareholder value for the Group. We thank you and look forward to your continued support.

Thank you.

Oh Siyang
Executive Director

BOARD OF DIRECTORS

OH SIYANG

Executive Director

Mr Oh was appointed to the Board on 10 July 2020 as the Executive Director of the Company and he is responsible for leading the company in its day-to-day operational matters.

He has a decade of experience in Property Development, Property Management, Building Construction, Civil Engineering, Fashion Manufacturing and Food & Beverages in the private sector during his career both in the South East Asia Region and China. He also continues to serve in various Trade & Cultural Associations as member in their Executive Committees.

Mr Oh graduated from the University of Newcastle with a Bachelor of Business with a Major in Management and a Major in Marketing.

CHANG CHI HSUNG

Independent Non-Executive Director

Mr Chang was appointed to the Board on 23 June 2020. He is the Chairman of the Audit Committee, a member of the Nominating and Remuneration Committees.

He is the Managing Director of OA group of companies, a professional service firm providing audit, accounting, corporate secretarial, valuation, tax and business advisory services. He has over 20 years of professional experience in international accounting firms from Singapore and Malaysia, where he gathered his experience in audit and accounting advisory, prior to founding OA group of companies.

Presently, Mr Chang is an Independent Director of Reclaims Global Limited, a company listed on the Catalist of the Singapore Exchange Securities Trading Limited, where he sits on the Audit and Remuneration committees. He is a Non-Executive Director, Audit Committee member of Haina Intelligent Equipment International Holdings Limited, a company listed on the Main Board of the Stock Exchange of Hong Kong Limited.

Mr Chang graduated with a Bachelor of Commerce degree in Accounting and Finance from the University of New South Wales, Australia. He is a Chartered Accountant and Practising Member of the Institute of Singapore Chartered Accountants ("ISCA"), a Chartered Accountant of Malaysian Institute of Accountants ("MIA"), a Fellow Certified Practising Accountant ("Fellow CPA") of CPA Australia, a Certified Public Accountant of Hong Kong Institute of Certified Public Accountants ("HKICPA") and is also qualified as an ASEAN Chartered Professional Accountant. Mr Chang is also a Practising Management Consultant of Singapore Business Advisors & Consultants Council ("SBACC") and a member of the Singapore Institute of Directors ("SID").

JAMES KHO CHUNG WAH

Independent Non-Executive Director

Mr Kho was appointed to the Board on 5 January 2018. He is the Chairman of the Nominating and Remuneration Committees and a Member of the Audit Committee. Mr Kho is the Co-founder and Chief Executive Officer of Willan Capital Pte Ltd.

He has over 20 years of experience in investments, investment banking and regulations. He currently serves as an Independent Director, Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee and the Nominating Committee of SBI Offshore Limited.

Mr Kho graduated from Nanyang Technological University of Singapore with a Bachelor of Business (Second Upper Honours), majoring in Financial Analysis with a minor in Applied Economics. He is a Chartered Financial Analyst.

BOARD OF DIRECTORS

CHONG SOO HOON SEAN **Independent Non-Executive Director**

Mr Chong was appointed as an Independent Non-Executive Director on 1 October 2021. He is a Member of the Audit, Nominating and Remuneration Committees.

Mr Chong is currently the executive director of TNT Global Capital Pte. Ltd., a MAS Registered Fund Management Company. He has more than 20 years of experience in investment banking, corporate advisory and direct investment. In particular, he has been involved actively in a broad range of corporate finance transactions for listed and private companies in the Asia-Pacific region, including initial public offerings, mergers and acquisitions, rights issues and other corporate advisory work. He is currently an independent non-executive director of China Yuanbang Property Holdings Ltd., which is listed on the Mainboard of Singapore Exchange Securities Trading Limited and non-executive director of several private companies in Singapore.

Mr. Chong graduated with a Bachelor (Honours) degree in Accounting and Financial Studies (Second Upper Class Honours) from University of Exeter, United Kingdom.

EXECUTIVE OFFICER

SIMON ONG ENG HOCK **Chief Financial Officer**

Mr Ong was appointed as Chief Financial Officer of the Company on 28 August 2020.

He has more than 30 years' experience in audit, financial accounting and reporting. He has worked in Singapore, Canada and China mainly in financial accounting and reporting roles in listed companies, with businesses spanning the property, hotel, insurance, mining and chemical manufacturing industries.

He is a Non-Executive Director of Asiaphos Limited. He is a member of the Audit and Remuneration Committee in Asiaphos Limited.

He is also an Independent Director and the Chairman of the Audit Committee of RF Acquisition Corp, a blank check company listed on NASDAQ in March 2022.

He studied accountancy at North East London Polytechnic (now known as University of East London) and qualified as a Fellow of the Association of Chartered Certified Accountants and is also a Chartered Accountant of Institute of Singapore Chartered Accountants and Certified Practising Accountant, Australia.

OPERATING & FINANCIAL REVIEW

Rich Capital Holdings Limited (“**Rich Capital**” and, together with its subsidiaries, the “**Group**”) is primarily engaged in the investment, development of residential and industrial properties in Singapore as well as the provision of specialist construction services.

FINANCIAL PERFORMANCE

The Group registered revenue of S\$2.2 million for the financial year under review. This was mainly due to ongoing execution and completion of construction contracts in Singapore during this period. Accordingly, cost of sales of S\$2.0 million and gross profit of S\$0.1 million was recognised in the financial year ended 31 March 2022.

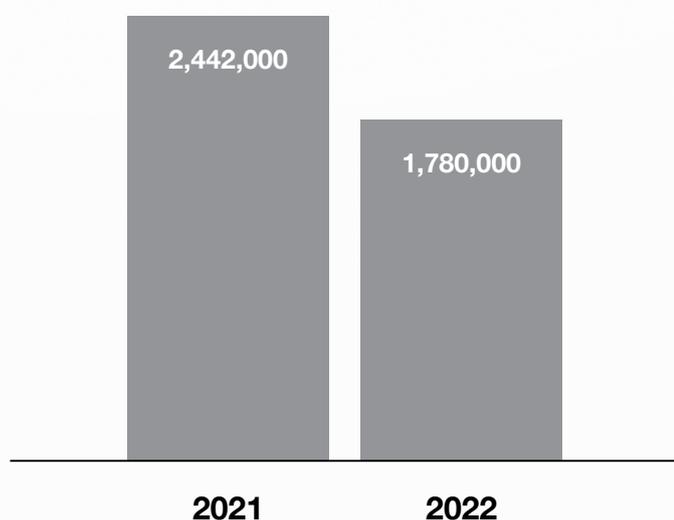
Other income decreased mainly due to the absence of gain on disposal of our stake in the 333 Thomson Road project (“**Peak Court Project**”) which was completed in the prior year.

The decrease in general and administrative expenses of S\$0.7 million was mainly due to lower legal fees incurred in connection with the dispute with the Indonesian joint venture partner on the Batam Project following the discontinuance of the legal suit against the Company and its indirect subsidiary.

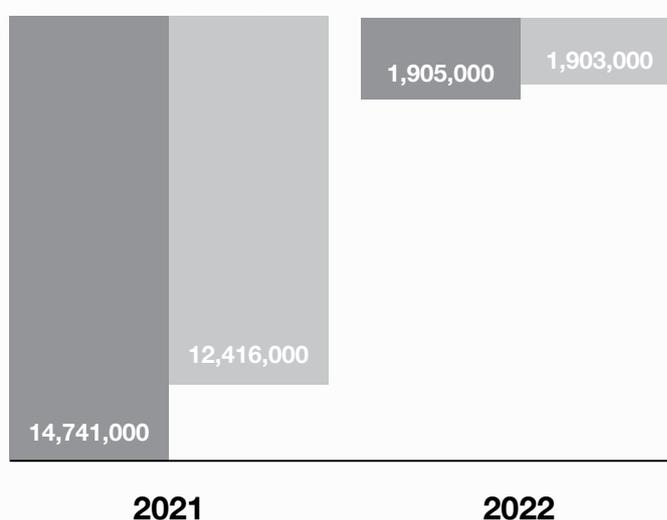
Other non-operating expense has decreased due to absence of impairment losses in FY2022. The Group has already recognised full impairment on its investment in the joint venture in FY2021.

As a result, the Group recorded a lower net loss attributable to equity holders of S\$1.9 million in FY2022 compared to S\$12.4 million in the previous financial year with the absence of impairment on the loss of joint control over the Batam Project.

GENERAL AND ADMINISTRATIVE EXPENSES



NET LOSS



● Net Loss Attributable to Equity Holders ● Net Loss for the Year

OPERATING & FINANCIAL REVIEW

FINANCIAL POSITION

The Group's net asset value per share declined from 0.05 cents per share as at 31 March 2021 to 0.03 cents per share as at 31 March 2022. Total net assets decreased from S\$4.9 million as at 31 March 2021 to S\$3.0 million as at the end of the year under review. Equity attributable to shareholders fell correspondingly from S\$3.9 million as at 31 March 2021 to S\$2.0 million as at 31 March 2022.

The Group reclassified the assets and liabilities of First Capital Pte Ltd ("**First Capital**") as a disposal group held-for-sale as it had entered into a sale and purchase agreement to divest its entire stake in First Capital in December 2021.

The increase in contract assets related to work performed on several projects but not yet billed as at 31 March 2022. The increase in trade and other receivables was attributable mainly to increase in trade receivables and retention sum from a customer during the financial year. Trade and other payables increased mainly due to deposit received from the purchaser in connection with the proposed disposal of First Capital and accrued project cost together with vendor retention from a subcontractor during the financial year.

CASH FLOW

Net cash used in operating activities was mainly due to cash used in operations before working capital changes of S\$1.6 million offset by net working capital inflow of S\$0.7 million.

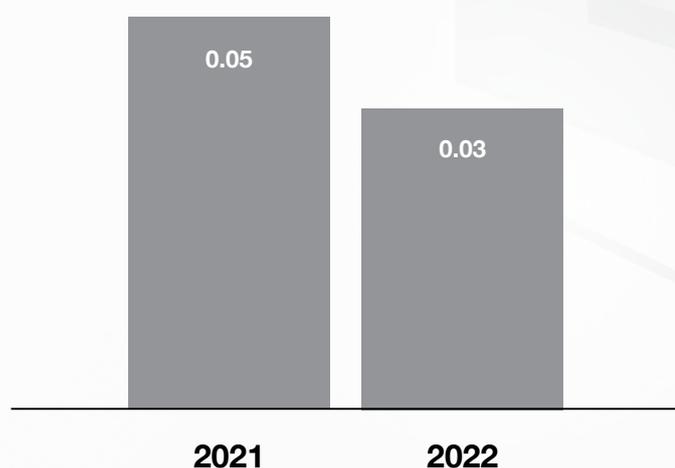
Net cash outflows from investing activities was mainly attributable to purchase of plant and equipment used in the ordinary course of business.

Net cash outflows from financing activities of S\$0.3 million in FY2022 was mainly due to interest paid for a bank loan in relation to the Kim Chuan Project and payment of lease liability relating to an office unit.

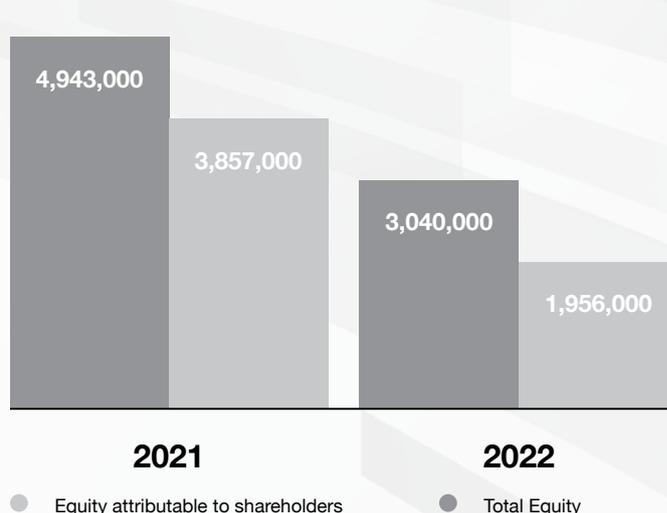
OUTLOOK

Looking ahead, Singapore's economic growth outlook for the current year has moderated in light of the ongoing geopolitical tensions which have disrupted the global supply chain and increased inflationary pressure worldwide. Nevertheless, we believe that the net proceeds from the disposal of First Capital will strengthen the Group's financial position and allow us to venture into suitable investment opportunities in the real estate sector. We will continue to bid for construction projects in both public and private sectors as we strive to strengthen our order book in the upcoming year to generate sustainable shareholder value.

NET ASSET VALUE PER ORDINARY SHARE (CENTS)



EQUITY



CORPORATE DIRECTORY

BOARD OF DIRECTORS

Oh Siyang

Executive Director

Chang Chi Hsung

Independent Non-Executive Director

James Kho Chung Wah

Independent Non-Executive Director

Chong Soo Hoon Sean

Independent Non-Executive Director

AUDIT COMMITTEE

Chang Chi Hsung

Chairman

James Kho Chung Wah

Member

Chong Soo Hoon Sean

Member

NOMINATING COMMITTEE

James Kho Chung Wah

Chairman

Chang Chi Hsung

Member

Chong Soo Hoon Sean

Member

REMUNERATION COMMITTEE

James Kho Chung Wah

Chairman

Chang Chi Hsung

Member

Chong Soo Hoon Sean

Member

COMPANY SECRETARY

Lee Bee Fong

REGISTERED OFFICE

80 Robinson Road #02-00

Singapore 068898

T: +65 6236 3333

F: +65 6236 4399

PRINCIPAL PLACE OF BUSINESS

140 Paya Lebar Road,

#10-23, AZ@Paya Lebar

Singapore 409015

T: +65 6288 0080

F: +65 6288 2282

E: general@richcapital.com.sg

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Tricor Barbinder Share Registration Services

(A division of Tricor Singapore Pte Ltd)

80 Robinson Road #02-00

Singapore 068898

INDEPENDENT AUDITOR

Foo Kon Tan LLP

Public Accountants and Chartered Accountants

24 Raffles Place, #07-03 Clifford Centre

Singapore 048621

Partner-in-charge: Kong Chih Hsiang Raymond

(Appointed with effect from the financial year ended 31 March 2022)

PRINCIPAL BANKER

United Overseas Bank Limited

Maybank Singapore Limited

SPONSOR

SAC Capital Private Ltd

1 Robinson Road, #21-00 AIA Tower

Singapore 048542

CORPORATE GOVERNANCE

The Board of Directors (the “**Board**” or “**Directors**”) of Rich Capital Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) are committed towards good corporate governance and it has adopted a comprehensive corporate governance framework that meets best practice principles.

Outlined below are the policies, processes and practices adopted by the Company in compliance with the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) and the accompanying Practice Guidance for the financial year ended 31 March 2022 (“**FY2022**”).

Pursuant to Rule 710 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (“**Catalist Rules**”), the Board confirms that the Company and Group have for FY2022, complied with and observed the Principles as set out in the Code. Where there is any deviation from the Code, appropriate explanations are provided in this report on each area of non-compliance and how the Company’s practices are consistent with the aim and philosophy of the principle in question.

THE BOARD’S CONDUCT OF AFFAIRS

Principle 1:

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 is primarily responsible for directing the affairs of the Company in order to achieve the goals set for the Group. The responsibility includes setting the strategic direction and long-term goals, internal controls and risk management, corporate governance and financial performance of the Group.

The Board works closely with management of the Company (“**Management**”) ensuring that their duties and responsibilities stipulated under the Companies Act and applicable rules and regulations are complied with and their obligations towards shareholders and other stakeholders are met. The Board will hold Management accountable for performance.

The Board exercise due diligence and independent judgment in dealing with the business affairs of the Group and are fiduciaries to act in good faith and to take objective decisions in the best interests of the Group. The Group has adopted a policy where the Directors who are interested in any matter being considered, recuse themselves from discussion and decision-making involving the issues of conflict or potential conflict.

The Board is also aware of the requirements of Rule 905 and 906 of the Catalist Rules in relation to Interested Person Transactions (“**IPT**”). The Company will ensure that any IPT is clearly communicated to shareholders in public announcements released via SGXNet, when deemed necessary.

The Board recognises that principal duties of each Director include:

- providing entrepreneurial leadership, and setting strategic objectives, which should include appropriate focus on value creation, innovation and sustainability;
- ensuring that adequate resources are available to meet strategic objectives;
- establishing and maintaining a sound risk management framework to effectively monitor and manage risks, and achieving an appropriate balance between risks and Company performance;

CORPORATE GOVERNANCE

- constructively challenging Management, and reviewing and monitoring their performance towards achieving organisational goals;
- overseeing succession planning for Management;
- reviewing and approving, *inter alia*, the releases of the interim and full-year results announcements, the annual report and financial statements, material acquisitions and disposals of assets, interested person transactions, corporate strategies, annual budgets and investment proposals of the Group;
- reviewing and evaluating the adequacy and integrity of the Group's internal controls, compliance, risk management and financial report systems;
- instilling an ethical corporate culture for the Group and ensuring that the corporate values, standards, policies and practices are consistent with the culture;
- ensuring accurate and timely reporting in communication with shareholders;
- considering sustainability issues including environmental and social factors in the Group's strategic formulation; and
- ensuring transparency and accountability to key stakeholder groups.

Provision 1.2

With the assistance of the Company's Sponsor and the Company Secretaries, the Board and the Management are continually apprised of their compliance obligations and responsibilities arising from regulatory requirements and changes in the Catalist Rules of Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The Company also has in place a budget for the Directors' training programmes on an annual basis and the Directors are encouraged to participate in industry conferences, seminars, courses or training programmes in connection with their duties and responsibilities as the Directors of the Board and Board Committees, in order to keep abreast of the latest rules, regulations and accounting standards in Singapore.

The Directors have been keeping themselves abreast with the latest rules, regulations and accounting standards applicable to the Group during the course of their principal commitments, in addition to the regular digest provided by the Company Secretaries and external auditors. During FY2022, the external auditor briefed the AC on changes and/or amendments to financial reporting standards.

Newly appointed directors are given appropriate orientation and briefing by the Management on the business activities of the Group, its strategic directions and the Company's corporate governance practices. The Company is responsible for arranging and funding the trainings of Directors.

In addition, for a newly appointed Director with no prior experience as a director of a listed company in Singapore, the Company will arrange training in the roles and responsibilities of a listed Company director as prescribed by the SGX-ST in accordance to Rule 406(3)(a). The Company will provide training in areas such as accounting and legal where necessary including the Listed Company Directors Programme organised by the Singapore Institute of Directors and as prescribed by the SGX-ST.

New Directors are also given opportunities to meet with the Management and staff to obtain a better understanding of the Group's history, business operations, policies, strategic plans and objectives, as well as the duties and responsibilities as Directors.

During FY2022, an Independent Director was appointed to the Board.

CORPORATE GOVERNANCE

Provision 1.3

The Board comprises the following members as at the date of this annual report:

Executive Director

Mr Oh Siyang

Non-Executive and Independent Directors

Mr James Kho Chung Wah

Mr Chang Chi Hsung

Mr Chong Soo Hoon Sean

The matters specifically reserved for the Board's decision include but are not limited to:

- (1) Approving the Group's goals, strategies and objectives, policies and procedures, delegation of authority matrix, code of conduct and business ethics;
- (2) Monitoring the performance of Management;
- (3) Overseeing the processes for evaluating the adequacy and effectiveness of internal controls, risk management systems, financial reporting and compliance of the Group;
- (4) Approving the appointment of Directors of the Company and Key Management Personnel of the Group;
- (5) Approving material acquisitions and disposal of assets and capital matters including corporate or financial restructuring, investment or expenditure exceeding certain threshold limits;
- (6) Approving share issuance and interim dividend;
- (7) Approving the announcement of unaudited quarterly financial results, unaudited full year financial results and audited financial statements;
- (8) Endorsing remuneration framework and key human resource matters of the Group;
- (9) Approving annual budgets, major funding proposals, major acquisitions and major disposal of investments according to the Catalist Rules of the SGX-ST;
- (10) Approving interested person transactions; and
- (11) Assuming responsibility for corporate governance and compliance with the Companies Act (Chapter 50), and the rules and regulations applicable to a public listed company.

CORPORATE GOVERNANCE

Provision 1.4

To facilitate effective management, certain functions have been delegated to various Board Committees i.e., Audit Committee (“**AC**”), Nominating Committee (“**NC**”) and Remuneration Committee (“**RC**”) (collectively, the “**Board Committees**”), each of which has its own clear written terms of reference (“**TOR**”). The TORs are reviewed on a regular basis to ensure their continued relevance with the Code.

The Management together with the Board Committees support the Board in discharging its duties and responsibilities. The TORs, any delegation of authority to make decisions and a summary of their activities of the Board Committees are set out separately in this Report. These Board Committees are made up of Non-Executive and Independent Directors and chaired by an Independent Director.

The names of the Board Committee members are disclosed accordingly under Provision 1.5 below.

Provision 1.5

The Board meets at least quarterly and more frequently as and when required, to review and evaluate the Group’s operations and performance and to address key policy matters of the Group, where necessary.

The Constitution of the Company allows Board and Board Committees meetings to be conducted by way of tele-conferencing to facilitate Board participation.

In the absence of Board and Board Committees meetings, the Board and the Board Committees discuss, deliberate and approve the matters specially reserved to them by way of resolutions in writing in accordance with the Company’s Constitution and Board Committees’ term of references where applicable.

The number of Board and Board Committee meetings held during FY2022 and the attendance of each Director, where relevant, are set out as follows:

	Board of Directors	Audit Committee	Remuneration Committee	Nominating Committee
No. of Meeting(s) Held	7	4	1	2
	No. of Meetings Attended			
Oh Siyang	6	-	-	-
Giang Sovann ⁽¹⁾	2	1	1	1
James Kho Chung Wah	7	4	1	2
Chang Chi Hsung	7	4	1	2
Chong Soo Hoon Sean ⁽²⁾	4	2	-	-

Notes:

(1) Mr Giang Sovann retired as a Director of the Company on 30 July 2021.

(2) Mr Chong Soo Hoon Sean was appointed on 1 October 2021.

CORPORATE GOVERNANCE

Directors with multiple board representations disclose such board representations and ensure that sufficient time and attention are given to the affairs of the Company. Directors with multiple board representations on listed companies are Mr James Kho Chung Wah, Mr Chang Chi Hsung and Mr Chong Soo Hoon Sean.

Our Directors have made a conscious effort to make themselves available and accessible to the Management for discussion and consultation outside the framework of formal meetings.

Provision 1.6

Board papers for Board and Board Committee meetings are supplied to the Directors prior to meetings in order for the Directors to be adequately prepared for meetings, including all relevant documents, materials, background or explanatory information relating to matters to be brought before the Board and Board Committees. This ensures that discussions during the Board meetings are constructive. Any additional materials or information requested by the Directors are promptly furnished. If necessary, management staff who are able to explain and provide insights to the matters to be discussed are invited to make the appropriate presentation and answer any queries that the Directors may have.

Provision 1.7

The Board, the Board Committees and the Directors have separate and independent access to Management, the Company Secretary, and external advisers (where necessary) at the Company's expense and are entitled to request from Management any such information or clarification as and when required.

Professional advisors may be invited to advise the Board, or any of its members, if the Board or any individual member thereof needs independent professional advice.

The Company Secretary, or when unavailable, an authorised designate, attends all Board and Board Committees meetings and is responsible for ensuring that Board procedures are followed and the minutes of all Board and Board Committees meetings are recorded and circulated to the Board and Board Committees.

The appointment and removal of the Company Secretary are subject to the approval of the Board pursuant to the Constitution of the Company.

BOARD COMPOSITION AND GUIDANCE

Principle 2:

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, 2.2 and 2.3

As at the date of this Report, the Board comprises three (3) Non-Executive and Independent Directors and one (1) Executive Director, where Non-Executive Directors make up a majority of the Board. As at 31 March 2022, the Board Comprises of three (3) Non-Executive Independent Directors.

CORPORATE GOVERNANCE

Details of the Directors are as set out below:

Name of Director	Board Membership	Board Committee Membership
Oh Siyang	Executive Director	NIL
Chang Chi Hsung	Non-Executive Independent Director	AC (Chairman) NC RC
James Kho Chung Wah	Non-Executive Independent Director	AC NC (Chairman) RC (Chairman)
Chong Soo Hoon Sean	Non-Executive Independent Director	AC NC RC

As of the date of the Annual Report, the Company has not appointed any alternate director. A brief description of the background of each Director is presented at the “Board of Directors” section of the Annual Report.

The NC reviews the independence of the Directors as mentioned under Provision 2.1 of the Code on an annual basis, and as and when circumstances require. Each of the Independent Directors has confirmed that he does not have any relationship with the Company or its related corporations, its shareholders who have an interest of at least 5% of the Company’s total voting shares (excluding treasury shares), or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of independent judgment in carrying out the functions as an Independent Director with a view to the best interests of the Group. The Board and the NC have reviewed, determined and confirmed the independence of the Independent Directors.

The Board is of the view that a strong element of independence is present in the Board with Non-Executive and Independent Directors making up the majority of the Board. The Board exercises objective and independent judgement on the Group’s corporate affairs. No individual or group of individuals dominates the Board’s decision-making.

None of the Independent Directors have served on the Board beyond nine (9) years from their respective date of appointment. Taking into the account the need for Board’s renewal, the Board may consider developing its Board’s succession plans at the appropriate time, taking into consideration the appropriate balance and mix of skills, knowledge, experience, gender and age.

Provision 2.4

Board Diversity Policy

The Board conducts an annual review to assess if the competencies and synergy of the Board are complementary and contribute to the efficacy of the Board. This enables the Board to maintain or enhance balance and diversity within the Board.

In reviewing Board composition and succession planning, the NC will consider the benefits of all aspects of diversity, including diversity of background, experience, gender, age and other relevant factors. These differences will be considered in determining the most desirable composition of the Board and when possible, should be balanced appropriately.

Accordingly, the Board was of the view that its current practices are consistent with the aim of Principle 2 of the Code. In June 2022, the Board had approved a diversity policy that codified the principles that the NC, the Board and the Company use annually to assess the existing functions and core competencies of the Board are complementary and contribute to the efficacy of the Board (the “**Board Diversity Policy**”) and which is in accordance with Rule 710A of the Catalist Rules which took effect on 1 January 2022.

CORPORATE GOVERNANCE

In summary, the following objective criteria are used to assess the diversity of the Board in the Board Diversity Policy:

- Professional background, skill sets, knowledge and experience;
- Variety of industries;
- Gender;
- Age and attitude;
- Race, ethnicity and culture; and
- Geography.

In this connection, the NC will ensure that gender diversity is included in consideration by the NC whenever it seeks to identify a new Director for the Board. In addition, the Board will strive to have gender diversity in the Board when the situation allows and when there is a right candidate. Having said that, the Group is of the view that gender is but one aspect of diversity and new Directors will continue to be selected on the basis of their experience, skills, knowledge, insight and relevance to the Board.

The Non-Executive Independent Directors have participated actively to help to develop and challenge proposals concerning the Group's strategy, business and corporate affairs. They have also reviewed and monitored the reporting of the performance of the Management in meeting goals and objectives of the Group. The Non-Executive Independent Directors meet regularly without the presence of the Management, led by the independent Chairman and the Chairman of such meetings will provide feedback to the Board as appropriate.

Key information regarding the Directors is set out on page 4 and 5 of the Annual Report.

Provision 2.5

Non-Executive and Independent Directors are crucial in helping to develop proposals on Company strategies and to ensure the strategies proposed by the Management are constructively challenged, fully discussed and rigorously examined by monitoring and reviewing the Group's performance against goals and objectives in a timely manner. Their views and opinions provide alternative perspectives to the Group's businesses and bring independent judgement on business activities and transactions involving conflicts of interest and other complexities.

The Non-Executive and Independent Directors met regularly via electronic means in FY2022 without the presence of Management. The Chairman of such meetings provides feedback to the Board where necessary.

Chairman and Executive Director

Principle 3:

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 and 3.2

As at 31 March 2022 and the date of this report, the Company did not have a Chairman of the Board while Mr Oh Siyang is the Executive Director ("ED"). The ED and the Management team translate the Board's decisions into executive action.

The ED works together with the Management team and reports to the Board on all operational and financial issues and is responsible for identifying, developing and directing the implementation of business strategy in conjunction with the Board. The ED is responsible for implementing the Group's strategies and policies, making strategic and business investment decisions as well as the overall management and performance of the Group.

CORPORATE GOVERNANCE

Board meetings are held every quarter and as and when necessary. The Management, who can provide additional insight into the matters to be discussed, are invited to attend the relevant Board or Board Committees meetings.

In addition, the Board is responsible for setting the agenda and ensuring that adequate time is available for discussion of all agenda items in particular strategic issues, promoting a culture of openness and debate at the Board, encouraging constructive relations within the Board and between the Board and the Management and facilitating the effective contribution of non-executive Directors, ensuring effective communication with shareholders and continuous pursuance of high standards of corporate governance.

The Board is of the opinion that there is a balance of power and authority within the Board.

Provision 3.3

As at the date of this Report and for FY2022, the Company does not have a Lead Independent Director as the Company does not have a Chairman of the Board at the moment.

Board Membership

Principle 4:

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 meets at least once a year. The NC is responsible for reviewing the composition and effectiveness of the Board and determining whether the Directors possess the requisite qualifications and expertise and whether the independence of the Directors is compromised pursuant to the guidelines set out in the Code and the requirements under the Catalist Rules.

The key duties of the NC include but not limited to the following:

- (1) To review annually the independence of each Director with reference to the guidelines and requirements set out in the Code and Catalist Rules;
- (2) To review all nominations for new appointments and re-election of Directors (including alternate directors, if any), put forth their recommendations for approval by the Board and ensure the new directors are aware of their duties and obligation;
- (3) To determine whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly, when a Director has multiple Board representations;
- (4) To make recommendations to the Board relating to the process and criteria for evaluation of the performance of the Board, its Board committees and directors;
- (5) To review the Board's succession plans, in particular, the Chairman and CEO (or its equivalent) and Key Management Personnel;
- (6) To assess the effectiveness of the Board as a whole and NC; and
- (7) To review training and professional development programmes for the Board and its directors.

Each member of the NC abstains from voting on any resolution and in making any recommendation or participating in any deliberations of the NC in respect of matters concerning him/her, if any.

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Provision 4.2

The members of the NC of the Company as at the date of this Report are:

James Kho Chung Wah (Chairman)
Chang Chi Hsung
Chong Soo Hoon Sean

Mr Giang Sovann, a former Independent Non-Executive Director of the Company was a member of the NC during FY2022 prior to his retirement on 30 July 2021. Mr Chong Soo Hoon Sean was appointed as Independent Non-Executive Director of the Company on 1 October 2021 and is also a member of the NC.

All of the NC members, including the Chairman of the NC, are Non-Executive and Independent Directors.

Provision 4.3

The NC has formalised a procedure for the selection, appointment and re-election of Directors. Letters of appointment will be issued to new Non-Executive and Independent Directors setting out their duties, obligations and terms of appointment as appropriate while a service agreement accompanied with supporting documents setting out duties, responsibilities and terms of appointment will be given to the new Executive Director.

In the case of a new director to be appointed, *inter alia*, an evaluation of a candidate's qualifications and experience with due consideration being given to ensure that the Board consists of members who as a whole will collectively possess the relevant core competencies in areas such as accounting or finance, legal and regulatory matters, risk management, business or management experience and industry knowledge. The search for new Directors, if any, will, if considered necessary, be made through executive search companies, contacts and/or recommendations. Shortlisted persons will be evaluated by the NC before being recommended to the Board for consideration.

In accordance with the Constitution of the Company, one-third of Directors for the time being, 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 at the annual general meeting of the Company, and a Director appointed during the year shall hold office until the next annual general meeting of the Company. The retiring Directors may offer themselves for re-election.

The NC has reviewed and recommended the nomination of Mr Chong Soo Hoon Sean and Mr Oh Siyang who will be retiring by rotation in accordance with Regulations 117 and 107 of the Constitution of the Company, for re-election as Directors of the Company at the forthcoming Annual General Meeting of the Company scheduled for 22 July 2022.

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Provision 4.4

The Board and the NC review on annual basis whether or not a Director is independent, taking into account the definition of independence under Catalist Rule 406(3)(d) and the Code, *inter alia*, 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 the Director's independent business judgement with a view to the best interests of the Company.

The NC and the Board have formed a view that none of the Non-Executive and Independent Directors has any 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 the director's independent business judgement with a view to the best interests of the Company. The Board and the NC also reviewed each individual Director's judgement and conduct in carrying out his duties for FY2022. Together with the NC, the Board affirmed that Mr James Kho Chung Wah, Mr Chang Chi Hsung and Mr Chong Soo Hoon Sean continue to be independent pursuant to the definition of Independence under the Provision 2.1 of the Code.

Provision 4.5

New Directors will undergo an orientation programme whereby they are briefed by Management of the Company of their obligations as Directors, as well as the Group's corporate governance practices, and relevant statutory and regulatory compliance issues, as appropriate, as well as the Group's industry and business operations.

The NC has reviewed the multiple board representations of the Directors and whether competing time commitments were faced when the Directors serve on multiple boards, in addition to the principal commitments of Directors on annual basis.

The NC has received assurance from the Directors who are holding multiple board representations, in particular from the Directors holding listed company board representations, that their time and effort in carrying out their duties as Directors of the Company will not be compromised. A Director with multiple board representations is expected to ensure that sufficient time and attention is given to the affairs of the Group. To allow for flexibility, there will not be a fixed maximum number of listed company board representations which any Director may hold. The NC and the Board are of the view that the number of directorships a Director can hold and his principal commitment should not be prescriptive, particularly as the time commitment for each board membership may vary. While the NC and the Board will not stipulate the maximum number of listed company board representations each Director should be involved in, it will continue to monitor the contributions and the performance of each Director and to assess whether he has devoted sufficient time and attention to the affairs of the Group.

Notwithstanding the foregoing, each of them had contributed sufficient time, resources and commitment to the Group in FY2022.

The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group, notwithstanding multiple listed company board representations and principal commitments of some Directors of the Company, as the Board and the Board Committees experienced minimal competing time commitments among its Board and Board Committees meetings in FY2022, which are planned and scheduled in advance.

Please refer to Annual Report page 19 for listed company directorships and principal commitments of each Director.

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The date of present Directors' first appointment, last re-election and their past directorships in other listed companies over the preceding three (3) years and other principal commitments are set out below:

Name of Director	Current position held	Date of first Appointment	Date of Last Re-appointment	Present Directorships in Listed Companies	Past Directorships in Listed Companies	Other Principal Commitment if any
Oh Siyang	Executive Director	10 July 2020	9 October 2020	-	-	-
James Kho Chung Wah	Non-Executive Independent Director	5 January 2018	9 October 2020	SBI Offshore Ltd	Pollux Properties Ltd Serrano Holdings Limited China Environment Ltd	Chief Executive Officer (Willan Capital Pte Ltd)
Chang Chi Hsung	Non-Executive Independent Director	23 June 2020	9 October 2020	Reclaims Global Limited (SGX) Haina Intelligent Equipment International Holdings Limited (HKSE)	Alpha DX Group Limited	Managing Director (OA Group of companies)
Chong Soo Hoon Sean	Non-Executive Independent Director	1 October 2021	-	China Yuanbang Property Holdings Ltd	Healthbank Holdings Limited	Executive Director (TNT Global Capital Pte Ltd) Non-Executive Director (Anda Capital Solutions Pte Ltd and Omnisense Systems Pte Ltd)

Save for Mr Oh Siyang who is the son of Mr Oh Keh Yew, being a substantial shareholder of the Company, neither Mr James Kho Chung Wah, Mr Chang Chi Hsung nor Mr Chong Soo Hoon Sean has any other material relationships (including family relationships) between themselves and the Directors, the Company or its substantial shareholders.

The NC ensures that new Directors are aware of their duties and obligations. The NC also decides if a Director is able to and has been adequately carrying out his duties as a Director of the Company.

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BOARD PERFORMANCE

Principle 5:

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual directors.

Provision 5.1

The NC has adopted an annual evaluation exercise to assess the performance of the Board, Board Committees and self-assessment by each Director and recommends for the Board's approval the objective performance criteria and process for the evaluation. The NC has been tasked to evaluate the Board's performance covering areas that include, *inter alia*, size and composition of the Board, Board's access to information, Board processes, strategic planning and accountability.

The NC also reviews the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole.

The review of the performance of the Board, its Board Committees and each Director is conducted by the NC annually.

The findings of the evaluation questionnaire are collated and analysed by Tricor HEP Corporate Services Pte. Ltd., and thereafter presented to the NC for discussion. The NC will then present the findings of the evaluation questionnaire and make its recommendations on whether the Board and its Board Committees are effective and whether the Directors have effectively discharged their duties to the Board.

Provision 5.2

For FY2022, the NC assessed the effectiveness of the Board, its Board Committees and the contribution of each individual Director to the effectiveness of the Board. The Board's performance was measured by its ability to support the Management especially in times of crisis, and to steer the Company towards profitability and the achievement of strategic and long-term objectives set by the Board.

The collective assessment is conducted by means of a confidential questionnaire to be completed by each Director before such assessment results are collated, analysed and reported to the respective Board Committees for their deliberation prior to the report to the Board. Individual evaluation of each Director is also conducted on an annual basis. The aim of the assessment is to assess whether each Director is able to and continues to contribute effectively and demonstrate commitment to his/her role.

Recommendations to further enhance the effectiveness of the Board and Board Committees are implemented as and when appropriate, if any.

The performance evaluation of the Board, the Board Committees and each Director for FY2022 had been conducted. Both the NC and the Board are of the view that all Directors individually and severally contributed effectively and demonstrated full commitment to their roles. Accordingly, the performance of the Board, the Board Committees and each Director for FY2022 were satisfactory.

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The annual evaluation process is undertaken as an internal exercise and involves Board members completing a questionnaire covering areas relating to but not limited to:

- (1) Board/Board Committees composition;
- (2) Information to the Board/Board Committees;
- (3) Board/Board Committees procedures;
- (4) Board accountability;
- (5) Interactions with Management; and
- (6) Standards of conduct by the Board/Board Committees.

For FY2022, the Board did not engage an independent external consultant to facilitate the annual review of the performance of the Board and the Board Committees. Each member of the NC shall abstain from voting on any resolutions and making any recommendation and/or participating in any deliberations of the NC in respect of the assessment of his/her own performance or re-nomination as director.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6:

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 key responsibilities of the RC include but not limited to the following:

- (1) To recommend to the Board a framework of remuneration for Executive Directors and Key Management Personnel of the Group that is aligned with the interests of shareholders and ensure that such remuneration is appropriate to attract, motivate and retain the right talents for the Group;
- (2) To review and recommend to the Board for their endorsement and approval on the annual remuneration packages for Executive Directors, Key Management Personnel, including employees related to Directors or controlling shareholders of the Group, if any, which include a performance-related variable bonus component;
- (3) To review and recommend the remuneration of the Non-Executive Directors, taking into account factors such as their effort, time spent and responsibilities;
- (4) To review and recommend to the Board the benefits under any long-term incentive schemes, if any, for Executive Directors and Key Management Personnel of the Group;
- (5) To review and recommend the remuneration package of employees related to Directors or controlling shareholder of the Group, if any; and
- (6) To review the contracts of service of the Executive Directors and Key Management Personnel of the Group.

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The recommendations of the RC are submitted for endorsement by the Board. Such frameworks are reviewed periodically to ensure that the Directors and Key Management Personnel are adequately but not excessively remunerated as compared to industry benchmarks and other comparable companies. This is also to ensure that the remuneration is appropriate to attract, retain and motivate the Directors and Key Management Personnel to successfully manage the Group for the long term. Each member of the RC will abstain from voting on any resolution and making any recommendation or participating in any deliberations of the RC in respect of matters concerned himself, if any.

Provision 6.2

The members of the RC of the Company as at the date of this Report are:

James Kho Chung Wah (Chairman)
Chang Chi Hsung
Chong Soo Hoon Sean

Mr Giang Sovann, a former Independent Non-Executive Director of the Company was a member of the RC during FY2022 prior to his retirement on 30 July 2021. Mr Chong Soo Hoon Sean was appointed as Independent Non-executive Director of the Company on 1 October 2021 and is also a member of the RC.

The RC as at 31 March 2022 and the date of this Report comprises at least 3 directors, all of which are Non-Executive and Independent Directors.

Provision 6.3

In reviewing the remuneration packages for Executive Directors and Key Management Personnel of the Group, as well as employees related to the Directors and controlling shareholders of the Group, if any, the RC will consider their contributions as well as the financial performance and the commercial needs of the Group and ensure that they are fair and adequately but not excessively remunerated by the Group.

Further, the RC will take into consideration remuneration packages and employment conditions within the industry and within similar organisation structures as well as the Group's relative performance and the performance of each individual employee.

The RC ensures that the remuneration packages of employees relating to the Directors and controlling shareholders of the Group, if any, are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities.

The RC also reviews the fairness and reasonableness of the termination clauses of the service agreements of the Executive Director and key management personnel to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance.

Provision 6.4

The RC has access to expert professional advice on human resource matters whenever there is a need to consult externally. In its deliberations, the RC takes into consideration industry practices and norms in compensation, in addition to the Company's relative performance to the industry and the performance of the individual Directors.

No remuneration consultant was appointed by the Company for FY2022.

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LEVEL AND MIX OF REMUNERATION

Principle 7:

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.

Provision 7.1

The Company adopts a remuneration policy for employees comprising a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Company and the individual. The remuneration policy is aligned with the interests of the stakeholders and promotes long-term success of the Group. The Executive Director does not receive director's fees but is remunerated as a member of Management.

The Company has established the Rich Capital Employee Share Option Scheme (the "Scheme") and the Rich Capital Performance Share Plan (the "Plan"). The Scheme and the Plan are currently administered by the RC in accordance with the rules of the Scheme and the Plan respectively. The information on the Scheme and the Plan are disclosed in the Directors' Statement to the Financial Statements as set out in this Annual Report.

Provision 7.2

The Non-Executive and Independent Directors are paid fixed directors' fees which are set in accordance with a remuneration framework comprising basic fees and Board Committee fees. The remuneration of the Non-executive and Independent Directors was determined by their contribution to the Company, taking into account factors such as effort and time spent, responsibilities on the Board, the particular circumstances applicable to the Company, and the practice of companies in the same industry, of comparable size and having similar business models. The Non-Executive and Independent Directors shall not be overcompensated to the extent that their independence may be compromised.

Based on the remuneration framework, the RC has recommended that Directors' fees of S\$148,500 for the financial year ending 31 March 2023, to be paid quarterly in arrears, be approved by Shareholders at the forthcoming annual general meeting of the Company ("AGM").

Provision 7.3

The Board is of the view that the current remuneration structure is appropriate to attract, retain and motivate Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.

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DISCLOSURE ON REMUNERATION

Principle 8:

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationship between remuneration, performance and value creation.

Provision 8.1

Details on the remuneration of Directors and Key Management Personnel for the financial year under review are reported below. There are no terminations, retirement and post-employment benefits granted to the Directors and Key Management Personnel for FY2022.

The remuneration bands of the Directors for FY2022 are as follows:

Name of Directors	Salary (%)	Fees ⁽¹⁾ (%)	Total (%)
Below S\$250,000 per annum			
Giang Sovann ⁽²⁾	-	100	100
James Kho Chung Wah	-	100	100
Chang Chi Hsiung	-	100	100
Chong Soo Hoon Sean ⁽³⁾	-	100	100
Oh Siyang	100	-	100

Notes:

- (1) Comprised solely of Directors' fee which was approved by shareholders at the last annual general meeting held on 30 July 2021.
 (2) Giang Sovann retired as a Non-Executive Independent Director on 30 July 2021.
 (3) Chong Soo Hoon Sean was appointed as Non-Executive Independent Director on 1 October 2021.

Provision 8.1 stipulates that the Company should disclose the names, amounts and breakdown of remuneration of each individual Director and the CEO. However, in view of confidentiality and sensitivity attached to remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose exact remuneration received by each Director of the Company, but in the bands of S\$250,000 disclosed as above.

Other than Mr Oh Siyang, the Group has only one Key Management Personnel for FY2022. The breakdown (in percentage terms) of the remuneration of the only Key Management Personnel of the Group for FY2022 are set out as below:

Name of Key Management Personnel	Designation	Salary ⁽¹⁾ (%)	Allowances (%)	Bonus ⁽²⁾ (%)	Total (%)
Below S\$250,000 per annum					
Simon Ong Eng Hock	Chief Financial Officer	100	-	-	100

Notes:

- (1) Salary refers to basic salary and employer's provident fund or equivalent contributions thereof.
 (2) Bonus refers to variable bonus and employer's provident fund or equivalent contributions thereof.

In view of the confidentiality and sensitivity attached to remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose exact remuneration and the breakdown of remuneration in the forms of salary, bonus or other benefits received by the Key Management Personnel of the Group during FY2022. Accordingly, the aggregate remuneration paid to the Key Management Personnel for FY2022 will also not be provided in the Annual Report. Refer to Note 21 of the Financial Statement.

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Provision 8.2

Save for Mr Oh Siyang, there is no other employees who are substantial shareholders of the Company, or are immediate family members of a director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 for FY2022. Mr Oh Siyang is the son of Mr Oh Keh Yew, a substantial shareholder of the Company.

The RC is of the view that the remunerations are in line with the Company's staff remuneration guidelines and commensurate with their job scopes and level of responsibilities.

Provision 8.3

There were no options and awards granted under the Scheme and the Plan in FY2022. The information on the Scheme and the Plan are disclosed in the Directors' Statement to the Financial Statements as set out in this Annual Report.

Save as disclosed, there were no other forms of remuneration and other payments and benefits paid by the group to its Directors and Key Management Personnel of the issuer.

ACCOUNTABILITY AND AUDIT Risk Management and Internal Controls

Principle 9:

The Board is responsible for the governance of risk and ensure 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 internal control framework, but recognises that no cost-effective internal control system will preclude all potential errors and irregularities, as the framework is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatements of financial information or losses, whether due to errors or frauds.

In discharging its responsibility of providing accurate relevant information on a timely basis to shareholders in compliance with statutory and regulatory requirements, the Board strives to ensure timely release of the Group's financial results and that the results provide a balanced and understandable assessment of the Group's performance, position and prospects. The Board also takes steps to ensure compliance with legislative and regulatory requirements, including requirements under the Catalist Rules, where appropriate.

The Board has required the Management to maintain a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives. The Board determines the Group's levels or risk tolerance and risk policies, and oversees the Management in the design, implementation and monitoring of the risk management and internal control systems. The Group's financial risk management is described in Note 26 to the Financial Statements as set out in this Annual Report.

As announced on 26 January 2021, Provenance Capital Pte Ltd had completed the independent review ("**Provenance Capital Report**") which highlighted the following weaknesses in:

- (1) Interested Person Transactions;
- (2) Inappropriate practices;

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- (3) IPT processes;
- (4) Weak management; and
- (5) Access to Company's premises and documents.

Please refer to the Executive Summary of the report which was accompanied the Company's announcement on SGXNet on 26 January 2021 for further details.

The Company engaged Baker Tilly Consultancy (Singapore) Pte Ltd ("**Baker Tilly**") to carry out an independent review of the Company's internal control practices, to address and follow up on the recommendations made by Provenance Capital ("**Follow-up Review**"). Baker Tilly had completed its Follow-up Review and had reported the findings to the AC.

The Board and the AC have reviewed the Follow-up Review report and are satisfied that the Company has addressed and taken the necessary steps to implement the recommendations made by Provenance Capital.

During the year, PricewaterhouseCoopers Consulting (Singapore) Pte Ltd has completed its Independent Review ("**Second Independent Review**") referred to in the Company's announcement dated 15 October 2021. The Company has reviewed the report and in consultation with its legal advisors in Singapore and Indonesia to protect its rights in PT Oxley Karya Indo Batam, the Company has taken such steps as necessary to address the areas of concern identified in the report that concerns the operation of the Group.

Please refer to the Executive Summary of the report which was accompanied by the Company's announcement on SGXNet on 15 October 2021 for further details.

The Board reviews, at least annually, the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls. Based on the internal controls established and maintained by the Group, work performed by internal and external auditors, reviews performed by Management and various Board Committees as well as the assurances received, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls of risk management systems were adequate and effective as at 31 March 2022 to address the financial, operational, compliance risks and information technology risk which the Group considers relevant and material to its operations.

Discussions were also held between the AC and the external and internal auditors in the absence of Key Management Personnel to review and address any potential concerns.

Provision 9.2

The Company's Executive Director, Oh Siyang, and the Chief Financial Officer, Simon Ong Eng Hock, after reviewing external auditors' report to the AC and the internal auditors' report and the Company's risk registers and making appropriate inquiries with the auditors and staff, have provided the Board the assurance that:

- (a) to the best of their knowledge, the financial records have been properly maintained and that the financial statements give a true and fair view of the company's operations and finances; and
- (b) together with Key Management Personnel, to the best of their knowledge, who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems is adequate and effective in addressing the material risks in the Group in its current business environment, save for the matters covered under the ongoing Independent Review.

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AUDIT COMMITTEE

Principle 10:

The Board has an Audit Committee ("AC") which discharges its duties objectively.

Provision 10.1

The AC is empowered to investigate any matter relating to the Group's accounting, auditing, internal controls and financial practices brought to its attention, with full access to records, resources and personnel of the Group, to enable them to discharge its functions properly.

The AC has full access to Management and full discretion to invite any Director and officer to attend AC meetings held from time to time.

The key responsibilities of the AC include but not limited to the following:

- (1) To review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and the Group and the announcements relating to the Group's financial performance;
- (2) To review the assurance from the CEO (or its equivalent, the ED) and the Chief Financial Officer on the financial records and financial statements;
- (3) To review scope, audit plans and reports of the external auditor and the internal auditor;
- (4) To review and report to the Board on the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance, information technology controls and risk management system at least on an annual basis;
- (5) To review interested person transactions in accordance with the requirements of the Catalist Rules of the SGX-ST;
- (6) To review and recommend to the Board of the release of the unaudited quarterly financial results and unaudited full year financial results;
- (7) To review and approving transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);
- (8) To review any potential conflicts of interest;
- (9) To review and recommend the re-appointment of the external and internal auditor, and approve the remuneration of the external and internal auditor;
- (10) To oversee co-ordination where more than one auditing firm or auditing corporation is involved in the Group's external audit;
- (11) To review the independence of the external auditor and internal audit function annually;
- (12) To review all non-audit services provided by the external auditor to determine if the provision of such services will affect the independence of the external auditor; and
- (13) To review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

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Each member of the AC will abstain from voting on any resolution and making any recommendation or participating in any deliberations of the AC in respect of matters in which he is interested in.

The AC has reviewed the non-audit services provided by the external auditor, Messrs Foo Kon Tan LLP (“**FKT**”) and is satisfied that the non-audit services will not affect the independence and objectivity of FKT as external auditor of the Company.

The AC has also considered the performance of FKT based on factors such as performance, adequacy of resources and experience of the audit engagement partner and audit team assigned to the Company’s and the Group’s audit as well as the size and complexity of the Company and of the Group. Accordingly, the AC has recommended the re-appointment of FKT as external auditor of the Company for the ensuing year. The aggregate amount of fees paid to external auditor, as well as its fees for non-audit services is disclosed in Note 21 of the Financial Statements.

The Group’s overseas subsidiaries, namely Infinio Korea Co. Ltd. and Summit Light Ventures Ltd. do not require a statutory audit. The external auditors have performed the necessary audit work scope to satisfy the audit requirements of the Group. The Board and AC have reviewed that the accounting records for its overseas subsidiaries and were satisfied that it would not compromise the standard and effectiveness of the audit of the Group.

The Company confirms that Rules 712 and 715 of the Catalist Rules have been complied with.

Whistle Blowing Policy

The Company has put into place a whistle-blowing policy, endorsed by the AC. This policy provides well-defined and accessible channels in the Company where the employees of the Company may, raise concerns on any possible improprieties, misconduct or wrongdoing relating to the Company in matters of financial reporting or other matters such as possible corruption, suspected fraud and other non-compliance issues, in confidence and good faith, without fear or reprisal to Management and/or the AC. All information received will be treated confidentially and the identity of whistle-blowers will be protected. The Whistleblowing Policy is communicated to all our employees and available on the Company’s portal. The Company has also publicly disclosed the purpose, scope, reporting and communication channels of the Policy on its website.

The whistle-blowing policy was last reviewed by the AC on 27 June 2021 to ensure that the Group’s whistle-blowing policy remains relevant and reaches the Group’s employees in Singapore and overseas.

Whistleblowing complaints or reports can be lodged via email to the members of the Audit Committee. Complaints or reports raised will be directed to the Chairman of Audit Committee or members of the Audit Committee. The reports on all complaints received including outcome of investigations and actions are submitted to the AC and the Board for information. The AC oversees the administration of the policy and ensures that all concerns or complaints raised are independently investigated and appropriate follow-up actions are carried out and provides assurance that whistleblower will be protected from reprisal within the limits of the law or victimisation for whistle-blowing in good faith. Anonymous reporting will also be attended to and anonymity will be honoured. The policy is reviewed by the AC from time to time to ensure that they remain relevant.

The AC reports to the Board on such matters at the Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities in the Group, the AC and the Board have access to the appropriate external advice where necessary.

As at the date of this Annual Report and during FY2022, there were no whistle blowing reports received by the Company.

During FY2022, the key activities carried out by AC included but is not limited to:

- (1) Reviewed and recommended the Company’s unaudited quarterly financial results and unaudited full-year financial results to the Board for approval;
- (2) Reviewed annual audit plans and reports presented by the internal auditor and external auditor;

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- (3) Received and discussed with the external auditor on the changes of Singapore Financial Reporting Standards (International) that may have a direct impact on the Group's financial statements ahead of the effective dates;
- (4) Reviewed re-appointment of the external and internal auditors and determined its independence before making a recommendation for Board's approval;
- (5) Reviewed and reported to the Board on the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management system;
- (6) Reviewed interested person transactions in accordance with the requirements of the Catalist Rules of the SGX-ST; and
- (7) Reviewed the Group's audited financial statements with Management and external auditor of the Company. Accordingly, the AC is of the view that the Group's financial statements for FY2022 are fairly presented in conformity with relevant Singapore Financial Reporting Standards (International) in all material aspects.

Apart from the functions listed above, the AC shall also commission and review the findings of internal investigations into matters with external auditors where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and cooperation by the Management and full discretion to invite any Director or Executive Officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

During the year, the AC has reviewed the full-year financial statements of the Company and the Group as well as the Auditors' Reports thereon. Interested Person Transactions of the Group in the said financial period have also been reviewed by the AC, where applicable. During the review of the financial statements for FY2022, the AC has discussed with the Management on the accounting principles that were applied as well as their judgment on items that might affect the integrity of the financial statements. The following key audit matters highlighted by the external auditors were as follows:

- Resolution of modified audit opinion
- Litigation, claims and contingencies

Please refer to the Independent Auditors Report for further details.

The AC reviewed the work of Management and made inquiries relevant to the key audit focus areas. In addition, the AC also reviewed and discussed the findings presented and the related work performed by the auditors. The AC was satisfied that these matters have been properly addressed and appropriately adopted and disclosed in the financial statements.

The AC recommended to the Board to approve the full-year financial statements.

Provision 10.2

The members of the AC of the Company as at the date of this Report are as follows:

Chang Chi Hsung (Chairman)
James Kho Chung Wah
Chong Soo Hoon Sean

CORPORATE GOVERNANCE

Mr Giang Sovann, a former Independent Non-Executive Director of the Company was also a member of the AC during FY2022 prior to his retirement on 30 July 2021. Mr Chong Soo Hoon Sean was appointed as Independent Non-Executive Director of the Company on 1 October 2021 and is also a member of the AC.

As at 31 March 2022 and the date of this Report, the AC comprises entirely of Non-Executive and Independent Directors.

The AC members bring with them professional expertise and experience in the accounting, financial management and legal domains. The Board is satisfied that the AC members are appropriately qualified to discharge their responsibilities. All members of the AC are professionally qualified and experienced in accounting and related financial management.

Provision 10.3

None of the AC members is a former partner or director of the Company's existing auditing firm or auditing corporation; neither do they have any financial interest in the auditing firm or corporation.

Provision 10.4

In FY2022, the Group has outsourced its internal audit function to Baker Tilly TFW LLP, a suitably appointed qualified firm of accountants which meets the standards set by internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The internal audit function is independent from the Group and the external audit function and reports directly to the AC on internal audit matters. The internal auditor assists the AC in ensuring that the Company maintains a sound system of internal controls through regular monitoring of key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the AC, and conducting regular audits of high-risk areas. The internal audit function has unfettered access to all the Group's documents, records, properties and personnel, including the AC, and has appropriate standing within the Company.

For FY2022, the AC also reviewed and approved the internal auditor's plan during the AC meetings to ensure that the scope of the internal auditor's plan is adequate and covers the reviewing of the significant internal controls of the Group, including financial, operational, compliance and information technology controls, and risk management systems. Audits were carried out on all significant business functions of the Group and all internal audit findings and reports are submitted to the AC for deliberation with copies of these reports extended to the members of the Board and the relevant key management executives. The internal auditor's summary of findings and recommendations are discussed at the AC meetings. The AC approves the hiring, removal, evaluation, and compensation of the internal auditors.

The internal audit function is outsourced to an external professional firm, Baker Tilly Consultancy (Singapore) Pte Ltd, who is a corporate member of the Institute of Internal Auditors Singapore (IIAS). The internal audit work is led by a Partner who is currently a governor at the IIAS and has over 18 years of internal audit experience. The internal audit team includes Certified Internal Auditors to perform the review and testing of controls of the Group's processes based on the International Professional Practices Framework issued by the Institute of Internal Auditors. The AC approves the appointment, removal, evaluation and compensation of the internal auditors. The internal auditors have unfettered access to all the Group's documents, records, properties and personnel, including access to the AC. The internal audit function has appropriate standing within the Company.

Provision 10.5

During FY2022, the Company's internal and external auditors were invited to attend the AC meetings and make presentations as appropriate. They also met separately with the AC without the presence of the Management. The external auditors have unrestricted access to the AC.

CORPORATE GOVERNANCE

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11:

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, positions and prospects.

Provision 11.1

The Group recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all the Company's shareholders are treated equitably and the rights of all investors, including non-controlling shareholders are protected. In line with the continuing disclosure obligations of the Company pursuant to the Catalist Rules and the Companies Act (Chapter 50) of Singapore, the Group is committed to providing shareholders with adequate, timely and relevant information pertaining to the Group's business developments, financial performance and other factors which are price- or trade-sensitive to the market.

The rights of shareholders, including the details of the rules governing voting procedures at general meetings, are contained in the Company's Constitution and are also set out in applicable laws, including the Companies Act. Shareholders are encouraged to participate during general meetings of shareholders, to facilitate active and meaningful communication with the Management and the Board.

All shareholders of the Company will receive notices of all general meetings including the forthcoming AGM. The Company will comply with its Constitution, the Companies Act and the Catalist Rules in respect of the requisite notice periods for convening general meetings. The notice of an AGM is accompanied by the Company's annual report and will be released to shareholders on SGXNet at least 14 days before the date of the AGM. Any notice of an extraordinary general meeting will also be accompanied by a circular or letter to shareholders, providing sufficient detail on the proposals to be considered at the meeting. Circulars sent to shareholders also contain a notice on their cover page that if shareholders are in any doubt about the action they should take, they should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately. All notices of all general meetings will be announced on the SGXNet.

At the AGM, shareholders are given the opportunity to express their views 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 Company believes in encouraging shareholder participation at its general meetings. If shareholders are not able to attend these meetings, the Company's Constitution allows a shareholder entitled to attend and vote at general meetings to appoint not more than two (2) proxies who need not be shareholders of the Company to attend and vote on his/her/its behalf.

The Board welcomes questions from shareholders who have an opportunity to raise issues either informally or formally before or at the general meetings, or by writing to the Company's registered business office or its email address: general@richcapital.com.sg.

Provision 11.2

Resolutions proposed at general meetings on substantive issues are proposed as separately drafted resolutions to allow shareholders to consider and cast their votes properly on issues which are distinct. Where the resolutions are "bundled", the Company would explain the reasons and material implications in the notice of the meeting.

CORPORATE GOVERNANCE

Provision 11.3

The members of the Board and its committees are required to attend all general meetings to address issues raised by shareholders. The Company's external auditors and its legal advisors are also present to address any relevant queries from shareholders. All the Directors were present at the last AGM held on 30 July 2021.

The Company will put all resolutions to vote by poll at general meetings and the detailed results of the number of votes cast for and against each resolution and the respective percentages will be announced via SGXNet.

Provision 11.4

Individual shareholders and corporate shareholders, who are unable to attend general meetings of the Company, are entitled to appoint not more than two proxies to vote on their behalf at the general meetings of the Company.

The Board noted that with the Companies (Amendment) Act 2014, with effect from 3 January 2016, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act. At the forthcoming AGM, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM. For the forthcoming AGM which would be held via electronic means, investors are to contact their relevant intermediaries to specify voting instructions.

The Company's Constitution does not provide for absentia voting methods such as by mail, email, or fax due to concerns as to the integrity of such information and authentication of the identity of shareholders voting by such means.

Provision 11.5

The Company prepares minutes of general meetings that include substantial and relevant comments or queries from 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.

Provision 11.6

As at the date of this report, the Company does not have a formal dividend policy in place. The dividend that the Directors of the Company may recommend or declare in respect of any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by the Directors of the Company:

- (1) the level of the earnings of the Group;
- (2) the financial condition of the Group;
- (3) the projected levels of the Group's capital expenditure and other investment plans;
- (4) the restrictions on payment of dividends imposed on the Group by the Group's financing arrangements (if any); and
- (5) other factors as the Directors of the Company may consider appropriate.

The Board did not recommend the payment of a dividend for FY2022 as the Group had not been profitable and intends to conserve cash resources to finance its operations and the future development of the Group's business.

CORPORATE GOVERNANCE

Engagement with Shareholders

Principle 12:

The Company communicates regularly with its shareholders and facilitates the participation of shareholder during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

Provision 12.1

The Company's main forum for dialogue with shareholders takes place at its AGM, where members of the Board, and respective chairmen of the AC, NC, RC, senior management and the external auditors are in attendance. At the AGM, shareholders are given the opportunity to express their views 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 is mindful of its obligations to provide adequate and timely disclosure of all material and price- and trade-sensitive information through SGXNet.

Provisions 12.2 and 12.3

Currently, the Company does not have an investor relations policy, but the Company will devise an effective investor relations policy in the future to regularly convey pertinent information to shareholders.

In addition to the financial results, general announcements and annual report, the Company updates shareholders its major corporate developments through its corporate website at <https://www.richcapital.com.sg/>.

The Company endeavours to make timely disclosure of material and price- and trade-sensitive information to help investors make informed decisions. Shareholders, investors and analysts are kept informed with updated information, including financial statements and presentation slides via announcements, press releases, annual general meetings and briefing sessions, where appropriate.

If shareholders have any queries on investor relations, they may contact general@richcapital.com.sg.

MANAGING STAKEHOLDERS RELATIONSHIP

Engagement with Stakeholders

Principle 13:

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.

Provision 13.1, 13.2 and 13.3

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.

The Company's engagement with all stakeholders is set out in detail in the Sustainability Report for FY2022 which will be published as a standalone report via the SGXNet on or before 31 August 2021. The Company ensures that the financial results and annual reports are announced or issued within the mandatory periods as prescribed by the Catalist Rules.

The Company has its website www.richcapital.com.sg where the public can access information on the Group.

CORPORATE GOVERNANCE

Dealings In Securities

In line with Rule 1204(19) of the Catalist Rules, the Company has adopted an internal compliance policy to guide and advise all Directors and executives of the Company with regard to dealing in the Company's securities.

The internal compliance policy prohibits the Company, all Directors, Management and executives from dealing in the Company's securities on short-term considerations or when they are in possession of material unpublished price-sensitive or trade-sensitive information. The Company's officers are also prohibited from dealing in the Company's shares two (2) weeks prior to the release of the Company's quarterly financial statements and one (1) month before the release of the full-year financial results announcement.

Additionally, the Company also reminds all the Directors and Management to observe the insider-trading laws at all times even when dealing with securities within the permitted trading period. The Company, Directors and employees are also required to adhere to the provisions of the Securities and Futures Act (Chapter 289) of Singapore, Companies Act (Chapter 50) of Singapore, the Catalist Rules and any other relevant regulations with regards to their securities transactions.

The Company has complied with Rule 1204(19) of the Catalist Rules in FY2022.

NON-SPONSOR FEES

No non-sponsorship fees were paid to the Company's Sponsor, SAC Capital Private Ltd, during FY2022.

MATERIAL CONTRACTS

No material contracts, not being contracts entered into in the ordinary course of business, had been entered into by the Company or its subsidiaries involving the interest of any Director or controlling shareholder of the Company during FY2022.

INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that all transactions with interested persons are reported on a timely manner to the AC and that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

The Group does not have an IPT general mandate in FY2022. In FY2022, the Group did not enter into any IPT of more than S\$100,000 in value.

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DIRECTORS' ***STATEMENT***

for the financial year ended 31 March 2022

We are pleased to submit this statement to the members of Rich Capital Holdings Limited (the “Company”) and its subsidiaries (the “Group”) together with the audited financial statements for the financial year ended 31 March 2022.

In our opinion,

- (a) the accompanying financial statements of the Group and statement of financial position of the Company 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 March 2022 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, having regard to the matters disclosed in Note 2 to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

NAMES OF DIRECTORS

The directors of the Company in office at the date of this statement are as follows:

Oh Siyang (Executive Director)

James Kho Chung Wah (Independent Non-Executive Director)

Chang Chi Hsung (Independent Non-Executive Director)

Chong Soo Hoon, Sean (Independent Non-Executive Director) (Appointed on 1 October 2021)

ARRANGEMENTS TO ACQUIRE SHARES, DEBENTURES, WARRANTS OR OPTIONS

During and at the end of the financial year, neither the Company nor any of its subsidiaries was a party to any arrangement of which the object was to enable the directors to acquire benefits through the acquisition of shares, debentures, warrants or options of the Company or any other corporate body, other than as disclosed in this report.

DIRECTORS' INTEREST IN SHARES, DEBENTURES, WARRANTS OR OPTIONS

According to the Register of directors' shareholdings kept by the Company under Section 164 of the Act, none of the directors who held office at the end of the financial year had any interest in shares, debentures, warrants or options of the Company or its related corporations.

DIRECTORS' STATEMENT

for the financial year ended 31 March 2022

PERFORMANCE SHARE PLAN AND EMPLOYEE SHARE OPTION

On 28 July 2018, the shareholders approved the Rich Capital Performance Share Plan (the "PSP") and Share Option Scheme (the "Scheme").

Performance Share Plan

The Performance Share Plan allows for participation by full-time employees of the Group (including the Executive Directors) and Non-Executive Directors (including Independent Directors), including those who may be Controlling Shareholders, who have attained the age of 21 years and above on or before the relevant date of grant of the Award, provided that none shall be an undischarged bankrupt or have entered into a composition with his creditors. The number of shares in respect of which options may be granted to:

- (i) Independent Directors shall not exceed 5% of the total number of Shares available under the PSP.
- (ii) The aggregate number of shares issued and issuable and/or transferred and transferable in respect of all Awards granted pursuant to the PSP available to all controlling shareholders and their associates shall not exceed 25% of the shares available under the PSP.
- (iii) The number of shares issued and issuable and/or transferred and transferable in respect of all Awards granted pursuant to the PSP available to each controlling shareholder or each of his associates shall not exceed 10% of the shares available under the PSP.

The PSP shall continue in operation at the discretion of the Remuneration Committee for a maximum period of ten (10) years commencing on the date on which the PSP is adopted by the Company in general meeting, provided that the PSP may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The PSP shall be administered by the Company's Remuneration Committee, in its absolute discretion, with such powers and duties as are conferred on it by the Committee, provided that no Director shall participate in any deliberation or decision in respect of Awards granted or to be granted to him or held by him.

Employee Share Option

The Employee Share Option Scheme allows for participation by confirmed employees of the Group (including the Executive Directors) and Non-executive Directors (including Independent Directors), including those who may be Controlling Shareholders, who have attained the age of 21 years on or before the relevant date of grant of the Option, provided that none of them shall be an undischarged bankrupt or have entered into a composition with his creditors. The number of shares in respect of which options may be granted to:

- (i) Independent Directors shall not exceed 5% of the total number of Shares available under the Scheme.
- (ii) The aggregate number of shares issued and issuable and/or transferred and transferable in respect of all options granted pursuant to the Scheme available to all controlling shareholders and their associates shall not exceed 25% of the shares available under the Scheme.
- (iii) The number of shares issued and issuable and/or transferred and transferable in respect of all options granted pursuant to the Scheme available to each controlling shareholder or each of his associates shall not exceed 10% of the shares available under the Scheme.

DIRECTORS' ***STATEMENT***

for the financial year ended 31 March 2022

PERFORMANCE SHARE PLAN AND EMPLOYEE SHARE OPTION (CONT'D)

Employee Share Option (Cont'd)

The Scheme shall continue in operation for a maximum period of ten (10) years commencing on the date on which the Scheme is adopted by the Company in general meeting, provided that the Scheme may continue 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.

The Scheme is administered by the Company's Remuneration Committee in its absolute discretion, including determining, among others, the following:

- (a) persons to be granted options;
- (b) number of Options to be offered; and
- (c) recommendations for modifications to the Scheme,

provided that a Participant who is a member of the Remuneration Committee shall not be involved in any deliberation or decision in respect of Options to be granted to him or held by him.

SHARE OPTIONS

There were no options and awards granted under the Scheme and PSP since commencement of the schemes.

There have been no options and awards granted to the controlling shareholders of the Company or their associates or to Group Employees as required to be disclosed under Rule 851(1)(b) of the Catalyst Rules.

No Group Employees and Non-Executive Directors have received 5% or more of the total number of options available under the Scheme or the PSP.

No shares were issued during the financial year to which this statement related by virtue of the exercise of options to take up unissued shares of the Company or of its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

AUDIT COMMITTEE

The Audit Committee at the end of the financial year comprises the following members:

Chang Chi Hsung (Chairman)
James Kho Chung Wah
Chong Soo Hoon, Sean

The Audit Committee performs the functions set out in Section 201B (5) of the Act, the Catalyst Rules of the Listing Manual of the SGX-ST and the Code of Corporate Governance. The functions performed are detailed in the Report on Corporate Governance set out in the Annual Report of the Company for the financial year ended 31 March 2022.

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditor and reviews the level of audit and non-audit fees.

DIRECTORS' STATEMENT

for the financial year ended 31 March 2022

AUDIT COMMITTEE (CONT'D)

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the auditor, Foo Kon Tan LLP, be nominated for re-appointment as auditor at the forthcoming Annual General Meeting of the Company.

Full details regarding the Audit Committee are provided in the Report on Corporate Governance.

In appointing our auditors for the Company and its subsidiaries, we have complied with Rules 712 and 715 of the Catalist Rules of the Listing Manual of the SGX-ST.

INDEPENDENT AUDITOR

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

.....
OH SIYANG

.....
CHANG CHI HSUNG

Dated: 4 July 2022

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Rich Capital Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the 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 of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and the 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 March 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSA"). 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 period. 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.

1. Resolution of modified opinion issued for the financial year ended 31 March 2021

Loss of joint control over joint venture

In May 2018, the Group announced the completion of the acquisition of an 80% equity interest in Oxley Batam Pte. Ltd. ("Oxley Batam") by its wholly-owned subsidiary, Rich Batam Private Limited ("Rich Batam"). Oxley Batam in turn has a 50% equity interest in PT Oxley Karya Indo Batam ("PT OKIB"), which is the property developer of the Group's Oxley Convention City Project in Batam (the "Batam Project"). The Group had previously accounted for its investment in PT OKIB using the equity method from acquisition date to 31 March 2020. The Group had subsequently determined that it had lost joint control over PT OKIB on 1 April 2020, when the Group's employees were barred from entering PT OKIB's premises for the financial year ended 31 March 2021. The loss of joint control had led to the cessation of equity accounting of the joint venture on 1 April 2020. The investment in PT OKIB was subsequently reclassified to financial asset, measured at fair value through other comprehensive income ("FVOCI") on that date. Management had engaged an independent professional valuer as its management's expert to determine the fair value of the investment as at 1 April 2020 and 31 March 2021, respectively. The fair value so determined was \$Nil on both dates. Consequently, the investment in Rich Batam was also determined to be \$Nil. This had resulted in the Group recognising the impairment on loss of joint control over PT OKIB amounting to \$12,940,000 as at 1 April 2020 and in the consolidated statement of comprehensive income for the financial year ended 31 March 2021.

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

Key Audit Matters (Cont'd)

1. Resolution of modified opinion issued for the financial year ended 31 March 2021 (Cont'd)

Loss of joint control over joint venture (Cont'd)

We had previously stated in our FY 2021 audit report that management had not determined if the joint venture had been appropriately classified and impaired in prior years and accordingly, we were unable to ascertain if the entire loss of \$12,940,000 should be recognised in the consolidated statement of comprehensive income for the financial year ended 31 March 2021 or in prior financial years.

Insofar on whether the impairment loss amounting to \$12,940,000 which was recorded in the consolidated statement of comprehensive income in FY 2021 should instead be recognised in prior financial years had been properly reported and presented in the consolidated statement of financial position, it is considered resolved as at 1 April 2021 as the carrying amount of the Group's investment in the joint venture had been fully impaired as at 31 March 2021 in accordance with SFRS(I) 9 – *Financial Instruments*.

2. Litigation, claims and contingencies

The Group is subject to operational, business and political risks in countries, such as Singapore and Indonesia respectively, in which it has subsidiaries in. Certain of these risks have given risk to litigation, claims and other contingencies which could have a significant financial impact if the potential exposures were to materialise. Contingent liabilities may develop in a way not initially expected. Therefore, they are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs.

The determination by management of whether and how much to provide and/or to disclose for such contingencies is highly judgemental.

On 21 September 2020, PT Karya Indo Batam ("PT KIB"), the other joint venture partner of PT OKIB, commenced legal proceedings against Oxley Batam as the defendant and PT OKIB as the co-defendant in the Batam District Court under Case Number 263/Pdt.G/2020/PN Btm (the "Batam Action"). PT KIB has sought a declaration that the shareholders agreement dated 12 August 2016 entered between Oxley Batam and PT KIB as invalid and does not have any binding legal force or null and void by law.

Oxley Batam has since engaged an Indonesian Counsel to act in the Batam Action and has filed a Motion of Absolute Competence to make a preliminary objection to the Batam District Court's jurisdiction on the basis of an arbitration clause in the shareholders agreement. In November 2021, the Batam District Court dismissed Oxley Batam's preliminary objection to its jurisdiction. Despite submitting an appeal petition against the Batam District Court's decision, the Group was informed by its Indonesian Counsel that the Batam District Court has rendered its decision on the Batam Action where the Court has granted PT KIB's claims in its entirety and has declared the shareholders agreement as null and void and ordered for PT OKIB to comply with this court decision.

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

Key Audit Matters (Cont'd)

2. Litigation, claims and contingencies (Cont'd)

On 22 September 2020, PT KIB commenced another action against Oxley Batam and Mr Wang Zhenwen as 1st and 2nd defendants and against the Company, Rich-Link Construction Pte. Ltd. ("RLC"), Oxley International Holdings Pte. Ltd. and Rich Batam as 1st to 4th co-defendants in the Central Jakarta District Court under Case Number 539/Pdt.G/2020/PN Jkt. Pst (the "Jakarta Action"). In this Jakarta Action, PT KIB's claim against Oxley Batam is in tort and PT KIB seeks to have the shareholders agreement declared as null and void or at least having no binding legal effect and to have Oxley Batam bear its alleged losses totalling IDR 1.71 trillion (\$163.4 million). On 16 March 2022, PT KIB has submitted its statement of claim while Oxley Batam has also submitted its statement of defence, including a Motion of Absolute Competence to make preliminary objection to the Central Jakarta District Court's jurisdiction on the basis of an arbitration agreement contained in the shareholders agreement.

Based on the legal advice that there is no bilateral or reciprocal enforcement regime between Singapore and Indonesia, PT KIB will have to commence fresh court proceedings in Singapore to enforce any judgement obtained in Indonesia (if so obtained in Indonesia) and accordingly, the Group has not made any provision for the amount claimed in the Jakarta Action. There is no further financial implication to the Group as the Group had recognised the full impairment loss on the investment in PT OKIB in the previous financial year ended 31 March 2021.

On 26 April 2022, the Group, through Oxley Batam, commenced a civil claim in Case No. 382/Pdt.G/2022/PN Jkt.Brt in the West Jakarta District Court (the "West Jakarta Claim") against: (1) Mr Winston Madjukie; (2) Mr Poni Madjuke; (3) PT KIB; (4) PT Batam Citi Moto Karya ("PT Batam Karya"); (5) PT Wiwoa Miti Karya Batam ("PT Wiwoa") (as "the Defendants"), and (6) PT OKIB; (7) Shinta Christiana Puspitasari S.H.; and (8) the Batam Land Office (as "the Co-Defendants").

The Group is seeking for injunctive relief against PT Wiwoa in relation to the construction and marketing of the "One Avenue Batam" project, a new property development project undertaken by PT Wiwoa and PT Batam Karya on the land previously designated for the development for the Group's investment in the Batam Project. Oxley Batam has claimed that Winston Madjukie and Poni Madjukie have placed themselves in a position of conflict by assuming roles as directors and/or shareholders of PT KIB, PT Batam Karya and PT Wiwoa.

Furthermore, the Group is also seeking for damages against the Defendants for: (a) IDR 32,268,625,000, being the return of the Group's invested capital; (b) S\$8 million being the repayment of a financing loan received by PT KIB; and (c) S\$48,000,000, being the loss of potential profit from the Group's investment in the Batam Project.

Lastly, the Group is seeking reliefs in the West Jakarta Claim for, amongst others, the annulment of the Settlement Agreement dated 9 September 2020 which was confirmed as a Settlement Deed in Case 230/Pdt.G/2020/PN.Btm, as well as declaratory relief that (a) the Joint Operation Agreement dated 12 August 2016 between PT KIB and PT OKIB, (b) the Joint Operation Deed dated 10 December 2016 and (c) the Deeds of Power of Attorney dated 10 December 2016 granted by PT KIB in favour of PT OKIB are valid and have binding legal force. The West Jakarta Claim is premised on the Group's allegations that the Defendants have, breached their obligations under Indonesian law regarding, amongst other things, conflict of interests and fiduciary duties. The Group has also alleged that the transfer of shares in PT OKIB owned by PT KIB to PT Batam Karya was unlawful.

No contingent asset has been recognised as at 31 March 2022 as the West Jakarta Claim is still in the preliminary stage as the first hearing has yet to be fixed.

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

Key Audit Matters (Cont'd)

2. Litigation, claims and contingencies (Cont'd)

Our response and work performed:

We assessed the Group's process for identifying and monitoring significant adverse developments arising from contingencies and where appropriate, legal and regulatory developments. We evaluated management's assessment of the likely outcome and potential exposures arising from all significant contingencies and allegations subject to on-going investigations; and considered the requirements for any provision and related disclosures.

Our work included:

- Holding discussions with management, the Group's legal counsel, the Audit Committee and reviewing the relevant documents,
- Assessment of the progress of all significant contingencies, including reviewing the Company's public announcements,
- Consideration of any evidence of legal disputes which we were made aware of,
- Obtained independent legal confirmation letters from and discussing with the Group's external lawyers to confirm the fact patterns which we have been advised,
- Evaluated the professional competence, qualification and objectivity of the lawyers representing the Group; and
- Assessed the adequacy of the disclosures made in the financial statements in respect of this matter.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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.

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

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)s, 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.
- 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.

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

- 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 and by those subsidiary corporations incorporated in Singapore of which we are the auditors 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 Kong Chih Hsiang Raymond.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 4 July 2022

STATEMENTS OF FINANCIAL POSITION

as at 31 March 2022

	Note	The Group		The Company	
		31 March	31 March	31 March	31 March
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Non-Current Assets					
Plant and equipment	4	5	8	2	6
Right-of-use asset	5	29	88	29	88
Mining rights	6	–	–	–	–
Investments in subsidiaries	7	–	–	100	3,140
Financial asset, at fair value through other comprehensive income (“FVOCI”)	8	–	–	–	–
		34	96	131	3,234
Current Assets					
Development property	9	–	11,306	–	–
Contract assets	10	453	–	–	–
Trade and other receivables	11	522	243	398	237
Cash and bank balances	12	1,443	2,604	1,416	2,513
		2,418	14,153	1,814	2,750
Assets of disposal group classified as held-for-sale	13	11,322	–	4,121	–
Total Assets		13,774	14,249	6,066	5,984
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	14	72,569	72,569	72,569	72,569
Reserves	15	(70,613)	(68,712)	(67,610)	(67,185)
		1,956	3,857	4,959	5,384
Non-controlling interests	7(c)	1,084	1,086	–	–
Total Equity		3,040	4,943	4,959	5,384
LIABILITIES					
Non-Current Liabilities					
Lease liability	16	–	30	–	30
		–	30	–	30
Current Liabilities					
Trade and other payables	17	2,022	577	1,077	511
Lease liability	16	30	59	30	59
Borrowing	18	–	8,640	–	–
		2,052	9,276	1,107	570
Liabilities of disposal group classified as held-for-sale	13	8,682	–	–	–
Total Liabilities		10,734	9,306	1,107	600
Total Equity and Liabilities		13,774	14,249	6,066	5,984

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the financial year ended 31 March 2022

	Note	Year ended 31 March 2022 \$'000	Year ended 31 March 2021 \$'000 (Restated)
Continuing operations			
Revenue		2,157	-
Cost of sales		(2,037)	-
Gross profit		120	-
Other income	19	77	1,178
General and administrative expenses		(1,780)	(2,442)
Distribution and marketing expenses		-	(99)
Finance cost	21	(1)	(1)
Other operating expense	20	-	(12,940)
Share of loss of an associate, net of tax		-	(112)
Loss from continuing operations, before tax	21	(1,584)	(14,416)
Tax expense	22	(1)	-
Loss from continuing operations, net of tax		(1,585)	(14,416)
Loss from discontinued operations, net of tax	13(b)	(320)	(325)
Loss for the year		(1,905)	(14,741)
Other comprehensive loss, net of tax			
Item that will be reclassified subsequently to profit or loss			
Currency translation differences (nil tax)		2	(6)
Other comprehensive loss for the year		2	(6)
Total comprehensive loss for the year		(1,903)	(14,747)
Loss attributable to:			
Owners of the Company			
- Loss from continuing operations, net of tax		(1,583)	(12,091)
- Loss from discontinued operations, net of tax		(320)	(325)
		(1,903)	(12,416)
Non-controlling interests			
- Loss from continuing operations, net of tax	7(c)	(2)	(2,325)
Loss for the year		(1,905)	(14,741)
Total comprehensive loss attributable to:			
Owners of the Company			
		(1,901)	(12,422)
Non-controlling interests			
	7(c)	(2)	(2,325)
		(1,903)	(14,747)
Attributable to owner of the Company:			
Total comprehensive loss for the year from continuing operations		(1,581)	(12,097)
Total comprehensive loss for the year from discontinued operations		(320)	(325)
		(1,901)	(12,422)
Loss per share (cents)			
From continuing and discontinued operations			
- Basic		(0.03)	(0.17)
- Diluted		(0.03)	(0.17)
From continuing operations			
- Basic		(0.02)	(0.17)
- Diluted		(0.02)	(0.17)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 March 2022

	Share capital \$'000	Capital reserve \$'000	Translation reserve \$'000	Accumulated losses \$'000	Attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 April 2020	72,569	446	(111)	(56,625)	16,279	9,176	25,455
Loss for the year	-	-	-	(12,416)	(12,416)	(2,325)	(14,741)
Other comprehensive loss	-	-	(6)	-	(6)	-	(6)
Total comprehensive loss for the year	-	-	(6)	(12,416)	(12,422)	(2,325)	(14,747)
Transactions with owner, recognised directly in equity:							
Contributions by and distributions to owners of the Company:							
Contributions from non-controlling interests	-	-	-	-	-	161	161
Disposal of non-wholly owned subsidiary	-	-	-	-	-	(5,926)	(5,926)
Balance at 31 March 2021	72,569	446	(117)	(69,041)	3,857	1,086	4,943
Loss for the year	-	-	-	(1,903)	(1,903)	(2)	(1,905)
Other comprehensive loss	-	-	2	-	2	-	2
Total comprehensive loss for the year	-	-	2	(1,903)	(1,901)	(2)	(1,903)
Transactions with owner, recognised directly in equity:							
Contributions by and distributions to owners of the Company:							
Transfer of reserve	-	(191)	-	191	-	-	-
Balance at 31 March 2022	72,569	255	(115)	(70,753)	1,956	1,084	3,040

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 31 March 2022

	Note	Year ended 31 March 2022 \$'000	Year ended 31 March 2021 \$'000 (Restated)
Cash Flows from Operating Activities			
Loss before taxation			
- continuing operations		(1,585)	(14,416)
- discontinued operations		(320)	(325)
Loss before taxation, total		(1,905)	(14,741)
Adjustments for:			
Depreciation of plant and equipment	4	7	14
Depreciation of right-of-use asset	5	59	29
Finance cost		217	227
Interest income	19	(4)	-
Gain on disposal of a subsidiary	19	-	(978)
Impairment loss on other receivables	11	11	-
Impairment on loss of joint control over joint venture	20	-	12,940
Share of loss of an associate		-	112
Operating loss before working capital changes		(1,615)	(2,397)
Changes in development property		(10)	(7)
Changes in contract assets		(453)	-
Changes in trade and other receivables		(289)	(150)
Changes in trade and other payables		765	(157)
Option fee received		725	-
Cash used in operations		(877)	(2,711)
Interest received		4	-
Tax paid		(1)	-
Net cash used in operating activities		(874)	(2,711)
Cash Flows from Investing Activities			
Purchase of plant and equipment	4	(4)	(4)
Disposal of interest in a subsidiary		-	14
Net cash (used in)/generated from investing activities		(4)	10
Cash Flows from Financing Activities			
Interest paid		(216)	(226)
Repayment of lease liabilities		(60)	(29)
Net cash used in financing activities		(276)	(255)
Net decrease in cash and cash equivalents		(1,154)	(2,956)
Cash and cash equivalents at the beginning of the year		2,604	5,560
Cash and cash equivalents at the end of the year	12	1,450	2,604
Cash and bank balances in statement of financial position (Note 12)		1,443	2,604
Add: Cash and bank balance under disposal group classified as held-for-sale (Note 13)		7	-
Cash and cash equivalents at the end of the year (Note 12)		1,450	2,604

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

for the financial year ended 31 March 2022

Reconciliation of liabilities arising from financing activities

The following is the disclosure of the reconciliation of liabilities arising from financing activities, excluding equity items:

	At 1 April 2021	Transfer to held-for-sale (Note 13)	Cash flows - repayment	Finance costs	At 31 March 2022
	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liability (Note 16)	89	–	(60)	1	30
Bank borrowing (Note 18)	8,640	(8,640)	(216)	216	–
Total	8,729	(8,640)	(276)	217	30

	At 1 April 2020	Additions	Cash flows - repayment	Finance costs	At 31 March 2021
	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liability (Note 16)	–	117	(29)	1	89
Bank borrowing (Note 18)	8,640	–	(226)	226	8,640
Total	8,640	117	(255)	227	8,729

In the previous financial year ended 31 March 2021, non-cash additions to the Group's right-of-use assets amounting to \$117,000 were entered into via new leases.

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

1 GENERAL INFORMATION

The financial statements of the Group and of the Company for the year ended 31 March 2022 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company is incorporated as a limited liability company and domiciled in Singapore and listed in the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office of the Company is located at 80 Robinson Road, #02-00 Singapore 068898 and the principal place of business of the Company is located at 140 Paya Lebar Road, #10-23, AZ@ Paya Lebar, Singapore 409015 with effect from 1 October 2021.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are set out in Note 7 to the financial statements.

2 GOING CONCERN

As at 31 March 2022, the Group and the Company's accumulated losses amounted to \$70,753,000 (2021 - \$69,041,000) and \$67,865,000 (2021 - \$67,440,000) respectively. The Group recorded total comprehensive loss for the year of \$1,903,000 (2021 - \$14,747,000) and the Group reported net cash used in operating activities of \$874,000 (2021 - \$2,711,000) for the financial year then ended.

The Group and the Company's cash and cash equivalents amounted to \$1.44 million and \$1.42 million, respectively, as at 31 March 2022. The directors are of the view that the going concern assumption is appropriate for the preparation of these financial statements as (i) the Group has positive net current assets, including the disposal group classified as held-for-sale, of \$3.0 million and positive equity attributable to shareholders of \$1.96 million at the reporting date; (ii) the Group has completed the disposal of the entire shareholdings of issued share capital of First Capital Pte. Ltd. and received net proceeds of \$5.07 million after redemption of outstanding loan to meet ongoing operational and funding requirements; and (iii) Merco Pte. Ltd., a wholly owned subsidiary of the Company, whose principal activities are those of building construction, has outstanding secured order book of approximately \$5.06 million as at 31 March 2022. Arising from this, the Group and the Company would be able to generate future cash inflows from the Group's and the Company's operating activities for the next twelve months from the balance sheet date.

The financial statements have been prepared on a going concern basis, which contemplate the realisation of assets and the satisfaction of liabilities in the normal course of business. As described above, management is of the view that they have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. If for any reason the Group and the Company are unable to continue as a going concern, the Group and the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may have to provide for further liabilities which may arise and to reclassify non-current assets and liabilities as "current assets" and "current liabilities", respectively. No such adjustments have been made to the financial statements of the Group and the Company in respect of these.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(A) BASIS OF PREPARATION

The financial statements are drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standard (International) (“SFRS(I)s”) including related interpretations promulgated by the Accounting Standards Council (“ASC”), and have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar which is the Company’s functional currency. All financial information is presented in Singapore Dollar and have been rounded to the nearest thousand, unless otherwise stated.

The preparation of financial statements in conformity with SFRS(I) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed below.

Significant accounting estimates and judgements

The significant accounting estimates and assumptions used and areas involving a high degree of judgement are detailed below:

Significant judgements in applying accounting policies

(i) Determination of operating segments

Management identifies the Chief Operating Decision Maker (“CODM”) as well as their business activities (which may not necessarily earn revenue or incur expenses). Management has further determined whether discrete financial information is available for the business activities and whether that information is regularly reviewed by the CODM. Judgement is applied by management in the allocation of resources to the operating segments.

(ii) Classification and measurement of First Capital Pte. Ltd. (“First Capital”) as disposal group held-for-sale and discontinued operations (Note 13)

On 25 November 2021, the Company granted an option to an unrelated third party (the “Purchaser”) to acquire 100% equity interest in First Capital for an aggregate consideration of \$14.5 million (the “Consideration”) subject to terms and conditions of the option (the “Proposed Disposal”). On 15 December 2021, the Purchaser exercised the option and paid 5% of the Consideration in accordance with the terms of the option. The Proposed Disposal is classified as a major transaction as set out in the Listing Manual of the Catalist Rules and is subject to shareholders’ approval at the Extraordinary General Meeting to be held on 12 April 2022.

Management has presented the assets and associated liabilities of First Capital and the Company’s investment in First Capital as “held-for-sale” in the consolidated and separate statement of financial position as at 31 March 2022. Furthermore, management has considered that the principal activities of First Capital, being a real estate developer, represents a separate line of business of the Group and the disposal of First Capital to the Purchaser as a single coordinated plan to dispose of a separate major line of business and has separately classified the loss from operations of First Capital amounting to \$0.3 million (See Note 13(b)) as a discontinued operations in accordance with the provisions of SFRS(I) 5 – *Non-current Assets Held for Sale and Discontinued Operations*.

The Group and the Company will record the gain on disposal of the disposal group held-for-sale and the cost of investment in First Capital in the consolidated and separate statement of comprehensive income in the financial year ending 31 March 2023 since there are conditions precedent outstanding and not met as at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(A) BASIS OF PREPARATION (CONT'D)

Significant judgements in applying accounting policies (Cont'd)

(iii) Fair value of unquoted financial asset, at FVOCI (Note 8)

Management has determined that the Group had lost joint control over PT OKIB on 1 April 2020 and consequently, the investment in PT OKIB was reclassified to financial asset, measured at fair value through other comprehensive income ("FVOCI") on that date. The Group had previously engaged a professional independent valuer to carry out a valuation on the investment in PT OKIB as at 31 March 2021, which was determined to be \$Nil.

Management is of the view that the recoverable amount of the Group's investment in PT OKIB remained as \$Nil as at 31 March 2022 on the basis that the Group will not be able to derive any return from the investment in PT OKIB as PT Wiwoa has taken over the construction and marketing of the Batam Project and has renamed it as the 'One Avenue Batam' Project from the Group and this new property development project is currently undertaken by PT Wiwoa and PT Batam Karya on the land previously designated for the development for the Group's investment in the Batam Project.

(iv) Recoverable amount of mining rights (Note 6)

The Group continues to recognise full impairment loss on the carrying amount of the mining rights as at the reporting date. In FY 2021, hearing for applications for forfeiture of the mining rights held by Summit Light Ventures Ltd brought by West Australian Prospectors Pty Ltd and Kym Anthony McClaren (the "Forfeiture Applicants") took place. An application for the forfeiture is an application seeking the forfeiture of the mining rights where the mining rights holder had failed to meet expenditure conditions that were set by the Department of Mines, Industry Regulation and Safety in Western Australia. On 12 May 2022, the Company announced that at a further hearing on 29 April 2022, the Mining Warden of Perth (the "Warden") has handed down a further decision which maintained the findings that the expenditure condition had not been met and has recommended to the Minister for Mines that the Mining Lease be forfeited.

(v) Contingent liabilities

Recognition and measurement for contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts. Details of the Group's contingent liabilities are presented in Note 32 to the financial statements.

Significant estimates in applying accounting policies

(i) Impairment of non-financial assets

The recoverable amounts of these assets and, where applicable, cash-generating units, have been determined based on value-in-use calculations and adjusted net assets, if applicable. These calculations require the use of estimates. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating-unit (or group of cash-generating-units) and also to use many estimates and assumptions such as future market growth, forecast revenue and costs, useful lives of utilisation of the assets, discount rates and other factors.

The carrying amounts of the Group and the Company's non-financial assets are disclosed in the following notes:

- Right-of-use asset (Note 5)
- Subsidiaries (Note 7)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(B) ADOPTION OF NEW AND REVISED SFRS(I) EFFECTIVE FOR THE CURRENT FINANCIAL YEAR

On 1 April 2021, the Group and the Company have adopted all the new and revised SFRS(I), SFRS(I) interpretations ("SFRS(I) INT") and amendments to SFRS(I), effective for the current financial year that are relevant to them. The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods, as discussed below:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 16	COVID-19 Related Rent Concessions	1 June 2020
Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16	Interest Rate Benchmark Reform – Phase 2	1 January 2021

3(C) NEW AND REVISED SFRS(I) IN ISSUE BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I), SFRS(I) INT and amendments to SFRS(I) that have been issued but are not yet effective to them.

Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group and the Company's accounting policies in the period of their initial application:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 16	COVID-19 Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to SFRS(I) 3	Reference to the Conceptual Framework	1 January 2022
Amendments to SFRS(I) 1-16	Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to SFRS(I) 1-37	Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to SFRS(I) Standards 2018-2020		1 January 2022
Amendments to SFRS(I) 1-1	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2	Disclosure of Accounting Policies	1 January 2023
Amendments to SFRS(I) 1-8	Definition of Accounting estimates	1 January 2023
Amendments to SFRS(I) 1-12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2023

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Consolidation

(i) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and investees (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company or its subsidiary:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company or its subsidiary reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company or its subsidiary has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company or its subsidiary considers all relevant facts and circumstances in assessing whether or not the Company's or its subsidiary's voting rights in an investee are sufficient to give it power, including:

- size of the Company's or its subsidiary's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company or its subsidiary, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances which indicate that the Company or its subsidiary has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company or its subsidiary obtains control over the subsidiary or investee and ceases when the Company or its subsidiary loses control of the subsidiary or investee. Specifically, income and expenses of a subsidiary or an investee acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company or its subsidiary gains control until the date when the Company or its subsidiary ceases to control the subsidiary or investee.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries and investees are attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries or investees to bring their accounting policies in line with the Group's accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

I. Consolidation (Cont'd)

(ii) Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in the statement of comprehensive income and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary, and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, or when applicable, the cost on initial recognition of an investment in an associate.

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the statement of comprehensive income.

II. Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

II. Business combinations (Cont'd)

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date on which the Group attains control) and the resulting gain or loss, if any, is recognised in the statement of comprehensive income. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the statement of comprehensive income, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits*, respectively;
- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payments* at the acquisition date; and
- disposal groups that are classified as held for sale in accordance with SFRS(I) 5 *Non-Current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in the statement of comprehensive income as a bargain purchase gain.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

II. Business combinations (Cont'd)

Goodwill (Cont'd)

Goodwill arising from acquisition of associates represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associates is included in the carrying amount of the investments.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, or an associate, the attributable amount of goodwill is included in the determination of the gain or loss on disposal of the entity or the relevant cash generating unit.

III. Plant and equipment, and depreciation

All items of plant and equipment are initially recorded at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying plant and equipment. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of comprehensive income as incurred.

Depreciation on the plant and equipment is calculated using the straight-line method to allocate the depreciable amount over their estimated useful lives as follows:

Furniture and fittings	3 - 5 years
Equipment	3 - 5 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

For acquisitions and disposals during the year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of comprehensive income in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

IV. Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these 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.

(a) Lease liability

The lease liability is 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 Company uses the incremental borrowing rate specific to the lessee.

The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantee;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group recognise those lease payments in the statement of comprehensive income in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the statement of financial position. The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to the statement of comprehensive income if the carrying amount of the right-of-use asset has already been reduced to Nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

IV. Leases (Cont'd)

The Group as a lessee (Cont'd)

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(b) Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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. To the extent that the costs relate 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.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Office premises 2 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the statement of financial position. The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

IV. Leases (Cont'd)

The Group as a lessor (Cont'd)

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term within "revenue" in the statement of comprehensive income. Rental income from subleased property is recognised within "other income" in the statement of comprehensive income.

Any change in the scope or the consideration for a lease that is not part of the original terms and conditions of the lease is accounted for as lease modification:

- For operating leases: The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, recognising the remaining lease payments as income on either straight-line basis or another systematic basis over the remaining lease term.
- For finance leases: The Group applies the derecognition requirements under SFRS(I) 9 to recognise the modification or derecognition gain or loss on the net investment in the finance lease.

V. Development properties

Development properties are properties being constructed or developed for future sale. Development properties are recorded as current assets and are stated at specifically identified cost, including capitalised borrowing costs directly attributable to the development of the properties, exchange differences arising from foreign currency borrowings are capitalised to the extent that they are regarded as an adjustment to interest costs, aggregate cost of development, materials and supplies, wages and other direct expenses, less any allowance considered necessary by the directors.

Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted. Capitalisation of borrowing costs ceases when the asset is ready for sale, upon the completion of development or if there is no active development of the properties. The capitalisation rate is determined by reference to the actual rate payable on borrowings for properties for sale under development, weighted average as applicable.

Properties under development are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

When it is probable that the total development costs will exceed the total revenue, the expected loss is recognised as an expense immediately.

Completed properties for sale are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

VI. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Measurement

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to expected credit loss assessment. Gains and losses are recognised in the statement of comprehensive income when the asset is derecognised or impaired, and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

VI. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Measurement (Cont'd)

Subsequent measurement (Cont'd)

Financial assets at amortised cost (debt instruments) (Cont'd)

The Group and the Company's financial assets at amortised cost include other receivables, excluding prepayments, and goods and services taxes ("GST") receivables.

Fair value through other comprehensive income (debt instruments)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income ("FVOCI"). Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in the statement of comprehensive income and computed in the same manner as for financial assets measured at amortised cost. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

The Group and the Company do not have any financial asset at fair value through other comprehensive income (debt instruments).

Financial assets designated at fair value through OCI (equity instruments)

On initial recognition of an equity instruments that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group and the Company have an equity investment as financial asset at fair value through other comprehensive income (equity instruments).

Financial assets at fair value through profit and loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

VI. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Measurement (Cont'd)

Subsequent measurement (Cont'd)

Financial assets at fair value through profit and loss (Cont'd)

Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. A gain or loss on debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of comprehensive income in the period in which it arises. Interest income from these financial assets is included in other income.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of comprehensive income.

This category includes listed equity investment which the Group had not irrevocably elected to classify at FVOCI. Dividends on listed equity instruments are also recognised as other income in the statement of comprehensive income when the right of payment has been established.

The Group and the Company do not have any investment under this category.

Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

VI. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Impairment of financial assets

The Group assesses on a forward-looking basis, the expected credit losses ("ECL") associated with its financial assets carried at amortised cost. For trade receivables and contract assets, the Group applies the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables and contract assets. The Group applies the general approach of 12-month ECL at initial recognition for all other financial assets. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ECLs are recognised in two stages. 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, the Group measures loss allowance at an amount equal to the lifetime expected credit losses as at the reporting date. The Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. A provision matrix is established based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

VI. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery (e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings), or in the case of loans and advances, when the amounts are over 60 days past due, whichever occurs sooner.

Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the statement of comprehensive income.

(b) Financial liabilities

Initial recognition and measurement

All financial liabilities are initially recognised at fair value plus transaction costs that are directly attributable to the issue of the financial liability, and are subsequently measured at amortised cost using the effective interest method or at FVPL. The Company's and the Group's financial liabilities include borrowings and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by SFRS(I) 9. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss when the changes arise.

The Group and the Company do not have any financial liabilities at fair value through profit or loss.

Financial liabilities that are carried at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of comprehensive income.

Borrowings are recognised initially at fair value of proceeds received less attributable transaction costs, if any. Borrowings are subsequently stated at amortised cost which is the initial fair value less any principal repayments. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the statement of comprehensive income over the period of the borrowings using the effective interest method. The interest expense is chargeable on the amortised cost over the period of borrowing using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

VI. Financial instruments (Cont'd)

(b) Financial liabilities (Cont'd)

Subsequent measurement (Cont'd)

Financial liabilities that are carried at amortised cost (Cont'd)

Borrowings which are due to be settled within 12 months after the reporting date are included in current borrowings in the statement of financial position even though the original terms were for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date. Other borrowings due to be settled more than 12 months after the reporting date are included in non-current borrowings in the statement of financial position.

Derecognition

The Group de-recognises a financial liability when it becomes a party to the contractual agreements of the instrument. All interest-related charges are recognised as an expense in "finance cost" in the statement of comprehensive income. Financial liabilities are de-recognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are de-recognised as well as through the amortisation process.

VII. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits with financial institutions which are subject to an insignificant risk of changes in value.

VIII. Non-current assets held for sale

Non-current assets are classified as assets held for sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale with one year from the date of classification.

The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in the statement of comprehensive income.

Reclassification from "held-for-sale" to "held-for-use"

When the conditions for classification as "held-for-sale" are no longer met, the non-current asset ceases to be classified as held-for-sale, and shall be measured at the lower of:

- (a) its carrying amount before the asset was classified as held-for-sale adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held-for-sale or as held for distribution to owners; and
- (b) its recoverable amount at the date of the subsequent decision not to sell.

Any required adjustments to the carrying amount of the non-current asset that ceases to be classified as held-for-sale in the statement of comprehensive income from continuing operations in the period in which the criteria under held-for-sale are no longer met.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

IX. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

X. Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the date of the financial position; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the date of the financial position, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authorities on the same taxable entity, or on different tax entities, provided they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

XI. Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

XI. Employee benefits (Cont'd)

Pension obligations

The Group and the Company participate in the defined contribution national pension schemes as provided by the laws of the countries in which they have operations. In particular, the Singapore incorporated companies in the Group contribute to the Central Provident Fund, a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to national pension schemes are charged to the statement of comprehensive income in the period to which the contributions relate.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of the reporting period.

XII. Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors and certain management executives are considered key management personnel.

XIII. Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
 - (i) has control or joint control over the Company;
 - (ii) has significant influence over the Company; or
 - (iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
 - (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or and associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) the entity or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

XIV. Impairment of non-financial assets

The carrying amounts of the Group's and the Company's non-financial assets subject to impairment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the company at which management controls the related cash flows.

Individual assets or cash-generating units that include goodwill and other intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value-in-use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill.

Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. Any impairment loss is charged to the statement of comprehensive income unless it reverses a previous revaluation in which case it is charged to equity.

With the exception of goodwill,

- An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.
- An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.
- A reversal of an impairment loss on a revalued asset is credited directly to equity under the heading revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the statement of comprehensive income, a reversal of that impairment loss is recognised as income in the statement of comprehensive income.

An impairment loss in respect of goodwill is not reversed, even if it relates to impairment loss recognised in an interim period that would have been reduced or avoided had the impairment assessment been made at a subsequent reporting or end of the reporting period. A reversal of an impairment loss is recognised as income in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

XV. Functional 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 the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in Singapore Dollars, which is also the functional currency of the Company.

XVI. Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in the statement of comprehensive income. However, in the consolidated financial statements, currency translation differences arising from net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of, a proportionate share of the accumulated translation differences is reclassified to the statement of comprehensive income as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within "finance cost". Foreign currency gains and losses are reported on a net basis as either other income or other operating expense depending on whether foreign currency movements are in a net gain or net loss position. 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.

Group entities

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 presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing rates at the end of that statement of financial position;
- (ii) Income and expenses for each statement, presenting profit or loss and other comprehensive income (i.e. including comparatives) shall be translated at exchange rates at the dates of the transactions; and
- (iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve.

XVII. Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees and warrants.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

XVIII. Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. All operating segments' operating results are reviewed regularly by the Group's directors to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. Additional disclosures on operating segments are shown in Note 25 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

XIX. Revenue

Revenue from construction contract with customers

The Group performs construction works for customers through fixed-price contracts. Contract revenue is recognised when the Group's performance creates or enhance an asset that the customer controls as the asset is created or enhanced.

For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the contract. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contract, there is no significant financing component present as the payment terms is an industry practice to protect the customers from the Group's failure to adequately complete some or all of its obligations under the contract.

As a consequence, the Group does not adjust any of the transaction prices for the time value of money. Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenue or costs are reflected in the statement of comprehensive income in the period in which the circumstances that give rise to the revision become known to management. Contract modifications that add distinct goods or services at their standalone selling prices are accounted for as separate contracts. Contract modifications that add distinct goods or services but not at their standalone selling prices are accounted for as a continuation of the existing contract. The Group combines the remaining consideration in the original contract with the consideration promised in the modification to create a new transaction price that is then allocated to all remaining performance obligations. Contract modification that do not add distinct goods or services are accounted for as a continuation of the original contract and the change is recognised as a cumulative adjustment to revenue at the date of modification.

Sale of completed development properties

The Group, through its subsidiaries, develops and sells mixed development project to customers through fixed-price contracts. Revenue is recognised when the control over a development property has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the mixed development project over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

Where a development property has no alternative use for the Group due to contractual restrictions, and the Group has enforceable rights to payment for performance completed to date arising from the contractual terms, revenue is recognised over time, in the books of its subsidiaries, by reference to the Group's progress towards completing the construction of the development property. The measure of progress is determined based on the stage of completion of construction, certified by quality surveyors. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

In respect of contracts where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised only when the completed property is delivered to the customer and the customer has accepted it in accordance with the sales contract.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

XIX. Revenue (Cont'd)

Sale of completed development properties (Cont'd)

Rental income

The Group leases out its development property under operating lease and recognises rental income proportionately over the lease term. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis. Rental payments received in advance are recorded as unearned income and amortised proportionately over the lease term using the straight-line method. Deposits received from tenants are recorded as part of other current liabilities.

Interest income

Interest income, including income arising from finance leases and other financial instruments, is recognised on an accrual basis based on the effective interest method.

XX. Contract assets

Where revenue recognised for a customer contract exceeds the amount received or receivable from a customer, a contract asset is recognised. Contract assets arise from the Group's principal activities in construction contracts. Contract assets are transferred to trade receivables when the consideration for performance obligations are billed. Contract assets are included in current assets as they are expected to be realised in the normal operating cycle. Contract assets are subject to impairment review for credit risk in accordance with the expected credit loss model.

XXI. Contract liabilities

Where the amounts received or receivable from customers exceed the revenues recognised for contracts, contract liabilities are recognised in the statement of financial position. Contract liabilities arise from the Group's principal activities in building construction activities. Contract liabilities are recognised as revenues when services are provided to customers.

XXII. Borrowings costs

Borrowing costs incurred to finance the development of properties and plant and equipment are capitalised for the period of time that is required to complete and prepare the asset for its intended use or sale. The amount of borrowing cost capitalised on that asset is the actual borrowing costs incurred during the period less any investment income on the temporary investment of those borrowings. Other borrowing costs are recognised on a time-proportion basis in the statement of comprehensive income using the effective interest method.

XXIII. Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Government grants whose primary condition is that the group should purchase, construct or otherwise acquire non-current assets are recognised as deferred government grant received in the statement of financial position and transferred to the statement of comprehensive income on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the group with no future related costs are recognised in the statement of comprehensive income in the period in which they become receivable.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

4 PLANT AND EQUIPMENT

The Group	Furniture and fittings \$'000	Equipment \$'000	Total \$'000
<u>Cost</u>			
At 1 April 2020	7	32	39
Additions	–	4	4
Written-off	(5)	–	(5)
At 31 March 2021	2	36	38
Additions	–	4	4
Written-off	–	(12)	(12)
At 31 March 2022	2	28	30
<u>Accumulated depreciation</u>			
At 1 April 2020	3	17	20
Depreciation (Note 21)	2	12	14
Written-off	(4)	–	(4)
At 31 March 2021	1	29	30
Depreciation (Note 21)			
- Continuing operations	–	5	5
- Discontinued operation	–	2	2
Written-off	–	(12)	(12)
At 31 March 2022	1	24	25
<u>Net carrying amount</u>			
At 31 March 2022	1	4	5
At 31 March 2021	1	7	8
The Company			
<u>Cost</u>			
At 1 April 2020	7	19	26
Additions	–	4	4
Written-off	(5)	–	(5)
At 31 March 2021, 1 April 2021 and 31 March 2022	2	23	25
<u>Accumulated depreciation</u>			
At 1 April 2020	3	11	14
Depreciation	2	7	9
Written-off	(4)	–	(4)
At 31 March 2021	1	18	19
Depreciation	–	4	4
At 31 March 2022	1	22	23
<u>Net carrying amount</u>			
At 31 March 2022	1	1	2
At 31 March 2021	1	5	6

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

5 RIGHT-OF-USE ASSET

The Group and The Company	Office premise \$'000	Total \$'000
<u>Cost</u>		
At 1 April 2020	–	–
Additions	117	117
At 31 March 2021, 1 April 2021 and 31 March 2022	117	117
<u>Accumulated depreciation</u>		
At 1 April 2020	–	–
Depreciation (Note 21)	29	29
At 31 March 2021	29	29
Depreciation (Note 21)	59	59
At 31 March 2022	88	88
<u>Net carrying amount</u>		
At 31 March 2022	29	29
At 31 March 2021	88	88

Right-of-use asset represents the lease of the current office space, commencing on 1 October 2020 and expiring on 30 September 2022.

Depreciation of right-of-use asset is recognised in the “general and administrative expenses” in the consolidated statement of comprehensive income.

6 MINING RIGHTS

The Group	2022 \$'000	2021 \$'000
Cost	6,483	6,483
Accumulated amortisation and impairment losses	6,483	6,483
Net carrying amount	–	–

The mining rights relate to the “Birthday Mine” which encompasses a total area of 58.5ha (comprising 55ha held pursuant to the Mining Lease 77/450 and the 3.5ha pursuant to the Prospecting Licence 77/3982) located about 35 kilometres north of Bullfinch, Western Australia. The Mining Lease 77/450 was issued by the Department of Mines and Petroleum, Australia, commencing on 29 September 1990 and expiring on 19 September 2032.

The Group has recorded a full impairment loss on its investment in Summit Light amounting to \$1.94 million since financial year ended 31 March 2018.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

7 INVESTMENTS IN SUBSIDIARIES

The Company	2022	2021
	\$'000	\$'000
Unquoted equity investment, at cost	10,920	6,699
Loans to subsidiaries	10,668	14,468
Subsidiary struck off	(10)	–
Cost of investment in subsidiaries	21,578	21,167
Reclassification to “Assets Held-for-Sale” (Note 13)	(4,121)	–
	17,457	21,167
Impairment losses:		
- At the beginning of the year	18,027	7,463
- Impairment loss recognised in the statement of comprehensive income (See Note (b) below)	38	10,571
- Reversal of impairment loss previously recognised (See Note (b) below)	(698)	–
- Impairment loss utilised on striking off subsidiary	(10)	(7)
	17,357	18,027
Net carrying amount	100	3,140

Loans to subsidiaries amounting to \$10.67 million (2021 - \$14.47 million) represent an extension of the Company's net investment in the subsidiaries. These amounts are unsecured and interest-free with repayment terms at the discretion of the subsidiaries.

Name	Country of incorporation/ principal place of business	Cost of investment		Percentage of equity interest held		Principal activities
		31 Mar	31 Mar	31 Mar	31 Mar	
		2022	2021	2022	2021	
		S\$'000	S\$'000	%	%	
Held by the Company						
First Capital Pte. Ltd. ⁽¹⁾⁽⁶⁾ ("First Capital")	Singapore	4,121	3,838	100	100	Real estate development
Merco Pte. Ltd. ⁽¹⁾⁽⁵⁾ ("Merco")	Singapore	100	– ⁽³⁾	100	100	Other short-term accommodation activities and building construction
Rich Batam Private Limited ⁽¹⁾ ("Rich Batam")	Singapore	10,550	10,543	100	100	Real estate development
Summit Light Ventures Ltd. ⁽²⁾ ("Summit Light")	British Virgin Islands	6,543	6,512	100	100	Legal and sole owner of the mining rights
Infinio Korea Co. Ltd. ⁽²⁾	South Korea	264	264	100	100	Dormant
Roomwise Holdings Pte. Ltd. ⁽⁴⁾	Singapore	–	10	–	100	Strike-off
Held by Rich Batam Private Limited						
Oxley Batam Pte. Ltd. ⁽¹⁾⁽³⁾	Singapore	–	–	80	80	Real estate development
		21,578	21,167			

(1) Audited by Foo Kon Tan LLP.

(2) Audited by Foo Kon Tan LLP for consolidation purposes.

(3) Cost of investment less than \$1,000.

(4) Strike off with ACRA on 5 July 2021.

(5) The Company is newly incorporated on 20 January 2021.

(6) Reclassified to "Asset held-for-sale" as at 31 March 2021, and ceased to be a subsidiary of the Group on 5 May 2022.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

7 INVESTMENTS IN SUBSIDIARIES (CONT'D)

7(a) Investment in Summit Light

The recoverable amount of the Company's investment in Summit Light is dependent on the measurement basis of the mining rights as described in Note 6 since Summit Light is the sole legal owner of the mining rights. In FY 2018, management recorded a full impairment loss on the remaining carrying amount of the Company's investment in Summit Light which amounted to \$1.94 million.

7(b) Impairment testing of investment in subsidiaries

As at 31 March 2022, management carried out an impairment assessment over the investments in subsidiaries and identified the significant cash generating units ("CGUs"). These were considered to have indications of possible impairment at 31 March 2022 as they were in a loss-making position for the past few years. The basis of determining impairment testing is based on the higher of fair value less costs to sell and value-in-use. The management adopted the fair value less costs to sell.

As at 31 March 2022, the carrying amount of the investment in subsidiaries amounted to \$100,000 (2021 - \$3,140,000).

The fair value less cost to sell was determined based on the financials of the subsidiaries which comprised mainly cash balances, trade and other receivables, trade and other payables for Merco, Rich Batam, Summit Light and Infinio Korea Co. Ltd. which were current and approximated fair value at year end. Based on the impairment testing, an impairment loss of \$38,000 (2021 - \$10,571,000) relating to the cost of investment in the subsidiaries is recognised under general and administrative expenses in the statement of comprehensive income of the Company for the financial year ended 31 March 2022, being the shortfall between the carrying amount and the recoverable amount.

In November 2021, the Company announced that it has entered into a sale and purchase agreement with a third party to acquire the entire interest of First Capital for a consideration of \$14.5 million. Accordingly, management has reclassified the cost of investment in First Capital as part of disposal group held-for-sale and measured the investment at the lower of cost and fair value less costs to sell (See Note 13). Accordingly, there was a reversal of impairment loss of \$698,000 recognised in Company's statement of comprehensive income in the current financial year.

7(c) Non-wholly-owned subsidiaries

Details of non-wholly-owned subsidiaries that have material non-controlling interests is disclosed below:

Name of subsidiary	Principal place of business	Effective interest held by NCI	
		31 March 2022	31 March 2021
Oxley Batam Pte. Ltd.	Singapore, Indonesia	20%	20%
Rich Capital Realty Pte. Ltd.	Singapore	–	50%*

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

7 INVESTMENTS IN SUBSIDIARIES (CONT'D)

7(c) Non-wholly-owned subsidiaries (Cont'd)

The Group	31 March 2022		31 March 2021	
	Oxley Batam Group \$'000	Oxley Batam Group \$'000	Rich Capital Realty Group*	Total \$'000
Cumulative non-controlling interests:				
- Net liabilities attributable to NCI	(2,902)	(2,900)	-	(2,900)
- Shareholders' loan contributed by NCI#	3,986	3,986	-	3,986
	1,084	1,086	-	1,086
Allocated to non-controlling interests during the year:				
- Loss attributable to NCI	(2)	(2,268)	(57)	(2,325)
- Total comprehensive loss attributable to NCI	(2)	(2,268)	(57)	(2,325)

* The Group completed the disposal of 50% of the entire issued share capital of Rich Capital Realty ("RCR") in connection with 333 Thomson Road Project on 2 June 2020. Accordingly, the Company ceased to hold any ordinary shares in the share capital of RCR and RCR ceased to be a subsidiary of the Company with effect from 2 June 2020.

As at 31 March 2021, an amount of \$1,300,000 relates to fee payable to Oxley Holdings Limited under the management fee agreement dated 18 May 2018.

The summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests on a 100% basis are set out below. No dividend was declared during the financial year. The summarised financial information below represents amounts before intra-group eliminations.

The Group	31 March 2022		31 March 2021	
	Oxley Batam Group \$'000	Oxley Batam Group \$'000	Oxley Batam Group \$'000	Oxley Batam Group \$'000
<i>Summarised statement of financial position</i>				
Non-current liabilities			(14,466)	(14,466)
Current liabilities			(43)	(33)
Net liabilities			(14,509)	(14,499)

The Group	31 March 2022		31 March 2021	
	Oxley Batam Group \$'000	Oxley Batam Group \$'000	Rich Capital Realty Group	Total \$'000
<i>Summarised statement of comprehensive income</i>				
Revenue	-	-	-	-
Loss for the year from continuing operations	(10)	(11,338)	(114)	(11,452)
Other comprehensive loss	-	-	-	-
Total comprehensive loss	(10)	(11,338)	(114)	(11,452)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

8 FINANCIAL ASSET, AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVOCI”)

The Group	2022	2021
	\$'000	\$'000
Financial asset at FVOCI (unquoted equity shares)	–	–

Equity instrument designated at FVOCI

The investment in PT OKIB was reclassified from investment in joint venture in previous year as the Group had designated it as a financial asset, measured at fair value through other comprehensive income as the investment is held as long-term strategic investment and is not expected to be sold in the short or medium term.

The fair value is within level 3 of the fair value hierarchy.

Determination of fair value

As the unquoted shares are not publicly traded, the fair value is determined based on the adjusted net liability, which resulted in a Nil value for the carrying value of the financial asset, at FVOCI as at 31 March 2022 and 31 March 2021.

The details of the financial asset, FVOCI are as follows:

Name of Company	Nature of relationship with the Group	Principal place of business	Group's effective interest	
			2022	2021
PT Oxley Karya Indo Batam (“PT OKIB”) ⁽¹⁾	Property developer of the Oxley Convention Centre (“OCC”)	Indonesia	40%	40%

(1) The financial statements are not audited.

Details of OCC project:

Location	Description	Tenure	Land Area	Gross Floor Area	Expected Completion Date
Jalan Westren Arial, RT 08, RW 16, Kelurahan Sungai Panas, Kecamatan Batam Kota, Kota Batam Propinso Kepulauan Riau, Indonesia	Mixed development	80 years	20,000 sqm	125,260 sqm	To be advised

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

9 DEVELOPMENT PROPERTY

The Group	2022	2021
	\$'000	\$'000
Property under development:		
Cost incurred to date	11,315	11,306
Transfer to assets under disposal group classified as held-for-sale (Note 13)	(11,315)	–
Carrying amount as at 31 March	–	11,306

Details of Kim Chuan project:

Location	Description	Tenure	Land Area	Gross Floor Area	Expected Completion Date
6 Kim Chuan Terrace Singapore	Proposed single-use light industrial	Freehold	827.4 sqm (8,906 sq ft)	2,067.4 sqm (22,253 sq ft)	To be advised

The development property has been mortgaged to a financial institution to secure the bank borrowing as disclosed under Note 18.

10 CONTRACT ASSETS

The Group	2022	2021
	\$'000	\$'000
Revenue contracts from construction projects	451	–
Services contract from project management service	2	–
	453	–
Less:		
Allowance for impairment loss	–	–
Total contract assets	453	–

Contract assets of \$0.45 million comprised of three ongoing construction projects and one project management service performed in the month of March 2022 but have not been invoiced as at the financial year end.

Any amount recognised as a contract asset is reclassified to trade receivables at the point which the Group invoices the customers.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

11 TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Trade receivables	436	-	-	-
Amount due from subsidiaries (non-trade)	-	-	449	98
Allowance for impairment loss	-	-	(123)	(87)
Net amounts due from subsidiaries	-	-	326	11
Deposits	31	164	31	164
Amount due from a joint venture (non-trade)	-	-	39	39
Allowance for impairment loss	-	-	(39)	(39)
Net amount due from a joint venture (non-trade)	-	-	-	-
Other receivables	11	45	11	30
Allowance for impairment loss	(11)	-	(11)	-
Other receivables, net	-	45	-	30
Loans and receivables measured at amortised cost	467	209	357	205
Input GST recoverable, net	33	7	26	6
Prepayments	22	27	15	26
	522	243	398	237

Impairment losses

The following is an ageing analysis of loans and receivables:

The Group	Gross \$'000	Impairment losses \$'000	Net \$'000
As at 31 March 2022			
0 to 30 days	300	-	300
No credit terms (repayable on demand)	178	(11)	167
	478	(11)	467
As at 31 March 2021			
No credit terms (repayable on demand)	209	-	209
The Company			
As at 31 March 2022			
No credit terms (repayable on demand)	530	(173)	357
As at 31 March 2021			
No credit terms (repayable on demand)	331	(126)	205

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

11 TRADE AND OTHER RECEIVABLES (CONT'D)

The change in impairment losses in respect of loans and receivables during the year is as follows:

	2022	2021
The Group	\$'000	\$'000
At the beginning of the year	–	–
Allowance made during the financial year	11	–
At the end of the year	11	–
The Company		
At the beginning of the year	126	–
Allowance made during the financial year	47	126
At the end of the year	173	126

The Company recognised an impairment loss on other receivables of \$47,000 (2021 - \$126,000) for the financial year ended 31 March 2022 as the balances are assessed as not recoverable as the debtors do not have liquid assets to repay, based on the debtor's financial information.

Trade receivables, non-trade amounts due from subsidiaries, a joint venture and non-related parties are unsecured, non-interest bearing and are repayable on demand.

Trade and other receivables (excluding Input GST recoverable, net and prepayments) are denominated in the following currencies:

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	440	182	337	182
United States Dollar	20	23	20	23
Australian Dollar	7	4	–	–
	467	209	357	205

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

12 CASH AND BANK BALANCES

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Cash at bank	1,443	2,604	1,416	2,513
Add:				
Cash and bank balance in disposal group classified as held-for-sale (Note 13)	7	–		
Cash and cash equivalents in the statement of cashflows	1,450	2,604		

Cash and bank balances are denominated in Singapore dollar.

13 DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE AND DISCONTINUED OPERATIONS

In November 2021, the Company announced that it has entered into a sale and purchase agreement with a third party to acquire the entire interest of First Capital for a consideration of \$14.5 million, subject to the terms and conditions of the Option. The Purchaser has exercised the Option on 15 December 2021. On 17 February 2022, the Company has executed a Share Sale and Purchase Agreement with the Purchaser for the Proposed Disposal (the “SPA”).

The Completion of the Proposed Disposal is subject to, amongst other things, the Company obtaining relevant corporate approvals, including its shareholder and for this purpose, the Company convened an Extraordinary General Meeting (“EGM”) to seek for shareholders’ approval on 12 April 2022. The resolution relating to proposed disposal of the entire issue and paid-up capital of First Capital as a major transaction under Chapter 10 of the Catalist Rules have been duly approved by the shareholders of the Company at EGM held on 12 April 2022.

As the transaction was expected to complete within the next twelve months, the assets and liabilities of First Capital have been classified as a disposal group held-for-sale and have been presented separately in the consolidated statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

13 DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE AND DISCONTINUED OPERATIONS (CONT'D)

- (a) As at 31 March 2022, the major classes of assets and liabilities comprising the disposal group classified as held-for-sale are as follows:

The Group	2022
	\$'000
Assets and liabilities of disposal group	
<u>Assets</u>	
Development property (Note 9)	11,315
Cash and bank balances (Note 12)	7
Assets of disposal group	11,322
<u>Liabilities</u>	
Other payables (Note 17)	(42)
Borrowings (Note 18)	(8,640)
Liabilities of disposal group	(8,682)

The Company	2022
	\$'000
Details of assets in non-current asset classified as held-for-sale were as follows:	
Investment in a subsidiary	4,121

- (b) The results of discontinued operations are as follows:

	2022	2021
	\$'000	\$'000
Other income (Note 19)	48	26
Expenses	(368)	(351)
Loss before tax of disposal group	(320)	(325)
Tax	–	–
Loss from discontinued operations, net of tax	(320)	(325)

- (c) Earnings per share from discontinued operations is disclosed in Note 23.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

13 DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE AND DISCONTINUED OPERATIONS (CONT'D)

- (d) The impact of the discontinued operations on the cash flows of the Group for the financial year ended 31 March 2022 are as follows:

The Group	2022	2021
	\$'000	\$'000
Operating cash outflows	(140)	(174)
Financing cash flows	67	229
Net (decrease)/increase in cash and cash equivalents	(73)	55

14 SHARE CAPITAL

The Company	No. of ordinary shares	Amount
	'000	\$'000
At 31 March 2021 and 31 March 2022	7,342,672	72,569

The holders of ordinary shares are entitled to receive dividends as and when declared from time to time and are entitled to one vote per share at the meetings of the Company. All share rank equally with regard to the Company's residual assets.

15 RESERVES

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Capital reserve	255	446	255	255
Translation reserve	(115)	(117)	-	-
Accumulated losses	(70,753)	(69,041)	(67,865)	(67,440)
	(70,613)	(68,712)	(67,610)	(67,185)

Capital reserve

As at 31 March 2021 and 31 March 2022, the capital reserve represents the difference between the carrying amount of the liabilities owing to existing shareholders of the Company and the fair value of the debt conversion shares issued.

Translation reserve

The translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

16 LEASE LIABILITY

	2022	2021
The Group and The Company	\$'000	\$'000
Undiscounted lease payments due:		
- Year 1	30	60
- Year 2	–	30
Less: Future interest cost	–	(1)
	<u>30</u>	<u>89</u>
Presented as:		
- Non-current	–	30
- Current	30	59
	<u>30</u>	<u>89</u>

Interest expense on lease liability of \$1,357 (2021 - \$1,200) is recognised within “finance costs - continuing operations” in the statement of comprehensive income (Note 21).

Rental expenses not capitalised in lease liability but recognised within “general and administrative expenses” in profit or loss are set out below:

	2022	2021
The Group and The Company	\$'000	\$'000
Short term leases	–	44

As at 31 March 2022, the Group’s short-term lease commitments at the reporting date are not substantially dissimilar to those giving rise to the Group’s short-term lease expense for the year.

There are no restrictions or covenants imposed by the leases. The Group’s lease liability is secured by the lessor’s title to the leased asset.

Information about the Group’s leasing activities are disclosed in Note 24.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

17 TRADE AND OTHER PAYABLES

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Trade payables	129	–	–	–
Other payables	205	202	120	171
Accrued expenses	968	314	195	299
Amount due to directors/ex-directors	37	41	37	41
Transfer to liabilities directly associated with disposal group classified as held-for-sale (Note 13)	(42)	–	–	–
Financial liabilities at amortised cost	1,297	557	352	511
Deposits received	725	20	725	–
Total trade and other payables	2,022	577	1,077	511

As at 31 March 2022, deposit of \$725,000 was received from the Purchaser in relation to the disposal of entire issued share capital of First Capital.

Financial liabilities at amortised cost are denominated in the following currencies:

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	1,167	466	242	421
Australian Dollar	20	1	–	–
United States Dollar	110	74	110	74
Hong Kong Dollar	–	16	–	16
	1,297	557	352	511

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

18 BORROWING

The Group	2022 \$'000	2021 \$'000
Bank borrowing (secured)	8,640	8,640
Transfer to assets of disposal group classified as held-for-sale (Note 13)	(8,640)	–
	–	8,640
Nominal interest rate (per annum)	2.44% to 2.45%	2.41% to 3.02%

The bank borrowing is denominated in Singapore dollar and is repayable in one lump sum within 37 months from date of first drawdown or on 30 June 2021 or 6 months after the issuance of the temporary occupancy permit or whichever is earlier.

As at 31 March 2022, it is secured by a mortgage on the development property under assets of disposal group held-for-sale.

The bank had revised the banking facilities by cancelling the Development Charge Loan and Construction Loan on 31 December 2019, leaving the existing Land Loan in place. As a consequence of the delay in the commencement of Kim Chuan Project, First Capital is in breach of the covenant to complete the construction of the Kim Chuan project before the stated deadline of 30 September 2020. For the avoidance of doubt, the Company and First Capital have not received any notice from the bank in relation to the breach of the abovementioned covenant.

During the financial year, First Capital obtained an extension for the repayment of the Loan. The first loan extension was from 28 June 2021 to 31 January 2022 and the second loan extension was from 31 January 2022 to 31 March 2022 respectively. The Group has settled the bank loan in full on 5 May 2022 and the mortgage on the development property was also discharged on the same date.

19 OTHER INCOME

The Group	2022 \$'000	2021 \$'000
<u>From continuing operations</u>		
Gain on disposal of a subsidiary	–	978
Interest income	4	–
Writeback of payables	41	69
Job support scheme grant	32	130
Miscellaneous income	–	1
	77	1,178
<u>From discontinued operations</u>		
Rental income	48	20
Miscellaneous income	–	6
(Note 13)	48	26

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

20 OTHER OPERATING EXPENSE

The Group	2022 \$'000	2021 \$'000
Impairment on loss on joint control over joint venture	–	12,940

21 LOSS BEFORE TAXATION

Other than as disclosed elsewhere in these financial statements, loss before taxation is arrived at after charging the following:

The Group	Note	2022 \$'000	2021 \$'000
<u>From continuing operations</u>			
<u>Included in “general and administrative expenses”</u>			
Depreciation of plant and equipment	4	5	14
Depreciation of right-of-use asset	5	59	29
Audit fees - auditors of the Company		83	80
Non-audit fees - auditors of the Company		10	12
Directors’ fee in respect of FY2020*		–	30
Directors’ fee in respect of FY2021		–	153
Directors’ fee in respect of FY2022		140	–
Employee compensation (See below)		711	792
Legal and professional fees		681	1,269
Lease expense - short-term leases		–	44
Impairment loss for other receivables	11	11	–
<u>Included in “finance cost”</u>			
Interest expense on lease liability		1	1
<u>Breakdown of employee compensation:</u>			
<u>Directors’ remuneration other than fee:</u>			
- Salaries and allowances		155	112
- Defined contribution plan		12	9
		167	121
<u>Key management personnel other than directors:</u>			
- Salaries and allowances		135	177
- Defined contribution plan		10	15
		145	192
Total employee benefits carried forward:		312	313

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

21 LOSS BEFORE TAXATION (CONT'D)

	2022 \$'000	2021 \$'000
Total employee compensation brought forward:	312	313
<u>Other than directors and key management personnel</u>		
- Salaries and allowances	356	425
- Defined contribution plan	43	54
	399	479
	711	792
<u>From discontinued operation</u>		
<u>Included in "general and administrative expenses"</u>		
Depreciation of plant and equipment	4	2
Audit fees - auditors of the Company	6	6
Legal and professional fees	13	15
Extension fee of property loan	129	86
<u>Included in "finance cost"</u>		
Interest expense on borrowings	216	226

*: The directors' fee of \$30,000 in respect of FY2020 has been approved during Annual General Meeting held on 28 September 2019.

22 INCOME TAX EXPENSE

	2022 \$'000	2021 \$'000
The Group		
Current year taxation	1	-

The tax expense on the results of the financial years ended 31 March 2021 and 2022 varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on losses as a result of the following:

	2022 \$'000	2021 \$'000
The Group		
Loss before taxation	(1,905)	(14,741)
Tax at statutory rate of 17% (2021 - 17%)	(324)	(2,506)
Tax effect on non-deductible expenses	325*	2,487*
Share of results:		
- Associate	-	19
	1	-

* General and administrative expenses incurred by the Company are non-deductible as it is an investment holding company and is not generating revenue.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

23 LOSS PER SHARE

The basic loss per share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the financial year. The Company did not have any stock options or dilutive potential ordinary shares during the years ended 31 March 2022 and 2021.

	2022	2021
The Group	\$'000	\$'000
Loss for the year attributable to owners of the Company	(1,903)	(12,416)

	Number of shares ('000)	
The Company	2022	2021
Number of ordinary shares issued at 1 April	7,342,672	7,342,672
Issue of shares (weighted average)	-	-
Weighted average number of ordinary shares issued during the year	7,342,672	7,342,672

The Company	2022	2021
Loss per share (cents):		
- Basic		
From continuing operations	(0.022)	(0.165)
From discontinued operations	(0.004)	(0.004)
- Diluted		
From continuing operations	(0.022)	(0.165)
From discontinued operations	(0.004)	(0.004)

24 LEASES

(i) *The Group as lessee*

Office premises

The Group leases office premise for operation purposes. The office premise is recognised within the Group's right-of-use asset and lease liability as disclosed under Note 5 and Note 16.

The Group makes monthly lease payment for the use of office premise. Total cash outflows for the lease during the financial year amounted to \$60,000 (2021 - \$29,000).

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

24 LEASES (CONT'D)

(ii) *The Group as lessor*

Development property

Operating leases, in which the Group is the lessor, relates to development property (Note 9) owned by the Group during the financial year. These leases are classified as operating lease because the risks and rewards incidental to the ownership of the assets are not substantially transferred as at year end. The Group's rental income received on the development property during the financial year are disclosed in Note 19.

As at 31 March 2022, the future minimum rental receivable relating to the development property is Nil as the operating lease contract was terminated before the reporting date pursuant to the proposed disposal of 100% of the issued and paid-up share capital of First Capital as disclosed under Note 13.

	2022	2021
The Group	\$'000	\$'000
Undiscounted lease payments to be received:		
Year 1	–	120
Year 2	–	100
	–	220

25 OPERATING SEGMENTS

For management reporting purposes, the Group is organised into the following reportable operating segments as follows:

- 1) Property investment, development and construction services;
- 2) Mining; and
- 3) Others

Property development segment relates to revenue generated from property development activities in Singapore. Mining segment relates to revenue generated from the Mining operations in Australia.

Others segment comprises Corporate Office which incurs general corporate expenses and inactive entities in the Group.

The Executive Director, who is designated as the Chief Operating Decision Maker, monitors the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue and gross profit, as included in the internal management reports that are reviewed by the Executive Director.

Group financing, corporate expenses and income taxes are managed on a group basis and are not allocated to operating segments.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

25 OPERATING SEGMENTS (CONT'D)

Information of the reportable segments as reviewed by the Chief Operating Decision Maker, are set out below:

	Continuing Operations						Discontinued Operation		Total	
	Property Investment, Development and Construction Service		Mining		Others		First Capital Pte. Ltd.		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	2,157	-	-	-	-	-	-	-	2,157	-
Cost of sales	(2,037)	-	-	-	-	-	-	-	(2,037)	-
Gross profit	120	-	-	-	-	-	-	-	120	-
Other income	20	-	-	-	57	200	48	26	125	226
General and administrative expenses (Excluding depreciation of right-of-use asset and depreciation of plant and equipment)	(776)	(104)	(44)	(31)	(885)	(2,268)	(150)	(111)	(1,855)	(2,514)
Distribution and marketing expenses	-	(99)	-	-	-	-	-	(10)	-	(109)
Finance costs	-	-	-	-	(1)	(1)	(216)	(226)	(217)	(227)
Impairment loss on other receivables	-	-	-	-	(11)	-	-	-	(11)	-
Impairment on loss of joint control over joint venture	-	(12,940)	-	-	-	-	-	-	-	(12,940)
Share of loss from an associate	-	(112)	-	-	-	-	-	-	-	(112)
Gain on disposal of subsidiary	-	978	-	-	-	-	-	-	-	978
Loss before taxation	(637)	(12,277)	(44)	(31)	(903)	(2,108)	(320)	(325)	(1,904)	(14,741)
Income tax expense	-	-	-	-	(1)	-	-	-	(1)	-
Loss for the year	(637)	(12,277)	(44)	(31)	(904)	(2,108)	(320)	(325)	(1,905)	(14,741)
Reportable segment assets	925	11,402	8	4	1,519	2,843	11,322	-	13,774	14,249
Reportable segment liabilities	(925)	(8,705)	(20)	(1)	(1,107)	(600)	(8,682)	-	(10,734)	(9,306)
Other information:										
Depreciation of right-of-use asset	-	-	-	-	(59)	(29)	-	-	(59)	(29)
Depreciation of plant and equipment	(1)	-	-	-	(4)	(10)	(2)	(4)	(7)	(14)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

25 OPERATING SEGMENTS (CONT'D)

Non-current assets information based on geographical location of customers and assets respectively is as follows:

The Group	2022 \$'000	2021 \$'000
Non-current assets		
Singapore	34	96
Segment assets		
Total assets for reportable segments	13,774	14,249
Consolidated total assets	13,774	14,249
Segment liabilities		
Total liabilities for reportable segments	10,734	9,306
Consolidated total liabilities	10,734	9,306

The geographical location of the Group's segment assets and segment liabilities are predominantly located in Singapore.

26 FINANCIAL RISK MANAGEMENT

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks included credit risk, interest rate risk, foreign currency risk, market risk and liquidity risk. The Group's principal financial instruments comprise financial assets, at fair value through other comprehensive income, contract assets, trade and other receivables, cash and cash equivalents, trade and other payables, lease liability. The Group has various other financial assets and liabilities such as other receivables, which arise directly from its operations.

The Group and the Company do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

There has been no change to the Group and the Company's exposure to these financial risks and the manner in which they manage and measure the risks.

Accounting classifications of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

	The Group \$'000	The Company \$'000
31 March 2022		
Financial assets, at fair value through other comprehensive income	–	–
Financial assets at amortised cost		
Contract assets (Note 10)	453	–
Trade and other receivables (Note 11)	467	357
Cash and bank balances (Note 12)	1,443	1,416
	2,363	1,773

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

26 FINANCIAL RISK MANAGEMENT (CONT'D)

	The Group \$'000	The Company \$'000
31 March 2022		
Financial liabilities at amortised cost		
Lease liability (Note 16)	30	–
Trade payables and other payables	1,297	352
	<u>1,327</u>	<u>352</u>
31 March 2021		
Financial assets, at fair value through other comprehensive income		
	–	–
	–	–
Financial assets at amortised cost		
Trade and other receivables	209	205
Cash and bank balances	2,604	2,513
	<u>2,813</u>	<u>2,718</u>
Financial liabilities at amortised cost		
Lease liability	89	89
Trade and other payables	557	511
Borrowings	8,640	–
	<u>9,286</u>	<u>600</u>

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligations and cause the Group and the Company to incur a financial loss.

The carrying amounts of trade and other receivables (including related party balances) and cash and bank balances represent the Group's and the Company's exposure to credit risk. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and other receivables (including related party balances), the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

26 FINANCIAL RISK MANAGEMENT (CONT'D)

Credit risk (Cont'd)

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as follows:

	2022	2021
The Group	\$'000	\$'000
Financial assets measured at amortised cost		
Contract assets	453	–
Trade and other receivables	467	209
Cash and bank balances	1,443	2,604
	2,363	2,813
The Company	\$'000	\$'000
Financial assets measured at amortised cost		
Trade and other receivables	357	205
Cash and bank balances	1,416	2,513
	1,773	2,718

The Group's and the Company's major classes of financial assets are cash and bank balances, trade and other receivables (excluding GST receivables and prepayments).

The tables below detail the credit quality of the Group's and the Company's financial assets, as well as maximum exposure to credit risk:

The Group	12-month/ Lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$'000	\$'000	\$'000
At 31 March 2022				
Contract assets	12-month	453	–	453
Trade receivables	12-month	436	–	436
Other receivables	12-month	42	(11)	31
At 31 March 2021				
Other receivables	12-month	209	–	209

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

26 FINANCIAL RISK MANAGEMENT (CONT'D)

Credit risk (Cont'd)

The tables below detail the credit quality of the Group's and the Company's financial assets, as well as maximum exposure to credit risk: (Cont'd)

The Company	12-month/ Lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
At 31 March 2022				
Other receivables	12-month	530	(173)	357
At 31 March 2021				
Other receivables	12-month	331	(126)	205

Contract assets and trade receivables

The Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

Other receivables

The Group and the Company apply the SFRS(I) 9 general approach to measure expected credit losses which uses a 12-month expected loss allowance for other receivables. Other receivables, which mainly arise from amounts due from subsidiaries (Company level) are insignificant.

Financial assets that are neither past due nor impaired

Other receivables that are neither past due nor impaired are creditworthy companies or individuals with a good payment record with the Group and the Company.

Financial assets that are past due but not impaired

There is no class of financial assets that are past due and/or credit-impaired, other than as disclosed above.

Cash and bank balances

Cash is placed with financial institutions which are regulated and have good credit ratings. Impairment on cash and bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and bank balances have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and bank balances is negligible.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

26 FINANCIAL RISK MANAGEMENT (CONT'D)

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's operations in Australia and Korea remained dormant.

As at 31 March 2022 and 2021, the Group's currency exposures to United States Dollar and Australian Dollar are insignificant.

Interest rate risk

Interest rate risk is the risk that the fair value of the Group and the Company's financial instruments will fluctuate due to changes in market interest rates.

The Group and the Company's exposure to interest rate risk arises primarily from their borrowings. The Group's policy is to manage its exposure to interest rate risks using a mix of fixed and floating rate debts. The Group does not use derivative financial instruments to hedge its investment portfolio. The Group's policy is to obtain financing at the most favourable interest rates available.

The following table sets out the carrying amount, by maturity, of the Group and the Company's financial instruments that are exposed to interest rate risk:

The Group	Loss before tax increase/ (decrease)		Equity increase/ (decrease)	
	(10 bp increase) \$'000	(10 bp decrease) \$'000	(10 bp increase) \$'000	(10 bp decrease) \$'000
At 31 March 2022				
Borrowing under Liabilities of disposal group classified as held-for-sale (Note 13)	(9)	9	(9)	9
At 31 March 2021				
Borrowings	(9)	9	(9)	9

Liquidity risk

Liquidity or funding risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's objective is to maintain a balance between continuity of funding and flexibility through other receivables, cash and short-term deposits, other payables, lease liability and borrowings.

The table below summarises the maturity profile of the Group and the Company's financial liabilities based on contractual undiscounted cash flows:

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

26 FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity risk (Cont'd)

	Carrying amount	Contractual cash flows	Less than 1 year	Between 2 and 5 years	Over 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000
The Group					
31 March 2022					
Lease liability	30	30	30	–	–
Trade and other payables	1,297	1,297	1,297	–	–
	1,327	1,327	1,327	–	–
Borrowing under Liabilities of disposal group classified as held-for-sale (Note 13)	8,640	8,706	8,706	–	–
31 March 2021					
Lease liability	89	90	60	30	–
Trade and other payables	557	557	557	–	–
Borrowing	8,640	8,815	8,815	–	–
	9,286	9,462	9,432	30	–
The Company					
31 March 2022					
Lease liability	30	30	30	–	–
Trade and other payables	352	352	352	–	–
	382	382	382	–	–
31 March 2021					
Lease liability	89	90	60	30	–
Trade and other payables	511	511	511	–	–
	600	601	571	30	–

Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices.

The Group and the Company do not hold any quoted or marketable financial instruments, hence, are not exposed to any movement in market prices.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

27 FAIR VALUE MEASUREMENT

Definition of fair value

SFRS(I)s define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement of financial instruments

The Group and the Company do not anticipate that the carrying amounts of financial assets and financial liabilities recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled. The notional amounts of financial assets and financial liabilities with a maturity of less than one year approximate their fair values because of the short period to maturity.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

Determining of fair values - FVOCI (Level 3)

The fair values of financial instruments that are not traded in an active market (FVOCI) is determined using the net adjusted asset method which is Nil. Such instruments are included in Level 3.

There was a reclassification from cost of investment in a joint venture to financial asset, measured at FVOCI in 2021.

Borrowings

The carrying amounts of bank borrowings (current and non-current) whose interest rates are re-priced within 12 months are measured at amortised cost.

Other financial assets and liabilities

The carrying amounts of financial assets and financial liabilities of less than one year approximate their fair values because of the short period to maturity.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

28 CAPITAL MANAGEMENT

The Group and the Company's objectives when managing capital are:

- (a) To safeguard the Group and the Company's ability to continue as a going concern;
- (b) To support the Group and the Company's stability and growth;
- (c) To provide capital for the purpose of strengthening the Group and the Company's risk management capability; and
- (d) To provide an adequate return to shareholders.

The Group and the Company define capital as shareholders' equity. The Group and the Company regularly review and manage its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group and the Company currently do not adopt any formal dividend policy.

There were no changes in the Group and the Company's approach to capital management during the year. The Company and its subsidiaries are not subject to externally imposed capital requirements, other than as disclosed in Note 18.

The directors monitor capital based on the net debt to total equity attributable to owners of the Company ratio. Net debt comprises borrowing, trade and other payables and lease liability, less cash and cash equivalents.

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Lease liability (Note 16)	30	89	30	89
Trade and other payables (Note 17)	2,022	577	1,077	511
Borrowing (Note 18)	–	8,640	–	–
Liabilities of disposal group classified as held-for-sale (Note 13)	8,682	–	–	–
Less: Cash and cash equivalents (including cash and bank balances in a disposal group classified as held-for-sale) (Note 12)	(1,450)	(2,604)	(1,416)	(2,513)
Net debt	9,284	6,702	(309)	(1,913)
Total equity attributable to owners of the Company	1,956	3,857	4,959	5,384
Net debt to total equity ratio	475%	174%	N.A	N.A

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

29 RELATED PARTY TRANSACTIONS

Except for key management personnel compensation, there are no material related party transactions.

Key management personnel compensation

	2022	2021
The Company	\$'000	\$'000
Directors' fee in respect of FY2020	–	30
Directors' fee in respect of FY2021	–	153
Directors' fee in respect of FY2022	140	–
Wages and salaries	290	289
Defined contribution plans, including Central Provident Fund	22	24
	452	496

Key management personnel are directors of the Company and those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company, directly and indirectly.

30 CONTINGENT LIABILITIES

As disclosed in the Company's announcement on 20 November 2020, PT KIB has commenced two claims in Indonesia in relation to the Batam Project against the Company, Oxley Batam and other parties. Based on legal advice that there is no bilateral or reciprocal enforcement regime between Singapore and Indonesia, PT KIB has to commence fresh court proceedings in Singapore to enforce any judgements obtained in Indonesia. Accordingly, the Group has not made any provision for the amount claimed.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

31 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current year's presentation of continued and discontinued operations in accordance with SFRS(I) 5.

	Year ended 31 March 2021 \$'000	Year ended 31 March 2021 (as previously reported) \$'000
Consolidated statement of comprehensive income		
Other income	–	1,204
General and administrative expenses	–	(2,557)
Distribution and marketing expenses	–	(109)
Finance cost	–	(227)
Loss before taxation	–	(14,741)
Other income - continuing operations	1,178	–
General and administrative expenses - continuing operations	(2,442)	–
Distribution and marketing expenses - continuing operations	(99)	–
Finance cost - continuing operations	(1)	–
Loss from continuing operations, before tax	(14,416)	–
Loss from discontinued operations, net of tax	(325)	–

32 SUBSEQUENT EVENTS

(i) Completion of proposed disposal of 100% of the issued and paid-up share capital of First Capital

The Company has completed the disposal of First Capital on 5 May 2022 in accordance with the terms and conditions of the SPA. Following the completion of the proposed disposal, First Capital ceased to be a subsidiary of the Company.

(ii) Commencement of claim by Oxley Batam Pte. Ltd. in West Jakarta Court, Indonesia

On 12 May 2022, the Company announced that Oxley Batam has commenced a civil claim in Case No. 382/Pdt.G/2022/PNJkt.Brt in the West Jakarta District Court (the "West Jakarta Claim") against (i) Mr Winston Madjuki, (ii) Mr Poni Madjuki, (iii) PT KIB, (iv) PT Batam Citi Moto Karya ("PT Batam Citi"), (v) PT Wiwoa Miti Karya Batam ("PT Wiwoa") (as "Defendants") and (vi) PT OKIB, (vii) Shinta Christiana Puspitasari S.H; and (viii) the Batam Land Office (as "Co-Defendants"). In the West Jakarta Claim, the Group is seeking injunctive relief against PT Wiwoa in relation to the construction and marketing of the "One Avenue Batam" project, a new property development project undertaken by PT Wiwoa and PT Batam Citi on the land previously designated for the Group's investment in the Batam Project. The Group claimed that Mr Winston Madjuki and Mr Poni Madjuki have placed themselves in a position of conflict by assuming roles as directors and/or shareholders of PT KIB, PT Batam Citi and PT Wiwoa and is seeking for damages against the Defendants for IDR 32.3 billion, being the return of the Group's invested capital; (b) S\$8 million for the repayment of a financing loan received by PT KIB and S\$48 million being the loss of potential profit from the Group's investment in Batam Project.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2022

32 SUBSEQUENT EVENTS (CONT'D)

(ii) Commencement of claim by Oxley Batam Pte. Ltd. in West Jakarta Court, Indonesia (Cont'd)

Furthermore, the Group is seeking reliefs in the West Jakarta Claim in the form, amongst others, annulment of the Settlement Agreement dated 9 September 2020 which was confirmed as a Settlement Deed in Case 230/Pdt.G/2020/PN.Btm, as well as the Joint Operation Agreement dated 12 August 2016 between PT KIB and PT OKIB and the Joint Operation Deed dated 1 December 2016 and the Deeds of Power of Attorney dated 10 December 2016 granted by PT KIB in favour of PT OKIB are valid and have binding legal force.

The Indonesian Counsel has confirmed that the West Jakarta Claim will progress to the stage of appointment of the Panel of Judges and the first hearing for the West Jakarta Claim will be fixed in due course. No contingent asset has been recognised in respect of the West Jakarta Claim as at 31 March 2022.

(iii) Forfeiture of mining rights owned by wholly-owned subsidiary Summit Light

On 26 April 2022, the Mining Warden of Perth (the "Warden") issued a decision on the Forfeiture Application and ruled in favour of the Forfeiture Applicants. The Warden decided that the Forfeiture Applications were successful as the expenditure condition had not been met and recommended to the Minister for Mines that the Mining Lease be forfeited (the "First Decision"). However, on 27 April 2022, the Company was advised by its Australian legal advisors that in reaching the First Decision, due to an administrative oversight by the Mining Warden's officers, the Mining Warden was not provided with the final written submissions of all parties, including Summit Light (the "Further Submissions"). At a further hearing on 29 April 2022, the Warden reopened the proceedings and confirmed that he would receive the Further Submissions and issue a further decision. On 9 May 2022, the Warden handed down a further decision which maintained the findings that the expenditure condition had not been met and recommended to the Minister for Mines that the Mining Lease be forfeited (the "Second Decision"). The Minister for Mines now must consider the Warden's recommendation and make a final decision as to whether the Mining Lease should be forfeited.

On 1 July 2022, the Company announced that Summit Light has settled the forfeiture application brought by West Australian Prospectors Pty Limited and Kym Anthony McClaren (the "Forfeiture Applicants") on the basis of no orders as to costs and sold the mining rights in respect of the Birthday Mine to the Forfeiture Applicants for a nominal consideration in consideration of the settlement of the forfeiture application.

STATISTICS OF SHAREHOLDINGS

As at 14 June 2022

Number of issued shares	: 7,342,671,467
Class of shares	: Ordinary Shares
Number of treasury shares	: Nil
Number of subsidiary holdings	: Nil
Voting rights	: One vote per share

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 14 JUNE 2022

SIZE OF SHAREHOLDINGS	SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	21	0.74	567	0.00
100 - 1,000	425	15.04	276,652	0.00
1,001 - 10,000	1,014	35.88	5,019,158	0.07
10,001 - 1,000,000	1,195	42.29	165,330,108	2.25
1,000,001 AND ABOVE	171	6.05	7,172,044,982	97.68
TOTAL	2,826	100.00	7,342,671,467	100.00

TWENTY LARGEST SHAREHOLDERS AS AT 14 JUNE 2022

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1	BAI FENGMEI	2,168,657,900	29.53
2	MAYBANK SECURITIES PTE. LTD.	1,185,934,983	16.15
3	OH KEH YEW	398,946,100	5.43
4	HE XIAOCONG	345,000,000	4.70
5	SUN DANGSHUN	328,004,300	4.47
6	TAN HONG ENG (CHEN FENGYING)	326,700,000	4.45
7	DARA ROK ING	252,000,000	3.43
8	JESPER LIM CHIN YIONG	232,500,000	3.17
9	WU DAWU	145,900,000	1.99
10	BAI ZHENHUA	142,763,300	1.94
11	LIM SOON FANG	100,000,000	1.36
12	TAN ENG SENG	96,573,200	1.32
13	LOI TECK HAN	79,033,800	1.08
14	TAN CHONG CHAI	72,000,000	0.98
15	EST OF KANG YEE YIN (JIANG YIYUN), DEC'D	67,972,300	0.93
16	XU YONGSHENG	67,000,000	0.91
17	PHILLIP SECURITIES PTE LTD	62,570,791	0.85
18	WU YONGQIANG	61,910,000	0.84
19	KOH GUAT CHOO	61,500,000	0.84
20	TIEW ENG HOCK @ ENG SIONG	56,600,000	0.77
	TOTAL:	6,251,566,674	85.14

STATISTICS OF SHAREHOLDINGS

As at 14 June 2022

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 14 JUNE 2022

Name of Substantial Shareholders	Direct Interest	%	Deemed Interest	%	Total	%
Bai FengMei	2,168,657,900	29.53	-	-	2,168,657,900	29.53
Lim Soon Fang ⁽¹⁾	-	-	1,321,000,000	17.99	1,321,000,000	17.99
Oh Keh Yew ⁽²⁾	398,946,100	5.43	61,500,000	0.84	460,446,100	6.27

Footnote:

- (1) Mr Lim Soon Fang is deemed to have an interest in 1,321,000,000 shares held by Maybank Securities Pte. Ltd.
 (2) Mr Oh Keh Yew is deemed interested in 61,500,000 shares held by his spouse Mdm Koh Guat Choo.

SHAREHOLDINGS HELD IN THE HANDS OF PUBLIC

Based on the information provided and to the best knowledge of the Directors, approximately 46.20% of the issued ordinary shares of the Company are held in the hands of the public as at 14 June 2022. Therefore, Rule 723 of the SGX-ST Listing Manual Section B: Rules of Catalist is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of **RICH CAPITAL HOLDINGS LIMITED** (the “Company”) will be held by way of electronic means on Friday, 22 July 2022 at 4.00 p.m. to transact the following business:-

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2022 together with the Directors’ Statement and Auditors’ Report thereon. **Resolution 1**

2. To approve the payment of Directors’ fees of S\$148,500 for the financial year ending 31 March 2023, to be paid quarterly in arrears. (FY2022: S\$148,500) **Resolution 2**

3. To re-elect the following directors retiring pursuant to the Company’s Constitution:
 - 3.1 Chong Soo Hoon, Sean (retiring pursuant to Regulation 117) **Resolution 3**
 - 3.2 Oh Siyang (retiring pursuant to Regulation 107) **Resolution 4**

[See Explanatory notes (i) and (ii)]

4. To re-appoint Messrs Foo Kon Tan LLP., Certified Public Accountants, as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

5. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions (with or without amendments) as Ordinary Resolutions:-

6. AUTHORITY TO ALLOT AND ISSUE SHARES IN THE CAPITAL OF THE COMPANY

That pursuant to Section 161 of the Companies Act 1967 of Singapore, and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Section B: Rules of Catalist (“**Catalist Rules**”), the Directors of the Company be authorised and empowered to:

- A. (i) allot and issue new shares (“**shares**”) in the capital of the Company 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 of the Company may in their absolute discretion deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

B. (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:

- (i) 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 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below) of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below)
- (ii) subject to such manner of calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the date of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of convertible securities;
 - (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares.

Adjustments in accordance with ii(a) and ii(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 passing of this Resolution.

- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable requirements under the Companies Act and otherwise, and the Constitution of the Company for the time being; and
- (iv) unless revoked or varied by the Company in a general meeting, such authority shall 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 (iii)]

Resolution 6

7. AUTHORITY TO ISSUE SHARES UNDER THE RICH CAPITAL PERFORMANCE SHARE PLAN

That the Directors of the Company be authorised and empowered to grant awards in accordance with the provisions of Rich Capital Performance Share Plan (the “**Plan**”) and to allot and issue, transfer and/or deliver from time to time such number of fully paid-up shares as may be required to be issued or delivered pursuant to the vesting of awards provided that the aggregate number of Shares available pursuant to the Plan and such other share-based incentive scheme, shall not exceed 15% of the total issued shares of the Company (excluding any treasury shares and subsidiary holdings) from time to time and that 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 (iv)]

Resolution 7

NOTICE OF ANNUAL GENERAL MEETING

8. AUTHORITY TO ISSUE SHARES UNDER THE RICH CAPITAL EMPLOYEE SHARE OPTION SCHEME

That the Directors of the Company be authorised and empowered to offer and grant options in accordance with the provisions of Rich Capital Employee Share Option Scheme (the “Scheme”) and to allot and issue and/or deliver from time to time such number of fully paid-up shares as may be required to be issued or delivered pursuant to the exercise of options provided that the aggregate number of shares available pursuant to the Scheme and such other share-based schemes (including Rich Capital Performance Share Plan) of the Company, shall not exceed 15% of the total issued shares of the Company (excluding any treasury shares and subsidiary holdings) from time to time and that 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 (v)]

Resolution 8

By Order Of The Board

Lee Bee Fong
Company Secretary
Singapore

Date: 7 July 2022

Explanatory Notes: -

- (i) If re-elected under Resolution 3 above, Mr. Chong Soo Hoon, Sean will, upon re-election as a Director, remain as Independent Non-Executive Director, a member of the Audit Committee, Nominating Committee and Remuneration Committee. Mr. Chong Soo Hoon, Sean shall be considered independent for the purposes of Rule 704(7) of the Catalist Rules. Detailed information on Mr. Chong Soo Hoon, Sean can be found at page 112 of the Annual Report.
- (ii) If re-elected under Resolution 4 above, Mr. Oh Siyang will, upon re-election as a Director, remain as an Executive Director of the Company. Detailed information on Mr. Oh Siyang can be found at page 112 of the Annual Report.
- (iii) Ordinary Resolution 6 if passed, will empower the Directors of the Company from the date of this Meeting until the date of the next Annual General Meeting 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 and convertible securities in the Company. The number of shares and convertible securities that the Directors may allot and issue under this Resolution shall not exceed 100% of the issued share capital of the Company at the time of passing this Resolution (excluding treasury shares and subsidiary holdings). For issue of shares other than on a pro-rata basis to all shareholders of the Company, the aggregate number of shares to be issued shall not exceed 50% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings).

For determining the aggregate number of shares that may be issued, the percentage of issued shares will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time Resolution 6 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 6 is passed and any subsequent consolidation or subdivision of shares.
- (iv) The Ordinary Resolution 7 proposed in item 7 above, if passed, will empower the Directors of the Company to grant awards under the Plan and to allot and issue shares pursuant to the exercise of such options in accordance with the Plan.
- (v) The Ordinary Resolution 8 proposed in item 8 above, if passed, will empower the Directors of the Company to grant awards under the Scheme and to allot and issue shares pursuant to the exercise of such options in accordance with the Scheme.

NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT TO READ:

Shareholders are also advised to refer to the letter dated 7 July 2022 in relation to the important notice to shareholders regarding the Company's annual general meeting to be held on 22 July 2022 ("AGM")

ALTERNATIVE ARRANGEMENT OF AGM:

- (a) In compliance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and the Joint Statement of the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation issued on 13 April 2020 titled "Additional Guidance on the Conduct of General Meetings During Elevated Safe Distancing Period", and subsequently amended on 14 April 2020, 24 April 2020 and 29 September 2020, issuers should make alternative arrangements to hold general meetings where personal attendance is required under written law or legal instruments (such as a company's constitution).
- (b) In light of the above developments, the Company is arranging for a live webcast of the AGM proceedings (the "**Live AGM Webcast**") which will take place on 22 July 2022 at 4.00 p.m. Shareholders will be able to watch the AGM proceedings through the Live AGM Webcast, and the Company will not accept any physical attendance by shareholders. Any shareholder seeking to attend the AGM physically in person will be turned away.
- (c) Printed copies of this Notice will NOT be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company's website at the URL <https://www.richcapital.com.sg/index.php>. This Notice will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. The annual report for the financial year ended 31 March 2022 ("**2022 Annual Report**") has been published on SGXNet and on the Investors Relations page on the Company's corporate website. Hard copies of the Notice, Proxy Form and Annual Report will only be sent to shareholders upon written request to the Company's registered office or via email general@richcapital.com.sg.
- (d) Participation in the AGM via live webcast or live audio feed
As the AGM will be held by way of electronic means, shareholders will NOT be able to attend the AGM in person. All shareholders or their corporate representatives (in the case of shareholders which are legal entities) will be able to participate in the AGM proceedings by accessing a live webcast or live audio feed. To do so, shareholders are required to pre-register their participation in the AGM ("**Pre-registration**") at this link: <https://conveneagm.com/sg/rich2022> (the "**Registration Link**") by 4.00 p.m. on 20 July 2022 ("**Registration Deadline**"), providing their full name and identification number for verification of their status as shareholders (or the corporate representatives of such shareholders).

Upon successful registration, each such shareholder or its corporate representative will receive a verification email by 4.00 p.m. on 21 July 2022. The email will contain instructions to verify your email address. Each authenticated and verified shareholders or its corporate representative will be able to access the live webcast or live audio feed of the AGM proceedings using the account information created during the registration process on the Registration Link. Shareholders or their corporate representatives must not forward the email to other persons who are not shareholders and who are not entitled to participate in the AGM proceedings. Shareholders or their corporate representatives who register by the Registration Deadline but do not receive an email response by 4.00 p.m. on 21 July 2022 may contact the Company by email at sg.is.proxy@sg.tricorglobal.com.

- (e) Voting by proxy
Shareholders of the Company who wish to vote at the AGM must appoint the Chairman of the AGM to act as his/her/its proxy to attend, speak and vote on his/her/its behalf if such shareholder wishes to exercise his/her/its voting rights at the AGM. In the Proxy Form, a Shareholder must give specific instructions as to voting, or abstentions from voting, in respect of the resolutions to be tabled at the AGM. The duly executed proxy forms must be submitted via one of the following means:
- (i) if submitted electronically, be submitted via email to sg.is.proxy@sg.tricorglobal.com; or
- (ii) if submitted by post, be lodged with the Company's Share Registrar, at 80 Robinson Road #11-02 Singapore 068898,

in either case, by no later than 20 July 2022, 4.00 p.m., being at least 48 hours before the time for holding the AGM.

CPF Investors or Supplementary Retirement Scheme (SRS) investors who wish to vote through relevant intermediaries (as defined under Section 181 of the Companies Act (Chapter 50 of Singapore), should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 4.00 p.m. on 12 July 2022) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.

NOTICE OF ANNUAL GENERAL MEETING

(f) Submission of Questions

Shareholders may submit questions relating to the items on the agenda of the AGM via one of the following means:

- a) by emailing to email address: general@richcapital.com.sg, or
- b) login to: <https://conveneagm.com/sg/rich2022> to submit your questions.

All mails and emails should include the full name and identification number of shareholders for authentication purposes. All questions must be submitted by 4.00 p.m. on 15 July 2022. The Company will endeavour to address the substantial and relevant questions before the AGM. The responses to such questions from shareholders will be posted on the SGXNet and the Company's website by 18 July 2022.

Personal data privacy:

By submitting an instrument appointing the Chairman of the AGM as a proxy to attend, speak and vote at the AGM and/or any adjournment thereof, 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:

- (i) administration and analysis of the Company (or its agents or service providers) for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty;
- (iii) the processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the Meeting as a proxy for the AGM (including any adjournment thereof);
- (iv) the processing of the Pre-registration for purposes of granting access to members (or their corporate representatives in the case of members which are legal entities) to the live webcast or live audio feed of the AGM proceedings and providing them with any technical assistance where necessary;
- (v) 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;
- (vi) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and
- (vii) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

This Notice has been reviewed by the Company's sponsor SAC Capital Private Ltd (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, 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 Tay Sim Yee (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION

Mr Chong Soo Hoon, Sean and Oh Si Yang are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 22 July 2022 (“AGM”) (the “**Retiring Director**”).

Pursuant to Rule 720(5) of the Catalist Rules of the SGX-ST, the following is the information relating to the Retiring Director as set out in Appendix 7F of the Catalist Rules:

	CHONG SOO HOON, SEAN	OH SIYANG
Date of Appointment	1 October 2021	10 July 2020
Date of last re-appointment	-	9 October 2020
Age	47	31
Country of principal residence	Singapore	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, and the search and nomination process)	<p>The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee (“NC”) and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Chong Soo Hoon, Sean for re-appointment as Independent Non-Executive Director of the Company.</p> <p>The Board has reviewed and concluded that Mr Chong Soo Hoon Sean possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>	<p>The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee (“NC”) and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Oh Siyang for re-appointment as Executive Director of the Company.</p> <p>The Board has reviewed and concluded that Mr Oh Siyang possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director, member of the Audit Committee, Nominating Committee and Remuneration Committee	Executive Director
Professional qualifications	Bachelor (Honours) Degree in Accounting and Financial Studies (Second Upper Class Honours), University of Exeter	Bachelor of Business with a Major in Management and a Major in Marketing, University of Newcastle.

SUPPLEMENTAL INFORMATION

	CHONG SOO HOON, SEAN	OH SIYANG
Working experience and occupation(s) during the past 10 years	<p>2006 – 2013 Executive Director, Anda Consulting Pte Ltd</p> <p>2007 – 2013 Executive Director, Atom Capital Ltd</p> <p>2007 – 2013 Executive Director, Atom Investments Ltd</p> <p>2009 – 2013 Executive Director, Atom China Equity I Ltd</p> <p>2013 - 2022 Executive Director, Anda Capital Solutions Pte Ltd</p> <p>2022 - Present Executive Director, TNT Global Capital Pte Ltd</p>	<p>2015 – 2018 Owner and General Manager, Kosy Creative Solutions (Cancelled)</p> <p>2015 – 2015 Owner and General Manager, Soon Li Construction</p> <p>2014 – 2016 Business Development Advisor, Leatherback Co Pte Ltd</p> <p>2016 – 2019 Owner and General Manager, The Entrepreneur Diary (Cancelled)</p> <p>2014 – 2020 General Manager, Lam Chee Land Pte Ltd</p> <p>2014 – 2020 General Manager, Lam Chee Group</p> <p>2020 – Present Executive Director, Rich Capital Holdings Limited</p>
Shareholding interest in the listed issuer and its subsidiaries	No	No
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	Mr Oh Siyang is the son of Mr Oh Keh Yew, a substantial shareholder of the Company, with a direct and deemed shareholding interest of 6.27%.

SUPPLEMENTAL INFORMATION

CHONG SOO HOON, SEAN

OH SIYANG

Conflict of Interest (including any competing business) No

Mr Oh Siyang has stepped down from his executive functions in HCJ Construction Pte Ltd and Lam Chee Land Pte Ltd and has undertaken not to undertake any executive functions in HCJ Construction Pte Ltd and Lam Chee Land Pte Ltd throughout his tenure as an Executive Director of the Company.

Mr Oh Siyang has provided an undertaking in favour of the Company and its subsidiaries (the "Group") to mitigate any potential conflicts of interest between himself and the Group including: to make timely disclosures of any such conflicts of interests, to recuse himself from all discussions and decisions in relation to interested transactions, to give the first right of refusal to take up any business opportunity that directly or indirectly competes with any business carried on by the Group.

With the discontinuance of Suit 104 and settlement of suits with the various third parties, and the S216 action, Ken is no longer required to recuse himself from decisions relating to PT OKIB

Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer Yes

Yes

Other Principal Commitments* Including Directorships#

Past (for the last 5 years)

China Kangda Food Company Limited
Healthbank Holdings Limited

Pang Long Pte Ltd
Tech Built Construction Pte Ltd
Andori Ken (F&B) Pte Ltd
Gfuku Pte Ltd
Wong's Kitchen Pte Ltd
T&W Pte Ltd
Lam Chee Land Pte Ltd
Leatherback Co Pte Ltd
Kosy Creative Solutions
The Entrepreneur Diary

Present

Anda Capital Solutions Pte Ltd
China Yuanbang Property Holdings Ltd
Omnisense Systems Pte Ltd
TNT Global Capital Pte Ltd

Nil

SUPPLEMENTAL INFORMATION

CHONG SOO HOON, SEAN
OH SIYANG

- | | | | |
|-------|---|----|----|
| (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 |
| <hr/> | | | |
| (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 |
| <hr/> | | | |
| (c) | Whether there is any unsatisfied judgment against him? | No | No |
| <hr/> | | | |
| (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 |
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SUPPLEMENTAL INFORMATION

CHONG SOO HOON, SEAN
OH SIYANG

- | | | | |
|-------|--|----|----|
| (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 |
| <hr/> | | | |
| (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 |
| <hr/> | | | |
| (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 |
| <hr/> | | | |
| (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 |
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SUPPLEMENTAL INFORMATION

	CHONG SOO HOON, SEAN	OH SIYANG
(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
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-	No	No
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or		
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		

Disclosure applicable to the appointment of Director only

Any prior experience as a director of a listed company?	Not applicable, as this relates to the re-election of a director.	Not applicable, as this relates to the re-election of a director.
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If yes, please provide details of prior experience.

If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.

Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).

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RICH CAPITAL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No: 199801660M)

PROXY FORM

ANNUAL GENERAL MEETING TO BE HELD ON 22 JULY 2022 AT 4.00 P.M.

Important

1. The Annual General Meeting (“AGM”) will be held by 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 “Order”), and the subsequent amendments as well as the Joint Statement of the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation titled “Additional Guidance on the Conduct of General Meetings During Elevated Safe Distancing Period”.
2. Pursuant to the Order, the Company will implement alternative arrangements relating to attendance at the AGM by electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or audio-only means), submission of questions to the Chairman of the AGM in advance of the AGM, and voting by appointing the Chairman of the AGM as proxy, are set out in the Company’s announcement dated 7 July 2022. The Company will be responding to questions at least 48 hours prior to the deadline for the submission of proxy forms through the company’s announcement. The announcement can be accessed on the SGX website at <https://www.sgx.com/securities/company-announcements> on 18 July 2022.
3. **Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.**
4. For investors who have used their CPF monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
5. CPF Investors or Supplementary Retirement Scheme (SRS) investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 4.00 p.m. on 12 July 2022.
6. By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 7 July 2022 which may be accessed on the SGX website at <https://www.sgx.com/securities/company-announcements>.
7. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member’s proxy to vote on his/her/its behalf at the Annual General Meeting.**

I/We, _____

of _____

being a member/members of **RICH CAPITAL HOLDINGS LIMITED** (the “Company”), hereby appoint the Chairman of the Meeting as my/our proxy to attend and to vote for me/us on my/our behalf at the Annual General Meeting (“AGM”) of the Company to be held by way of electronic means on 22 July 2022 at 4.00 p.m. and at any adjournment thereof.

No.	Resolutions	For*	Against*	Abstain*
1	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 March 2022 together with the Directors’ Statement and Auditors’ Report.			
2	Approval of Directors’ Fees of S\$148,500 for the financial year ending 31 March 2023, to be paid quarterly in arrears.			
3	Re-election of Mr. Chong Soo Hoon Sean as a Director.			
4	Re-election of Mr. Oh Siyang as a Director			
5	Re-appointment of Messrs Foo Kon Tan LLP as auditors and to authorise the Directors to fix their remuneration.			
6	Authority to allot and issue shares (General Share Issue Mandate).			
7	Authority to allot and issue shares pursuant to the Rich Capital Performance Share Plan.			
8	Authority to allot and issue shares pursuant to the Rich Capital Employee Share Option Scheme.			

(*Please indicate your vote “For”, “Against” or “Abstain” with an “X” within the box provided. Alternatively, please indicate the number of votes “For” or “Against” within the box provided. If you wish the Chairman of the Meeting as your proxy to “Abstain” from voting on a resolution, please indicate “X” in the “Abstain” box in respect of that resolution. Alternatively, please indicate the number of shares that the Chairman of the Meeting as your proxy is directed to abstain from voting in that resolution. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as your proxy for that resolution will be treated as invalid.)

Dated this _____ day of _____ 2022.

Total Number of Shares held (see Note 1)

Signature(s) of Member(s)

or Common Seal of Corporate Member

Name: _____

NRIC/ Passport No.: _____

IMPORTANT: PLEASE READ NOTES BEFORE COMPLETING THIS PROXY FORM

Notes:

- 1 If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
- 2 Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. Please note that a member may not vote at the AGM otherwise than by way of appointing the Chairman of the Meeting as the member's proxy.

Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

CPF Investors or Supplementary Retirement Scheme (SRS) investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 4.00 p.m. on 12 July 2022) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.

- 3 The Chairman of the Meeting, as proxy, need not be a member of the Company.
- 4 The instrument appointing the Chairman of the Meeting as proxy must be submitted to the **Company's Share Registrar** in the following manner:
 - (i) if submitted electronically, be submitted via email to sg.is.proxy@sg.tricorglobal.com; or
 - (ii) if submitted by post, be lodged with the Company's Share Registrar, at 80 Robinson Road #11-02 Singapore 068898,

in either case, by no later than 20 July 2022, 4.00 p.m., being at least 48 hours before the time for holding the AGM.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before scanning and sending it by email to the email address provided above, or submitting it by post to the address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for shareholders to submit completed proxy forms by post, shareholders are strongly encouraged to submit completed proxy forms electronically via email.

- 5 The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its authorised officer(s) or its attorney duly authorised.
- 6 Where an instrument appointing the Chairman of the Meeting as proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) if the instrument appointing the Chairman of the Meeting as proxy is submitted by post, be lodged with the instrument of proxy, if the instrument appointing the Chairman of the Meeting as proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.
- 7 The Company shall be entitled to reject an instrument appointing the Chairman of the Meeting as proxy 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 on the instrument appointing Chairman of the Meeting as proxy (including any related attachment). In addition, in the case of members whose shares entered against their names in the Depository Register, the Company may reject an instrument appointing the Chairman of the Meeting as proxy lodged or submitted if such members are not shown to have shares against their names in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.
- 8 Members should take note that once this proxy form is submitted electronically via email to sg.is.proxy@sg.tricorglobal.com or lodged with the Company's Share Registrar, they cannot change their vote as indicated in the box provided above.
- 9 **Personal data privacy:** By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.



RICH CAPITAL

RICH CAPITAL HOLDINGS LIMITED

Company Registration No. 199801660M

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