



RICH CAPITAL

STEERING TOWARDS SUSTAINABILITY

Annual Report 2020

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This annual report has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. 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 document.

The contact person for the Sponsor is Mr. Joseph Au, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.



Rich Capital Holdings Limited (“Rich Capital” and, together with its subsidiaries, the “Group”) is engaged in the development, investment and management of residential, commercial and industrial properties in Singapore and Indonesia. Through a joint venture, the Group also has stake in the development of mixed residential and commercial units at the Oxley Convention City located in Batam, Indonesia and the redevelopment of 6 Kim Chuan Terrace. The Company is currently listed on the Catalist of the Singapore Exchange Securities Trading Limited.

MESSAGE TO SHAREHOLDERS

DEAR SHAREHOLDERS

On behalf of the Board of Directors, I present our annual report for the financial year ended 31 March 2020 (“FY2020”).

OVERVIEW

In the financial year ended 31 March 2019 (“FY2019”), we embarked on our transformative journey, diversifying into the property business. Our new line-up encompasses property development, investment and management, provision of specialist construction services, as well as the acquisition and sale of properties with yield-accretive and/or capital-growth potential. We then took on our new identity as Rich Capital Holdings Limited (“Rich Capital” or “the Group”), and also began our first three investments, namely, (i) the acquisition of an 80% stake in Oxley Batam Pte Ltd which was engaged in a joint venture project to construct, develop and manage Oxley Convention City, an integrated development in the heart of Batam’s financial district in Indonesia (the “Batam Project”); (ii) the purchase of a freehold industrial plot at 6 Kim Chuan Terrace (the “Kim Chuan Project”); and (iii) the acquisition of the freehold residential site along Thomson Road known as Peak Court via a joint venture (the “Peak Court Project”). To strengthen our property business by having a full spectrum of property construction products and services providing immediate and viable revenue-generating business to the Group, we had also entered into a conditional Share Purchase Agreement to acquire Rich-Link Construction Pte. Ltd. and Rich-Link Builders Pte. Ltd (“SPA”) (the “Proposed Acquisition”).

UPDATES ON OUR TRANSFORMATIVE JOURNEY

Despite our best intentions, the abovementioned investments as well as the Proposed Acquisition did not work out as we had anticipated, due to a number of issues arising from both Batam and Kim Chuan project, all projects currently have come to a halt. The Management is currently working with our team of legal advisors and partners to resolve the existing issues faced by the Group.

Batam Project

For the dispute and lawsuit regarding the Batam Project, litigation is currently ongoing and the Group is exploring all avenues to reach a settlement with all parties amicably and protect our interests in the project. We will make further announcements when there are material updates.

Proposed Acquisition

From May 2019, the Company started to receive a succession of legal letters from our Indonesian joint venture partner of PT Oxley Karya Indo Batam, raising various issues in the management of the Batam Project. As a result, the conditions precedent as provided for in the SPA, as amended by the Supplementary Agreement, could not be met by the long-stop date of 31 July 2019 and had lapsed and ceased to have any further effect as announced on 8 August 2019.

Peak Court Project

The Group had in June 2020 completed its disposal of the 50% of the total issued and paid-up share capital of Rich Capital Realty Pte. Ltd. (“RCR”), which in turn owns a stake in the Peak Court Project. Following this completion, the Group no longer holds any interest in RCR and also ceased to own any stake in the Peak Court Project. The funds received from this disposal have been partially utilised to meet ongoing operational and funding requirements.

Kim Chuan Project

The Board has been informed by the Company’s external auditors during our Board Meeting in July 2020 that First Capital Pte Ltd (“First Capital”), our wholly-owned subsidiary which holds the Kim Chuan Project, is in breach of a loan covenant in relation to the construction schedule of the construction of the project as construction had not commenced prior to the deadline of 30 April 2020 as agreed under the loan agreement. Both the Company and First Capital have not received any notice in relation of the breach, and we are working with the financial institution which has granted the loan for waiver of any breaches and to obtain an extension on the banking facilities to refinance the project. As at the date of this annual report, the Company’s executives are still in discussions with the financial institution and property partners. As and when there are any material updates to the Kim Chuan Project, the Group will make further announcements to update shareholders.

MESSAGE TO SHAREHOLDERS

FINANCIAL RESULTS UNDER REVIEW

The Group did not record any revenue for the financial year under review as we did not commence the development of Kim Chuan and the Group equity-accounted for its investments in the Batam Project and the Peak Court Project.

Legal and professional fees incurred in FY2020 mainly comprised of the legal fees incurred in connection with the dispute with the Indonesian joint venture partner on the Batam Project as well as the professional fees incurred on the ongoing independent review for the dispute over the Proposed Acquisition and the Batam Project. Share of losses from the Group's associate and joint venture both recorded an increase in FY2020, due to accounting for the share of loss over the full twelve-month period in the financial year compared to only nine months period in the previous year. As a result, the Group registered a higher net loss attributable to equity holders of approximately S\$3.6 million, 10% more than the S\$3.3 million recorded for FY2019.

In terms of financial position, the Group's total net assets weakened during the year, amounting to S\$25.5 million while equity attributable to shareholders stood at S\$16.3 million as on 31 March 2020.

As the hefty cash outlays for the property developments had been paid for in FY2019, the Group recorded a lower negative operating cash flow S\$2.3 million. Net cash generated from investing activities amounted to S\$7.5 million and net cash used in financing activities was S\$0.4 million. The Group closed the financial year with an ending cash and cash equivalents of S\$5.6 million as on 31 March 2020.

CHALLENGES IN THE MACROECONOMIC ENVIRONMENT

Since the start of 2020, the 2019 Novel Coronavirus ("COVID-19") pandemic took hold of the world, pushing countries into varying degrees of quarantines and lockdowns globally. Economies and social activities came to a standstill, with most industries taking hard hits operationally and financially. Singapore's economy has not been spared and is expected to undergo a challenging period. COVID-19 has cast a thick cloud of uncertainty on the economy and market sentiments in the next 3 years will likely remain cautious. The outlook for Singapore's real estate market is also expected to remain challenging. To that end, we will continue to closely monitor the market sentiment and the impact of the property cooling measures within the Singapore real estate market. We are also reviewing our current property portfolio to align with our business strategy and are keeping a lookout for new opportunities in real estate development and investments beyond.

SHAPING UP FOR THE FUTURE

As with all transformational journeys, it is a process that will take time to pull through and see the results and effects. The Group is currently still in the midst of undergoing its reformation phase. We look keenly towards the changes that will be forthcoming. We have also recently restructured our management team with a newly appointed Executive Director, Mr Oh Siyang, Chief Financial Officer, Mr Ong Eng Hock Simon and a whole new Business Development Team that will work doubly hard to lift the trading suspension of the Company's shares, resolve legal issues relating to our Batam Joint Venture, conclude the independent review while also ensuring that all the current issues at hand are duly resolved and to identify suitable business opportunities and partnerships that will benefit the Group in the long-term.

IN APPRECIATION

On behalf of the Board, I would like to express my gratitude to all our shareholders and business partners for their continued support and forbearance to us in such times of uncertainty and challenges. My team and I are dedicated to steering the Group in the right direction and to securing the best interests and value for all our shareholders. To all management and employees, I give my thanks for your tireless efforts and contributions. Let us work hand in hand to surmount the challenges and anticipate new horizons for Rich Capital.

Thank you.

Giang Sovann

Interim Chairman and Independent Non-Executive Director

BOARD OF DIRECTORS

KEN OH SIYANG

Executive Director

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

He has 8 years of experience in Property Development, Property Management, Building Construction, Civil Engineering, Fashion Manufacturing and Food & Beverages during his career both in the South East Asia Region and China. He was previously Executive Director of HCJ Construction Pte Ltd, a Building and Construction Authority B1 Civil Engineering Construction Company, which is a subsidiary of Lam Chee Group where he had also served as General Manager for its Property and Food & Beverage arm, Lam Chee Land Pte Ltd.

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

He was also previously Vice-President of the Sultan Plaza Association, Vice-President of Closed Entrepreneur & Second-Generation Group 2G Society. Today, he continues to serve various trade & cultural associations in their Executive Committees in various roles.

GIANG SOVANN

Interim Chairman & Independent Non-Executive Director

Giang Sovann was appointed to the Board on 22 January 2018. He is the Chairman of the Audit Committee and a Member of the Nominating and Remuneration Committees.

Mr. Giang is a senior director at RSM Risk Advisory, a leading governance, risk and consulting firm in Singapore. He is also the Lead Independent Director, Chairman of the Audit and Risk Committee, as well as a member of the Nominating Committee and the Remuneration Committee of Silkroad Nickel Ltd, and independent director of Cambodia Post Bank PLC and Funan Microfinance PLC. Mr. Giang was the executive director of the Singapore Institute of Directors and had served as executive director, independent director and chief financial officer of a number of listed companies. He started his career as a public accountant with a Big-4 firm in Canada and Singapore. He also has many years of experience in business management, having served as a senior executive at a multinational company and a regional conglomerate, and has managed companies in many industries including aerospace, food and beverage, flexible packaging, mining, oil and gas, real estate, telecommunications as well as trading and distribution. Mr. Giang holds a Bachelor of Administration degree with Great Distinction from the University of Regina, Canada and is a Chartered Accountant of Singapore, a Chartered Professional Accountant of Canada, and a member of the Singapore Institute of Directors.

JAMES KHO CHUNG WAH

Independent Non-Executive Director

James Kho Chung Wah 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. He is also currently an Independent Director of Pollux Properties Ltd. 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

CHANG CHI HSUNG

Independent Non-Executive Director

Chang Chi Hsung was appointed to the Board on 23 June 2020. He is a Member of the Audit, 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. Prior to founding OA group of companies, he worked in KPMG Malaysia, KPMG Singapore and Mazars Singapore where he gathered his experience in audit and accounting advisory.

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 also a Non-Executive Director, IPO and 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.

He graduated with a Bachelor of Commerce degree in Accounting and Finance from The University of New South Wales, Australia, in 2001. He is a Chartered Accountant of Singapore and Malaysia, a fellow member of CPA Australia, a member of Hong Kong Institute of CPA and is also qualified as an ASEAN Chartered Professional Accountant. Mr Chang has been a member of the Singapore Institute of Directors since 2017.

EXECUTIVE OFFICER

SIMON ONG ENG HOCK

Chief Financial Officer

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

Simon started his career as an audit assistant in KPMG Peat Marwick in 1991 and was subsequently promoted to audit senior, audit supervisor and audit manager in 1992, 1994 and 1996 respectively. Between 1996 and 1999 he served as director of corporate and financial planning in King George Development Corporation. Between 2000 and 2002, he worked at KPMG as Audit Manager.

He was appointed as Group Finance Manager of Hwa Hong Corporation in 2002 and promoted to Chief Financial Officer in 2004, a position he held till July 2012.

He became Executive Director of Asiaphos Limited in 2012 till June 2019. He was re designated as Non- Executive Director in July 2019. He is a member of the Audit and Remuneration Committee in Asiaphos Limited.

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 (the “Company” and together with its subsidiaries, the “Group”) is engaged in the development, investment, management of residential, commercial and industrial properties in Singapore and the region. During the financial year ended 31 March 2020 (“FY2020”), a succession of issues surrounding the Batam Project arose. The Management is currently working with our team of legal advisors and partners to come up with solutions to resolve issues in relation to Batam Project.

FINANCIAL PERFORMANCE

Revenue and Income

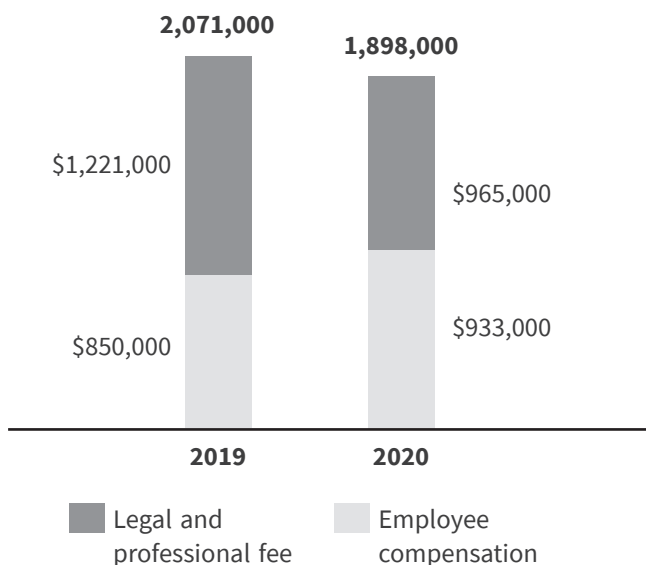
No revenue was recorded during FY2020 as the Company did not commence the development of the Kim Chuan Project and the Group equity-accounted its investment in both the Batam Project and 333 Thomson Road Project. Accordingly, no cost of sales and gross profit was recorded in FY2020.

Other income decreased mainly due to the absence of gain on extinguishment of liability arising from dormant subsidiaries as compared to the previous financial year.

Expenses

General and Administrative Expenses

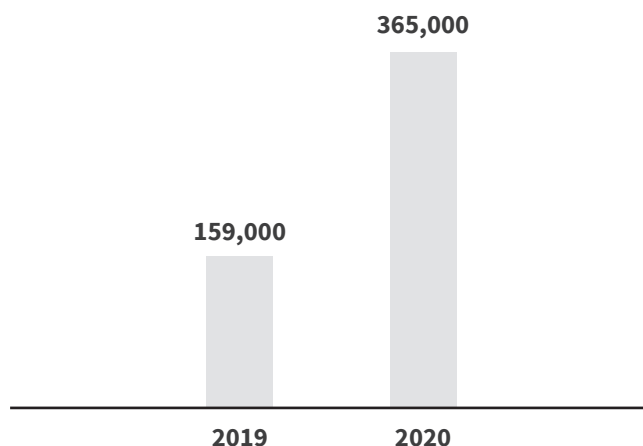
General and administrative expenses dipped slightly by \$0.2 million, mainly due to lower legal and professional fees incurred during the financial year compared to that in the financial year ended 31 March 2019 (“FY2019”) where the Group undertook various corporate actions.



Finance Cost

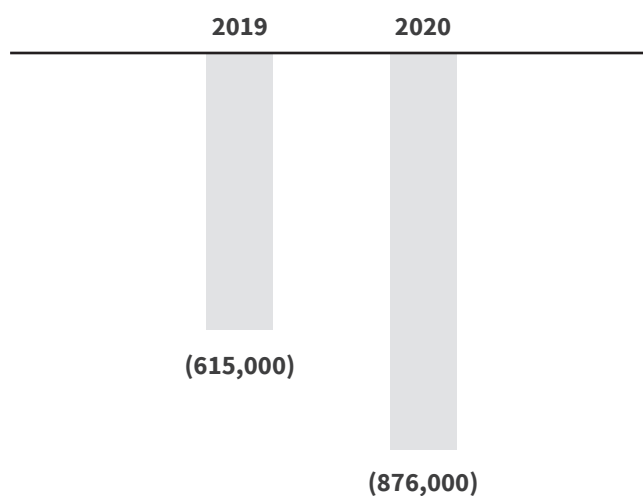
Finance cost edged up by \$0.2 million, mainly attributable to interest expenses incurred in the Kim Chuan Project as we recorded a full-year’s interest expenses for FY2020 compared to the six-month interest expenses recorded from October 2018 to March 2019 for FY2019.

Kim Chuan Project



Share of Associate’s Loss

Share of TSRC Novena Pte. Ltd (“TSRC”)’s loss in relation to 333 Thomson Road Project increased approximately \$0.3 million, mainly arising from higher finance cost incurred in associate for the full-year FY2020 as opposed to the approximate 10.5 months of interest expenses recorded in FY2019 as the associate being incorporated in May 2018.

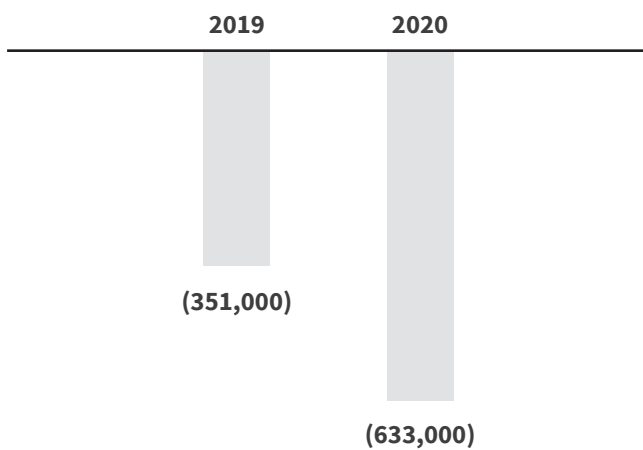


OPERATING & FINANCIAL REVIEW

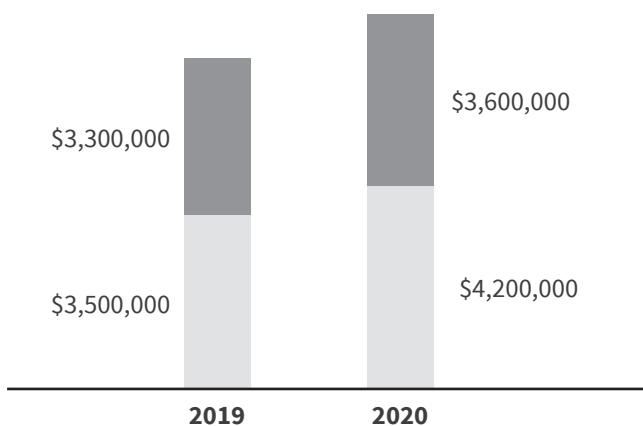
Share of Loss from a Joint Venture

The key cost in the joint venture mainly comprise of payroll, depreciation expenses, showflat expense, professional fees, and other general administrative expenses, etc.

Accounting for its share of loss in the Batam Project over the full twelve-month period in FY2020, the Group saw a rise in its share of loss from a joint venture. This was against sharing its loss for the only nine-month period from July 2018 to March 2019 for FY2019, with the Group having deemed to have completed its acquisition of the Batam Project on 30 June 2018.



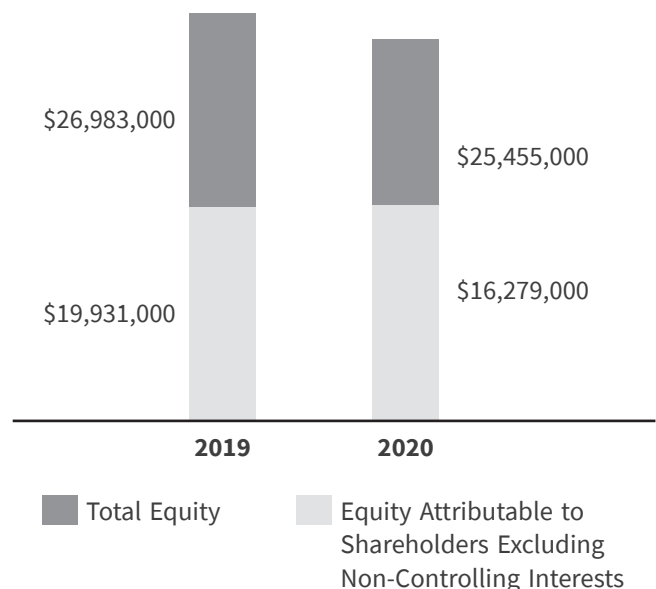
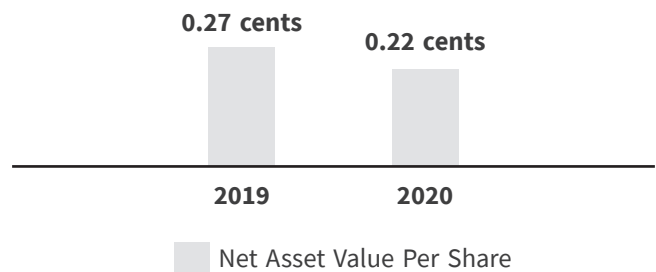
As a result of the above, the Group reported a higher net loss for the year of \$4.2 million and a net loss attributable to equity holders of the Company of \$3.6 million in FY2020 compared to \$3.5 million and \$3.3 million respectively in FY2019.



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

FINANCIAL POSITION

As at 31 March 2020, net asset value per share declined from 0.27 cents as at 31 March 2019 to 0.22 cents. The Group's total equity stood at \$25.5 million, a reduction of \$1.5 million from the \$27.0 million as at the previous corresponding year end. Equity attributable to shareholders excluding non-controlling interests amounted to \$16.3 million as at 31 March 2020, a slight drop from the \$20.0 million as at 31 March 2019.



■ Total Equity
 ■ Equity Attributable to Shareholders Excluding Non-Controlling Interests

OPERATING & FINANCIAL REVIEW

The investment in a joint venture in FY2020 decreased from \$14.8 million to \$12.8 million due mainly to the return of an advance payment under the letter of award for the construction of the Batam Project.

Investment in TSRC in connection with 333 Thomson Road Project did not register any balance in FY2020 due to the reclassification of the said investment to “assets of disposal group classified as held-for-sale” with balance being \$12.0 million as at 31 March 2020. Liabilities directly associated with disposal group classified as held-for-sale was registered at \$0.4 million as at 31 March 2020.

Trade and other payables increased largely due to the purchase consideration of \$6.5 million received in advance from the purchaser in relation to the proposed disposal of 50% of the entire issued share capital of Rich Capital Realty Pte. Ltd. (“RCR”) in connection with 333 Thomson Road Project as at 31 March 2020.

In view of above, working capital of the Group strengthened from \$2.4 million as at 31 March 2019 to \$12.6 million as at 31 March 2020 mainly due to assets of disposal group classified as held for sale in relation to proposed disposal of 50% of the entire issued share capital of RCR in connection with 333 Thomson Road Project.

CASH FLOW

Net cash used in operating activities reduced for the year, from \$12.9 million to \$2.3 million for FY2020, arising from higher loss before tax of \$4.2 million in FY2020 offset by the share of results for both the Batam Project and 333 Thomson Road Project, as well as finance cost incurred on the Kim Chuan Project.

Net cash inflows from investing activities was \$7.5 million in FY2020 and was mainly attributable to the return of the \$2.0 million advance payment under the letter of award for the construction of the Batam Project and purchase consideration of \$6.5 million received in advance from the purchaser in relation to the proposed disposal of the 50% of the entire issued share capital of RCR, offset against \$1.0 million of shareholder’s loan in the 333 Thomson Road Project.

Net cash outflows from financing activities amounted to \$0.4 million, reflecting mainly interest paid related to a bank loan in relation to the Kim Chuan Project.

OUTLOOK

2020 has been riddled with headwinds that pose intense challenges to the macroeconomic environment. COVID-19 came at the start of the year, causing countries and economies to be adversely affected. A thick cloud of uncertainty remains till date, with the virus still rampant in several countries while other countries struggle to get their economies up and going again. The construction sector has been badly hit, with market sentiments likely to remain cautious. The outlook for Singapore’s real estate market is also expected to remain challenging.

The Group has completed the proposed disposal of the 50% of the entire issued share capital of RCR on 2 June 2020 in connection with 333 Thomson Road Project to meet its ongoing operational and funding obligations. This also allows us the opportunity to review our property portfolio to align with our business strategy and search for new prospects in real estate development and investments. We will also continue to monitor the market sentiment and impact of the property cooling measures within the Singapore real estate market.

For all the issues surrounding the projects currently on hand, the Management is working closely with our legal advisors and partners to work out the best solutions to resolve the matters and protect the best interests of the Group. Furthermore, we will keep a keen eye to identify suitable business opportunities and partnerships that will stand to benefit the Group in the long-term.

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Giang Sovann

*Interim Chairman and
Independent Non-Executive Director*

Chang Chi Hsung

Independent Non-Executive Director

James Kho Chung Wah

Independent Non-Executive Director

Oh Siyang

Executive Director

AUDIT COMMITTEE

Giang Sovann

Chairman

James Kho Chung Wah

Member

Chang Chi Hsung

Member

NOMINATING COMMITTEE

James Kho Chung Wah

Chairman

Giang Sovann

Member

Chang Chi Hsung

Member

REMUNERATION COMMITTEE

James Kho Chung Wah

Chairman

Giang Sovann

Member

Chang Chi Hsung

Member

COMPANY SECRETARY

Lee Bee Fong

REGISTERED OFFICE

80 Robinson Road #02-00 Singapore 068898

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F: +65 6236 4399

PRINCIPAL PLACE OF BUSINESS

459 MacPherson Road

#03-01 Singapore 368177

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: Ang Soh Mui

(Appointed with effect from the financial year ended
31 March 2020)

PRINCIPAL BANKER

United Overseas Bank Limited

SPONSOR

PrimePartners Corporate Finance Pte. Ltd.

16 Collyer Quay #10-00 Income at Raffles,

Singapore 049318

CORPORATE GOVERNANCE

The Board of Directors (the “Board” or “Directors”) of Rich Capital Holdings Limited (the “Company”) is 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”) for the financial year ended 31 March 2020. 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.

Principle 1:

The Board’s Conduct of its Affairs

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provision 1.1

The Board 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 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 has adopted a policy where the Directors who are interested in any matter being considered, recuse themselves from discussion and decision-making involving the issue of conflict or potential conflict.

Provision 1.2

With assistance of 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 FY2020, 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. In addition, for a newly appointed Director who does not have prior experience in a listed

company, the Company will provide some training in areas such as accounting and legal where necessary for instance, by enrolling them for the Listed Company Directors Programme organised by the Singapore Institute of Directors and as prescribed by the Exchange.

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. Newly appointed first-time director, Mr Oh Siyang, will attend the required courses prescribed by SGX within the timeframe prescribed by the SGX.

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 Giang Sovann

Mr James Kho Chung Wah

Mr Chang Chi Hsung

During FY2020, the Board also comprises of: -

- (i) Mr Kuek Tee Meng (appointed on 1 January 2019 and resigned with effect from 20 June 2019) as Executive Director, Finance;
- (ii) Mr Wong Quee Quee Jeffrey (appointed on 28 September 2019 and resigned with effect from 2 April 2020), Independent Non-Executive Director; and
- (iii) Mr Wang Zhen Wen (appointed on 5 January 2018 and resigned with effect from 14 November 2019), Non-Independent Non-Executive Director.

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

- (1) Approving the Group's goals, strategies and objectives;
- (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 the announcement of unaudited quarterly financial results, unaudited full year financial results and audited financial statements;
- (6) Endorsing remuneration framework and key human resource matters of the Group;
- (7) Convening of general meetings;
- (8) Approving annual budgets, major funding proposals, major acquisition and major disposal of investments according to the Catalist Rules of the SGX-ST; and

CORPORATE GOVERNANCE

- (9) Assuming responsibility for corporate governance and compliance with the Companies Act, Chapter 50 and the rules and regulations applicable to a public listed company.

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”), 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 roles and powers of the Board Committees are set out separately in this Statement.

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 teleconferencing 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 FY2020 and the attendance of each Director, where relevant. are set out as follows:

	Board of Directors	Audit Committee	Remuneration Committee	Nominating Committee
No. of meetings held	3	4	1	2
Wang ZhenWen ⁽¹⁾	1	1	1	1
Oh Siyang ⁽²⁾	-	-	-	-
Giang Sovann	3	4	1	2
James Kho Chung Wah	3	4	1	2
Kuek Tee Meng ⁽⁵⁾	1	-	-	-
Wong Quee Quee ⁽³⁾	2	3	-	-
Chang Chi Hsung ⁽⁴⁾	-	-	-	-

Notes:

- (1) Mr Wang ZhenWen was appointed on 5 January 2018 and had resigned on 14 November 2019;
- (2) Mr Oh Siyang was appointed on 10 July 2020;
- (3) Mr Wong Quee Quee was appointed on 28 September 2019 and had resigned on 2 April 2020;
- (4) Mr Chang Chi Hsung was appointed on 23 June 2020; and
- (5) Mr Kuek Tee Meng was appointed on 3 January 2019 and had resigned on 20 June 2019.

Directors with multiple board representation are to 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 Giang Sovann and Mr Chang Chi Hsung.

During the year, the Mr Giang and Mr Kho also attended several meetings with the Company's lawyers handling the legal issues arising from the Group's investment in the Batam project.

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.

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 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 is subject to the approval of the Board pursuant to the Constitution of the Company.

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

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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 the 31 March 2020, the Board Comprises of three (3) non-executive independent Directors.

The Directors in the office at the date of the Annual Report are:

Name of Director	Role Undertaken	Board Committee Membership
Giang Sovann	Interim Chairman and Non-Executive Independent Director	AC NC RC
James Kho Chung Wah	Non-Executive Independent Director	AC NC RC
Chang Chi Hsung	Non-Executive Independent Director	AC NC RC
Oh Siyang	Executive Director	NIL

As of the date of the Annual Report, the Company has not appointed any Alternate Director.

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 majority of the Board; notwithstanding that the Chairman of the Board is independent. 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.

Provision 2.4

The composition of the Board is reviewed annually by the NC and the Board to ensure that there is an appropriate mix of expertise and experience to enable the Management to benefit from a diverse perspective of issues that are brought before the Board.

Given the diverse qualifications, experience, background, gender and profile of the Directors, including the Independent Directors, the NC is of the view that the current Board members as a group provides an appropriate balance and diversity of relevant skills, experience and expertise required to avoid groupthink and foster constructive debate.

The Board is of the view that the current size, composition, range of experience and the varied expertise of the current Board members provides core competencies in business, investment, industry knowledge, legal, regulatory matters, audit, accounting and tax matters which are necessary to meet the Group's needs.

Key information regarding the Directors is set out on page 18 and 19 of the Annual Report.

Provision 2.5

Non-Executive and Independent Directors contribute to the Board process 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 in FY2020 without the presence of Management. The Chairman of such meetings provides feedback to the Board as appropriate.

**Principle 3:
Chairman and Chief Executive Officer**

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1 and 3.2

As at 31 March 2020 and the date of this report, the roles and responsibilities of the Chairman and the Executive Director ("ED") (i.e. Chief Executive Officer equivalent in the Company) are held by separate individuals. The Chairman manages the business of the Board whilst the ED and his management team translate the Board's decisions into executive action.

The roles and responsibilities of the Chairman and the ED are held by separate individuals. The Chairman manages the business of the Board whilst the ED and his management team translate the Board's decisions into executive action. The roles of the Chairman and Executive Officer are held by different individuals. After the resignation of the former Non-Independent Non-Executive Chairman, Mr Wang ZhenWen, on 14 November 2019, Mr Giang Sovann has been appointed as the Interim Independent Non-Executive Chairman with effect from 23 December 2019.

The Executive Director works together with the Management team and report 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.

There is no family relationship between the Interim Independent Non-Executive Chairman, Mr Giang Sovann and the Executive Director, Mr Oh Siyang.

The Chairman also ensure that 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 Chairman 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.

Provision 3.3

As at the date of this report and for FY2020, the Company does not have a Lead Independent Director as both the Chairman and ED are separate persons.

CORPORATE GOVERNANCE

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1

The NC 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) 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 Board 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 concerned him/her, if any.

Provision 4.2

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

James Kho Chung Wah (Chairman)
Giang Sovann
Chang Chi Hsung

Mr Wong Quee Quee Jeffrey, a former Independent Non-Executive Director of the Company; and Mr Wang Zhen Wen were also members of the NC during FY2020 prior to their respective resignations on 2 April 2020 and 14 November 2019.

The majority 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 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 James Kho Chung Wah who will be retiring by rotation in accordance with Regulation 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 9 October 2020.

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 FY2020. Together with the NC, the Board affirmed that Mr Giang Sovann, Mr James, Kho Chung Wah and Mr Chang Chi Hsung continue to be independent pursuant to the definition of Independence under 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.

CORPORATE GOVERNANCE

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 FY2020.

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 FY2020, which are planned and scheduled in advance. -

Please refer to Annual Report page 18 and 19 for listed company directorships and principal commitments of each director.

Information On Directors

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 Reappointment	Present Directorships in Listed Companies	Past Directorships in Listed Companies	Other Principal Commitment if any
Oh Siyang	Executive Director	10 July 2020	N.A.	-	-	-
Giang Sovann	Interim Chairman & Non-Executive Independent Director	22 January 2018	30 July 2018	Silkroad Nickel Ltd	Epicentre Holdings Limited Resources Prima Group Limited	Senior Director (RSM Risk Advisory Pte Ltd) Independent Director (Cambodia Post Bank PLC) Independent Director (Funan Microfinance PLC)
James Kho Chung Wah	Non-Executive	5 January 2018	30 July 2018	Pollux Properties Ltd	Serrano Holdings Limited	Chief Executive Officer

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	Independent Director			SBI Offshore Ltd	China Environment Ltd	(Willan Capital Pte Ltd)
Chang Chi Hsung	Non-Executive Independent Director	23 June 2020	N.A.	Reclaims Global Limited (SGX) Haina Intelligent Equipment International Holdings Limited (HKSE)		Managing Director (OA Group of companies)

Save for Mr Oh Siyang who is the son to Mr Oh Keh Yew, being a substantial shareholder of the Company, neither Mr Giang Sovann, Mr James Kho Chung Wah nor Mr Chang Chi Hsung 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.

Principle 5: Board Performance

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

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 are conducted by the NC annually. The review of the performance of each Director is also conducted at least annually and when the individual Director is due for re-election.

The findings of the evaluation questionnaire are collated and analysed, 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 is the board and its Board Committees are effective and that the directors has effectively discharged their duties to the Board.

Provision 5.2

For the year under review, 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

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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 and the Board Committees as a whole for FY2020 had been conducted. It was satisfied that all Directors individually and severally contributed effectively and demonstrated full commitment to their roles, accordingly, the performance of the Board and the Board Committees for FY2020 were satisfactory.

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

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

For the year under review, the Board did not engage an independent external consultant to facilitate the annual review of the performance of the Board and the Board Committees.

**Principle 6:
Procedures for Developing Remuneration Policies**

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1

In consultation with the Chairman of the Board, 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 and employees related to Directors or controlling shareholder of the Group, if any, which include a performance-related variable bonus component;
- (3) 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;
- (4) To review and recommend the remuneration package of employees related to Directors or controlling shareholder of the Group, if any; and
- (5) To review the contracts of service of the Executive Directors and Key Management Personnel of the Group.

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 him, 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)
Giang Sovann
Chang Chi Hsung

Mr Wong Quee Quee Jeffrey, a former Independent Non-Executive Director of the Company; and Mr Wang Zhen Wen were also members of the RC during FY2020 prior to their respective resignations on 2 April 2020 and 14 November 2019.

The RC as at 31 March 2020 and the date of this annual report comprises at least 3 directors and entirely of Non-Executive and Independent Directors.

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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 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 aims to be fair and avoid rewarding poor performance during the course of RC's duties including in the event of termination, termination clauses should be fair and not overly generously in respect of contract services entered into with Executive Directors and Key Management Personnel of the Group.

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 for FY2020.

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and Key Management Personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

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 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 NEDs 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 NEDs were 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 IDs 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\$153,000 for FY2021, to be paid quarterly in arrears, to be approved by Shareholders at the forthcoming 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.

Principle 8: Disclosure on Remuneration

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

Provision 8.1

Details on the remuneration of Directors and key management personnel for the year under review are reported below. There are no terminations, retirement and post-employment benefits granted to the Directors and key management for FY2020.

The remuneration bands of the Directors for FY2020 are as follows:

Name of Directors	Salary (%)	Fees ⁽¹⁾ (%)	Total (%)
Below S\$250,000 per annum			
Wang Zhenwen ⁽²⁾	-	100	100
Giang Sovann	-	100	100
James Kho Chung Wah	-	100	100
Wong Quee Quee ⁽³⁾	-	100	100
Kuek Tee Meng ⁽⁴⁾	100	-	100

Notes:

- (1) Comprised solely of Directors' fee which was approved by shareholders at the last annual general meeting held on 28 September 2019.
- (2) Wang ZhenWen was appointed on 5 January 2018 and had resigned on 14 November 2019.
- (3) Wong Quee Quee was appointed on 28 September 2019 and had resigned on 2 April 2020.
- (4) Kuek Tee Meng was appointed on 3 January 2019 and resigned on 20 June 2019.

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The Group only has two Key Management Personnel for FY2020. The breakdown (in percentage terms) of the remuneration of the two Key Management Personnel of the Group for FY2020 are set out as below:

Name of Key Management Personnel	Designation	Salary ⁽¹⁾ (%)	Allowances (%)	Bonus ⁽²⁾ (%)	Total (%)
Below S\$250,000 per annum					
⁽³⁾ Zhang Qi	Senior Vice President, Operations	100	-	-	100
⁽⁴⁾ Leow Quek Kien	Financial Controller	100	-	-	100

Notes:

- (1) Salary refers to basic salary, allowance and employer's provident fund or equivalent contributions thereof.
- (2) Bonus refers to variable bonus and employer's provident fund or equivalent contributions thereof.
- (3) Zhang Qi cessation date is 22 July 2020
- (4) Leow Quek Kien cessation date is 7 August 2020

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.

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 names and 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 FY2020. Accordingly, the aggregate remuneration paid to the Key Management Personnel for FY2020 will also not be provided in the Annual Report.

Provision 8.2

For the year under review, there is no employee in the Group who is an immediate family member of a Director, substantial shareholder, and whose remuneration exceeds S\$100,000 during FY2020. For FY2020, the Company did not have a CEO.

Provision 8.3

There were no options and awards granted under the Scheme and the Plan in FY2020. 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.

**Principle 9:
Risk Management and Internal Controls**

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.

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 23 to the Financial Statements as set out in this Annual Report.

As at the date of this annual report and during FY2020, the Board and the AC reviewed the management's Enterprise Risk Management Report and reports submitted by the internal auditors Baker Tilly on pre-selected areas of the operations of the Group Control Environment Assessment, Sales Collections, Procurement, Interested person transactions, cash management and IT general controls. The selection process will follow a cycle of a few years so that all key operations/units of the Group would be subject to an internal audit within the cycle. This is to ensure the effectiveness of the Group's internal controls on all aspects of the Group including financial, operations, compliance and information technology usage.

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 2020 to address the financial, operational, compliance risks and information technology risk which the Group considers relevant and material to its operations.

Based on the internal controls established and maintained by the Group, work performed by the internal auditors and external auditors, the enterprise risk management report and reviews performed by the Management, various Board Committees and the Board, with concurrence of the AC, is of the opinion that save for the SGX-ST approved scope of work as announced on 14 August 2019 that is currently undergoing independent review ("**Independent Review**"), the Group's internal controls, addressing financial, operational, compliance risks, information technology controls, and risk management systems are adequate and effective as at date of this Annual Report. 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. The Company will make further announcements to update shareholders on any material developments on the Independent Review where appropriate.

CORPORATE GOVERNANCE

Provision 9.2

The Board noted that the Company's current Executive Director, Oh Siyang, and the Chief Financial Officer, Ong Eng Hock Simon, joined the Company subsequent to the financial year end of 31 March 2020. Notwithstanding the aforesaid, 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, they have provided the Board the assurance that:

- (a) to the best of their knowledge, the financial records have been properly maintained and having regard to the disclosures in the notes to the accounts, in particular Notes 2, 3(a), 5, 8, 26, 28 and 29 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.

Principle 10: Audit Committee

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 recommend the re-appointment of the external and internal auditor, and approve the remuneration of the external and internal auditor;

- (8) To oversee co-ordination where more than one auditing firm or auditing corporation is involved in the Group's external audit;
- (9) To review the independence of the external auditor and internal audit function annually;
- (10) 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
- (11) 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.

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 concerned him, if any.

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 page 86 of the Annual Report.

The Group's overseas subsidiaries, namely Infinio Korea Co. Ltd, 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 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.

The AC has adopted a whistle-blowing policy pursuant to which an appropriate channel has been established for the Group's employees or any other persons to report and to raise, in good faith and in confidence, their concerns about possible improprieties in matters of financial reporting or other matters of the Group through emails.

The whistle-blowing policy was last reviewed by the AC in August 2019 to ensure that the Group's whistle-blowing policy staying relevant and reaching out to the Group's employees in Singapore and overseas.

There were 2 whistle-blowing reports received in FY2020 by the whistle-blowing committee and the procedures as set out in the whistle-blowing policy have been adhered to in the handling of these reports.

During FY2020, the key activities carried out by AC included but is not limited to:

- (1) Reviewed and recommended unaudited the Company's half-yearly 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 determining 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 FY2020 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 Persons 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 FY2020, the AC has discussed with the Management on the accounting principles that were applied as well as to 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

- Goodwill on acquisition of Oxley Batam and its joint venture;
- Valuation of mining rights and recoverable amount of cost of investment in subsidiary;
- Appropriateness of going concern assumption;
- Impairment of investment in Subsidiaries, Associate and Joint Venture;
- Risk of Management override of controls;
- Carrying value of development property;
- Contingent Liabilities;
- Understatement of trade and other payables;
- Borrowings – Compliance with loan covenants;
- Related Party Transactions;
- Assets held for sale

The AC reviewed the work of Management and made enquiries 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 annual report are as follows:

Giang Sovann (Chairman)
James Kho Chung Wah
Chang Chi Hsung

Mr Wong Quee Quee Jeffrey, a former Independent Non-Executive Director of the Company; and Mr Wang Zhen Wen were also members of the AC during FY2020 prior to their respective resignations on 2 April 2020 and 14 November 2019.

As at 31 March 2020 and the date of this annual 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 are 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 FY2020, 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 FY2020, 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 Chairman of the Board, Executive Directors and CEO 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.

CORPORATE GOVERNANCE

For FY2020, the AC has reviewed the experience and credentials of Baker Tilly TFW LLP as outsourced internal auditors including the assigned engagement personnel's experience and is satisfied that it is independent, effective and adequately qualified (given, *inter alia*, its adherence to standards set by nationally recognised professional bodies) and resourced in delivering the internal audit services and has appropriate standing within the Group to discharge its duties effectively. 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.

Provision 10.5

During FY2020, 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

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, positions and prospects.

Provision 11.1

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 in question and answer sessions 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. 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 as the action they should take, they should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. All notices of all general meetings will be advertised in a national newspaper in Singapore and 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 in his place.

CORPORATE GOVERNANCE

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 meeting.

Provision 11.3

The Chairman 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 advisers are also present to address any relevant queries from shareholders. All the Directors were present at the last AGM held on 28 September 2019.

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.

CORPORATE GOVERNANCE

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 FY2020 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.

Principle 12: Engagement with Shareholders

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, including the Chairman 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-sensitive information to SGX-ST through SGXNET.

Provisions 12.2 and 12.3

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

In line with our sustainability practices and efforts, we have discontinued the CD-ROM version of the annual report to shareholders with effect from 2018. Shareholders can, from now on, access the annual reports and the circulars of the Company available on our website. The notices of the Company's AGMs (which are also advertised in the press) and Company's results are published via SGXNET. In order to address its shareholders' concerns and to share views, the Company also conducts media and analysts briefing for its full-year results to provide market updates on the Group's businesses as well as the steps and measures being taken to further understand shareholders' viewpoints and concerns.

The Company endeavours to make timely disclosure of material and price-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 query on investor relations, they may contact general@richcapital.com.sg.

Principle 13:
Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provision 13.1, 13.2 and 13.3

Please refer to the Company's sustainability report for FY2020 released on the SGXNET on 31 August 2020 for further information on: - (i) the Group's identification of its material stakeholder groups and its engagement and management of relationships with these stakeholders; and (ii) strategy and key areas of focus in relation to the management of stakeholder relationships during FY2020.

The Company believes in providing sufficient and regular information to its shareholders. The Company does not practice selective disclosure and ensures timely and adequate disclosure of price-sensitive and material information to shareholders of the Company via SGXNET. Whenever possible, 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. The Company ensures information communicated to its stakeholders, such as announcements are released on the SGXNET outside trading hours on a timely basis. Such announcements include the half-year and full-year results, material transactions and other developments relating to the Group which require disclosure under the corporate disclosure policy of the SGX-ST and changes which would likely have a material effect on the price or value of the Company's shares.

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 and Management from dealing in the Company's securities on short-term considerations or during the period commencing one (1) month before half-year or full-year financial results announcement, as the case may be, and ending on the date of the announcements of the relevant results.

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 has complied with Rule 1204(19) of the Catalist Rules in FY2020.

CORPORATE GOVERNANCE

NON-SPONSOR FEES

The non-sponsorship fees paid to the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd., during FY2020 was S\$60,000. The non-sponsorship fees paid were in respect of financial advisory services provided to the Company in relation to the proposed acquisition of Rich-Link Construction Pte Ltd and Rich-Link Builders Pte Ltd that were invoiced in FY2019.

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 FY2020.

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 FY2020. In FY2020, 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 2020

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 2020.

In our opinion,

- (a) having regard to the matters disclosed in the notes to the financial statements, in particular Notes 2, 3(a), 5, 8, 26, 28 and 29, 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 2020 and the financial performance, changes in equity and cash flows of the Group for the year financial year ended on that date in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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) (Appointed on 10 July 2020)

Giang Sovann (Interim Chairman and Independent Non-Executive Director)

James Kho Chung Wah (Independent Non-Executive Director)

Chang Chi Hsung (Independent Non-Executive Director) (Appointed on 23 June 2020)

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 Companies Act, Cap. 50, 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, except as follows:

	<u>Number of ordinary shares</u>			
	<u>Shares registered in the name of director</u>		<u>Shares in which director is deemed to have an interest</u>	
	<u>As at 1.4.2019</u>	<u>As at 31.3.2020</u>	<u>As at 1.4.2019</u>	<u>As at 31.3.2020</u>
<u>The Company</u>				
Giang Sovann	3,000,000	3,000,000	-	-
Wang ZhenWen (Resigned on 14 November 2019)	2,168,079,900	-	578,000	-

The Directors' interests in Shares of the Company as at 21 April 2020 were the same as those as at 31 March 2020.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

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:

- (iv) Independent Directors shall not exceed 5% of the total number of Shares available under the Scheme.
- (v) 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.
- (vi) 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 2020

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 Catalist 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:

Giang Sovann (Chairman)
James Kho Chung Wah
Wong Quee Quee Jeffrey (Resigned on 2 April 2020)

The Audit Committee performs the functions set out in Section 201B (5) of the Companies Act, Cap. 50, the SGX Listing Manual 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 2020.

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 2020

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 SGX Listing Manual.

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

.....
GIANG SOVANN

.....
JAMES KHO CHUNG WAH

Dated: 12 September 2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RICH CAPITAL HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Disclaimer of opinion

We were engaged to audit the 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 2020, 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.

We do not express an opinion on the accompanying consolidated financial statements of the Group, and the statement of financial position of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Goodwill on acquisition of Oxley Batam Pte. Ltd. and its joint venture

Our audit reports dated 11 September 2019 on the financial statements for the previous financial years ended 31 March 2019 contained a qualified opinion on the goodwill on acquisition of Oxley Batam Pte. Ltd. ("OB") and its joint venture.

On 18 May 2018, the Company announced the completion of the acquisition of an 80% equity interest in OB by its wholly-owned subsidiary, Rich Batam Private Limited ("Rich Batam") from a wholly-owned subsidiary of Oxley Holdings Limited ("OHL"). OB 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 ("OCC") Project in Batam. The consideration paid to OHL comprises of (a) a sum of \$4, representing the consideration for the sale of the ordinary share in OB; and (b) a sum of \$10,393,467, representing the consideration for the novation of a loan from OHL to Rich Batam.

Management has evaluated its investment in PT OKIB to be a joint venture in accordance with SFRS(I) 11 – Joint Arrangements on the basis that the shareholders' agreement stipulates that the parties to the joint arrangements have rights over the net assets of PT OKIB.

Arising from the acquisition, management recorded a goodwill of \$1.66 million in the Group's carrying amount of its investment in PT OKIB as at 31 March 2019, which arose primarily from the fair value adjustment on the land parcel with an estimated land area of approximately 20,000 square metres pursuant to a purchase price allocation exercise conducted by the Company's appointed external valuer.

Due to the ongoing disputes with the joint venture partner, we were unable to obtain sufficient appropriate audit evidence to ascertain the appropriateness of the fair value adjustment of the land parcel and accordingly, we were unable to determine if the goodwill of \$1.66 million on acquisition of OB and PT OKIB is appropriately stated, including if any impairment is required.

As at 31 March 2020, there was no new audit evidence furnished by management to ascertain the carrying value of goodwill on acquisition of OB and its joint venture.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RICH CAPITAL HOLDINGS LIMITED

Basis for Disclaimer of Opinion (Cont'd)

2. Valuation of mining rights/ Recoverable amount of the cost of investment in a subsidiary

(i) Valuation of mining rights

Our audit reports dated 9 July 2018 and 11 September 2019 on the financial statements for the previous financial years ended 31 March 2018 and 2019 respectively contained a qualified opinion due to (i) the valuation of the mining rights; and (ii) the recoverable amount of the cost of investment in a subsidiary.

The Company, through Summit Light Ventures Ltd ("Summit Light"), is the sole legal owner of certain mining rights in respect of the Birthday Mine located in Western Australia. As at 31 March 2018, management carried out an impairment assessment on the mining rights (also known as "cash-generating-unit or CGU") since there were indicators of impairment due to delays in the exploration and evaluation activities in respect of the mining rights. Following management's assessment, a full impairment loss on the remaining carrying value of the mining rights amounting to \$1.78 million was recorded in the statement of comprehensive income for the financial year ended 31 March 2018 based on the value-in-use of the CGU.

SFRS(I) 1-36 Impairment of Assets states that the recoverable amount of the CGU is based on the higher of its fair value less costs of disposal and value-in-use. We have concluded that the use of the value-in-use methodology to determine the recoverable amount of the CGU as at 31 March 2018 was not appropriate because management did not intend to incur further costs in the exploration works for the mining rights and future cash flows would not be expected to be derived from the CGU from continuing use and in the absence of information from management on the fair value of the mining rights, we were not able to obtain sufficient appropriate audit evidence to ascertain whether the mining rights are measured appropriately in accordance with SFRS(I) 1-36.

(ii) Recoverable amount of the cost of investment in a subsidiary

In the previous financial years ended 31 March 2018 and 31 March 2019, management recorded a full impairment loss on the investment in Summit Light amounting to \$1.94 million. The recoverable amount of the Company's investment in Summit Light is dependent on the measurement basis of the mining rights as described in the preceding paragraph since Summit Light is the sole legal owner of the mining rights. In the absence of information from management on the fair value of the mining rights, we were not able to obtain sufficient appropriate audit evidence to ascertain whether the recoverable amount of the investment in Summit Light was measured appropriately in accordance with SFRS(I) 1-36 as at 31 March 2018.

As at the date of this report, there are two forfeiture applications by third parties affecting the mining rights. The Group has engaged lawyers to represent it at the forfeiture application hearing.

As at 31 March 2020, there was no new audit evidence furnished by management to support the fair value of the mining rights as well as the recoverable amount of the investment in Summit Light.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RICH CAPITAL HOLDINGS LIMITED

Basis for Disclaimer of Opinion (Cont'd)

3. Unaudited financial information of significant joint venture

The Group accounts for its investment in joint venture in PT OKIB using the equity method. Under the equity method, the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss include its share of the investee's profit or loss and the investor's other comprehensive income or loss includes its share of the investee's other comprehensive income or loss. Losses of the investee in excess of the investor's interest in the investee are not recognised except to the extent that the investor has an obligation.

We understand that for the purpose of consolidating Rich Batam and its subsidiaries, management obtained the management accounts of PT OKIB for the year ended 31 March 2020 and used these accounts to equity account for PT OKIB in the consolidated financial statements of the Group.

We were not able to obtain sufficient appropriate audit evidence on the accounts of PT OKIB due to the dispute between the shareholders of PT OKIB and a component audit of PT OKIB could not be carried out for the purposes of the consolidated financial statements of the Group.

Because of the limitation in the scope of our work, we are unable to determine if the share of losses of PT OKIB and the carrying value of PT OKIB are appropriately stated for the year ended 31 March 2020 and at 31 March 2020 respectively.

4. Legal issue faced by joint venture

A legal claim for unliquidated damages was commenced by PT Karya Indo Batam ("PT KIB"), the joint venture partner of PT OKIB against the Company and OB for their conduct in relation to the Batam Project.

There are no specific amounts of damages sought for in the statement of claim filed against the Company and OB. The lawyers for the Company are unable to quantify the financial impact to the Company and OB. We are unable to obtain sufficient appropriate audit evidence on the amount of the liability arising, or to quantify if the provision for contingent liability is appropriately stated in the accompanying financial statements, or whether the Company and the Group are able to pay their debts as and when they fall due and the going concern basis of preparation of financial statements as a result.

5. Recoverable amount of the cost of investment in a subsidiary and joint venture

The carrying values at 31 March 2020 of the Company's investment in subsidiary, Rich Batam, and the Group's investment in a joint venture amounted to \$10,537,000 and \$12,780,000 respectively. At 31 March 2020, there were indicators of impairment in the subsidiary. Because of the various issues stated above, an impairment assessment could not be performed. In the absence of any alternative evidence available to us, we were unable to obtain sufficient appropriate evidence to determine carrying values of the subsidiary and joint venture recorded in the accounts of the Company and of the Group are appropriately stated.

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 and the Company'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 the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the financial statements in accordance with Singapore Standards on Auditing ("SSAs") and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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 had fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Report on Other Legal and Regulatory Requirements

Except for the matters described in the basis for Disclaimer Opinion section of the report, the accounting records required by the Act to be kept by the Company and its subsidiaries 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 Ang Soh Mui.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 12 September 2020

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2020

	Note	The Group		The Company	
		31 March 2020 \$'000	31 March 2019 \$'000 (Restated)	31 March 2020 \$'000	31 March 2019 \$'000
ASSETS					
Non-Current Assets					
Plant and equipment	4	19	30	12	19
Mining rights	5	-	-	-	-
Investments in subsidiaries	6	-	-	13,222	21,128
Investment in an associate	7	-	9,737	-	-
Investment in a joint venture	8	12,780	14,779	-	-
		12,799	24,546	13,234	21,147
Current Assets					
Development property	9	11,299	11,287	-	-
Other receivables	10	106	64	166	126
Cash and cash equivalents	11	5,560	702	5,534	661
		16,965	12,053	5,700	787
Assets of disposal group classified as held-for-sale	12	12,031	-	6,457	-
Total Assets		41,795	36,599	25,391	21,934
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	13	72,569	72,569	72,569	72,569
Reserves	14	(56,290)	(52,638)	(54,415)	(51,495)
		16,279	19,931	18,154	21,074
Non-controlling interests	6(b)	9,176	7,052	-	-
Total Equity		25,455	26,983	18,154	21,074
LIABILITIES					
Current Liabilities					
Other payables	15	7,329	976	7,237	860
Borrowings	16	8,640	8,640	-	-
		15,969	9,616	7,237	860
Liabilities of disposal group classified as held-for-sale	12	371	-	-	-
Total Liabilities		16,340	9,616	7,237	860
Total Equity and Liabilities		41,795	36,599	25,391	21,934

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 2020

	Note	Year ended 31 March 2020 \$'000	Year ended 31 March 2019 \$'000 (Restated)
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Other income	17	17	176
General and administrative expenses		(2,287)	(2,525)
Finance cost		(411)	(159)
Share of loss (net of tax) of:			
- Associate	7	(876)	(615)
- Joint venture	8	(633)	(351)
Loss before taxation	18	(4,190)	(3,474)
Income tax expense	19	-	-
Loss for the year		(4,190)	(3,474)
Other comprehensive (loss)/income, net of tax			
Item that will be reclassified subsequently			
to profit or loss			
Currency translation differences		(65)	1
Other comprehensive (loss)/income for the year		(65)	1
Total comprehensive loss for the year attributable to owners of the Company		(4,255)	(3,473)
Loss attributable to:			
Owners of the Company		(3,596)	(3,270)
Non-controlling interests	6(b)	(594)	(204)
		(4,190)	(3,474)
Total comprehensive loss attributable to:			
Owners of the Company		(3,652)	(3,267)
Non-controlling interests	6(b)	(603)	(206)
		(4,255)	(3,473)
Loss per share (cents)			
- basic	20	(0.05)	(0.05)
- diluted	20	(0.05)	(0.05)

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 2020

	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 2018	47,646	1,105	(58)	(49,759)	(1,066)	-	(1,066)
Loss for the year, as previously stated	-	-	-	(2,663)	(2,663)	(95)	(2,758)
Effect of prior year adjustment (Note 27)	-	-	-	(607)	(607)	(109)	(716)
Loss for the year, as restated	-	-	-	(3,270)	(3,270)	(204)	(3,474)
Other comprehensive income/(loss)	-	-	3	-	3	(2)	1
Total comprehensive loss for the year	-	-	3	(3,270)	(3,267)	(206)	(3,473)
Transactions with owner, recognised directly in equity:							
Contributions by and distributions to owners of the Company:							
Issue of ordinary shares (Note 13)	24,931	(850)	-	-	24,081	-	24,081
Share issue expenses	(8)	-	-	-	(8)	-	(8)
Non-controlling interests arising on a business combination	-	-	-	-	-	2,295	2,295
Change in ownership interest in a subsidiary with no change in control, as previously stated	-	20	-	-	20	4,385	4,405
Effect of prior year adjustment (Note 27)	-	171	-	-	171	(171)	-
Net change in ownership interest in a subsidiary with no change in control, as restated (Note 6c)	-	191	-	-	191	4,214	4,405
Contributions from non-controlling interests	-	-	-	-	-	749	749
Balance at 31 March 2019, as restated	72,569	446	(55)	(53,029)	19,931	7,052	26,983
Loss for the year	-	-	-	(3,596)	(3,596)	(594)	(4,190)
Other comprehensive loss	-	-	(56)	-	(56)	(9)	(65)
Total comprehensive loss for the year	-	-	(56)	(3,596)	(3,652)	(603)	(4,255)
Transactions with owner, recognised directly in equity:							
Contributions by and distributions to owners of the Company:							
Contributions from non-controlling interests	-	-	-	-	-	2,727	2,727
Balance at 31 March 2020	72,569	446	(111)	(56,625)	16,279	9,176	25,455

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 2020

	Note	Year ended 31 March 2020 \$'000	Year ended 31 March 2019 \$'000 (Restated)
Cash Flows from Operating Activities			
Loss before taxation		(4,190)	(3,474)
Adjustments for:			
Depreciation of plant and equipment	4	13	7
Finance cost		411	159
Gain on extinguishment of liabilities	17	-	(172)
Share of loss of an associate		876	615
Share of loss of a joint venture		633	351
Operating loss before working capital changes		(2,257)	(2,514)
Changes in development property		(12)	(10,670)
Changes in other receivables		(80)	(7)
Changes in other payables		74	337
Net cash used in operating activities		(2,275)	(12,854)
Cash Flows from Investing Activities			
Proceeds received on partial disposal of interest in a subsidiary	6(c)	-	4,405
Investment in an associate	7	(1,037)	(10,078)
Advance received for disposal of interest in a subsidiary		6,583	-
Return of advance payment from a joint venture		2,000	-
Investment in a joint venture		-	(12,386)
Purchase of plant and equipment	4	(2)	(37)
Net cash generated from/(used in) investing activities		7,544	(18,096)
Cash Flows from Financing Activities			
Share issue expenses		-	(8)
Proceeds from rights issue, net	13	-	21,600
Proceeds from borrowings		-	8,640
Interest paid		(411)	(236)
Net cash (used in)/generated from financing activities		(411)	29,996
Net increase/(decrease) in cash and cash equivalents		4,858	(954)
Cash and cash equivalents at the beginning of the year		702	1,656
Cash and cash equivalents at the end of the year	11	5,560	702

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 2020

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 2019 \$'000	Cash flows - proceeds \$'000	Cash flows - repayment \$'000	Other non- cash flows \$'000	At 31 March 2020 \$'000
Borrowings (Note 16):					
Bank borrowing	8,640	-	-	-	8,640
Total	8,640	-	-	-	8,640
	At 1 April 2018 \$'000	Cash flows - proceeds \$'000	Cash flows - repayment \$'000	Other non- cash flows \$'000	At 31 March 2019 \$'000
Borrowings (Note 16):					
Interest-free loan from controlling shareholder	2,170	-	-	(2,170) ⁽¹⁾	-
Bank borrowing	-	8,640	-	-	8,640
Total	2,170	8,640	-	(2,170)	8,640

⁽¹⁾ In financial year ended 31 March 2019, the controlling shareholder capitalised the interest-free loan that was extended to the Company in the previous financial year, to subscribe for the Rights Issue in the current financial year (see Note 13).

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 2020

1 General information

The financial statements of the Group and of the Company for the year ended 31 March 2020 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 459 MacPherson Road Singapore 368177.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries, the associate and a joint venture are set out in Notes 6, 7 and 8 to the financial statements respectively.

2 Going concern

As at 31 March 2020, the Group's and the Company's accumulated losses amounted to \$56,625,000 (2019 - \$53,029,000) and \$54,670,000 (2019 - \$51,750,000) respectively. The Group recorded total comprehensive loss for the year of \$4,255,000 (2019 restated - \$3,473,000); and the Group reported net cash used in operating activities of \$2,275,000 (2019 - \$12,854,000) for the financial year then ended.

The Group did not record any revenue in the current financial year as the Company did not commence the construction of development property and reported a net loss of \$4.19 million for the current financial year. The Group's and the Company's cash and cash equivalents amounted to \$5.56 million and \$5.53 million respectively as at 31 March 2020.

The Group has completed proposed disposal of the remaining 50% shareholdings of issued share capital of Rich Capital Realty Pte. Ltd. in relation to 333 Thomson Road on 2 June 2020 amounting to \$6.58 million to meet ongoing operational and funding requirements. The directors are of the view that the going concern assumption is appropriate for the preparation of these financial statements as the Group has positive net current assets of \$12.66 million and positive equity attributable to shareholders of \$16.28 million at the reporting 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.

The Company have also recently restructured their management team with a newly appointed Executive Director, Mr Oh Siyang, Chief Financial Officer, Mr Ong Eng Hock Simon and a whole new business development team that seeks opportunities and explore suitable business opportunities and partnerships.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(a) Basis of preparation

The financial statements are drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 (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 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) Control over Rich Capital Realty Pte. Ltd. (“RCR”) (Note 6)

The Group determines if it has control, or not, over an investee based on whether the Group has the practical ability to direct the relevant activities significantly affecting the investee’s returns. Although the Group owns half of the ownership interests in RCR, management has determined that the Group has control over RCR, because the Group has the majority voting rights in the investee.
- (ii) Significant influence over TSRC Novena Pte. Ltd. (“TSRC”) (Note 7)

The Group initially held a 30% effective interest in TSRC, through its subsidiary, Rich Capital Realty Pte. Ltd. (“RCR”). On 20 November 2018, the Company disposed of its 50% equity interest in RCR to an unrelated third party for a consideration of approximately \$4.4 million. Following the disposal, the Group’s effective interest in TSRC was reduced to 15%.

Significant influence is presumed to exist (or not exist) when an entity holds 20% or more (or less than 20%) of the voting rights of another entity, unless it can be clearly demonstrated otherwise. Management of RCR has exercised significant judgement and determined that the Group continues to have significant influence over TSRC, given, among other factors, the Group’s participation in policy-making processes and decision-making about dividends and other distributions through its board representation. As at 31 March 2020, the carrying amount of the interest in the associate is \$12.03 million (2019 restated - \$9.74 million), which was reclassified to assets held-for-sale as explained in Note 12 to the financial statements.

- (iii) Determination of the classification of joint arrangement (Note 8)

For all joint arrangements structured in separate vehicles, management assesses the substance of the joint arrangement in determining whether it is classified as a joint venture or joint operation. This assessment requires the Group to consider whether it has rights to the joint arrangement’s net assets (in which case it is classified as a joint venture), or rights to and obligations over specific assets, liabilities, expenses and revenue (in which case it is classified as a joint operation).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(a) Basis of preparation (Cont'd)

Significant judgements in applying accounting policies (Cont'd)

(iii) Determination of the classification of joint arrangement (Note 8) (Cont'd)

In assessing the classification of interests in joint arrangements, management considers:

- The structure of the joint arrangement;
- The legal form of joint arrangement structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

The Group holds an effective 40% equity interest in PT Oxley Karya Indo Batam ("PT OKIB"). PT OKIB's financial position and financial performance are recognised in the consolidated financial statements using the equity method in accordance with the Group's shareholding proportion. Upon consideration of the factors stated above, the Group has determined that the joint arrangement structured through a separate vehicle (i.e. its investment in Oxley Batam Pte. Ltd.) gives the Group the rights to and obligations over the net assets of PT OKIB and it is therefore classified as a joint venture. As at 31 March 2020, the carrying amount of the interest in joint venture is \$12.78 million (2019 - \$14.78 million).

(iv) 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.

Significant estimates in applying accounting policies

(i) Net realisable value of development property (Note 9)

On 28 June 2018, the Group completed the acquisition of an industrial building located at No. 6 Kim Chuan Terrace for redevelopment purposes. Changes on demand arising from government policies may exert downward pressure on transaction volumes and properties prices. A review by management is made on development property for declines in net realisable value below cost and an allowance is recorded against the carrying amount for any such decline.

The review requires management to consider future demand for the development property. Estimating the net realisable value requires management to make an estimate of the expected selling price of the development property based on recent transactions. Based on independent valuation by Jones Lang LaSalle Property Consultants Pte Ltd on 25 June 2020, the management has estimated that the net realisable value of the development property approximates its carrying amount. If the carrying value of the development property were to decrease by 5%, the loss before tax would increase by \$0.56 million (2019 - \$0.56 million).

(ii) Goodwill on acquisition of Oxley Batam Pte. Ltd. ("Oxley Batam") and its joint venture

The Company announced the completion of the acquisition of an 80% equity interest in Oxley Batam via its wholly-owned subsidiary, Rich Batam Private Limited on 18 May 2018 from a wholly-owned subsidiary of Oxley Holdings Limited ("OHL"). Oxley Batam in turn has a 50% equity interest in PT OKIB, which is the property developer of the Group's OCC Project in Batam.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(a) Basis of preparation (Cont'd)

Significant estimates in applying accounting policies (Cont'd)

- (ii) Goodwill on acquisition of Oxley Batam Pte. Ltd. ("Oxley Batam") and its joint venture (Cont'd)
Management carried out a purchase price allocation exercise in accordance with SFRS(I) 1-3 *Business Combinations* to determine the identifiable assets acquired and the liabilities assumed at their acquisition-date fair values determined by the Company's appointed professional valuer. A goodwill of \$1.66 million is included in the Group's carrying amount of its investment in PT OKIB as at 31 March 2020 which arose primarily from the fair value adjustment on the development land parcel with an estimated land area of approximately 20,000 square metres based on a valuation report issued by an independent Indonesian valuer. In determining fair values, the valuers have used various assumptions ranging from expected selling price of each property unit, the take-up rate and the estimated cost of construction for the various phases.

If the fair value of net identifiable assets were to increase/decrease by 5%, the goodwill subsumed within the carrying amount of the investment in a joint venture will increase/decrease by \$83,000.

- (iii) Impairment of non-financial assets

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Investments in subsidiaries, associates, joint ventures and other non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

The recoverable amounts of these assets and, where applicable, cash-generating units, have been determined based on value-in-use calculations. 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 Company's and Group's non-financial assets are disclosed in the following notes:

- Subsidiaries (Note 6)
- Associates (Note 7)
- Joint venture (Note 8)

The aggregate carrying amounts of the Group's non-financial assets at the reporting date were \$12,780,000 (2019 - \$24,516,000). If present value of estimated future cash flows decrease by 10% from management's estimates, the Group's allowance for impairment will increase by \$1,278,000 (2019 - \$2,451,600).

3(b) Adoption of new and revised SFRS(I) effective for the current financial year

On 1 January 2019, 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)
SFRS(I) 16	Leases	1 January 2019
SFRS(I) INT 23	Uncertainty over Income Tax Treatments	1 January 2019

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(b) Adoption of new and revised SFRS(I) effective for the current financial year (Cont'd)

SFRS(I) 16 Leases

SFRS(I) 16 Leases supersedes SFRS(I) 1-17 Leases, SFRS(I) INT 4 Determining whether an Arrangement contains a Lease, SFRS(I) INT 1-15 Operating Leases - Incentives and SFRS(I) INT 1-27 Evaluating the Substance of Transactions involving the Legal Form of a Lease, and pronounces new or amended requirements with respect to lease accounting. For lessee accounting, SFRS(I) 16 introduces significant changes by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low-value assets when such recognition exemptions are adopted. For lessor accounting, the requirements have remained largely unchanged.

There is no impact on the adoption of SFRS(I) 16 on the Group's and Company's financial statements.

SFRS(I) INT 23 Uncertainty over Income Tax Treatments

The Group has adopted SFRS(I) INT 23 for the first time in the current year. SFRS(I) INT 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires the Group to:

- determine whether uncertain tax positions are assessed separately or as a group; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings, as follows:
 - if yes, the Group should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings; or
 - if no, the Group should reflect the effect of uncertainty in determining its accounting tax position using either the most likely amount or the expected value method.

There is no impact to the Group's and the Company's financial statements.

3(c) New and revised SFRS(I) in issue but not yet effective

The following are the new or amended SFRS(I) and SFRS(I) INT issued in 2019 that are not yet effective but may be early adopted for the current financial year:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 3	Definition of a Business	1 January 2020
Amendments to SFRS(I) 1-1 and SFRS(I) 1-8	Definition of Material	1 January 2020

Amendments to SFRS(I) 3 Definition of a Business

On 11 March 2019, ASC issued the narrow-scope amendments to SFRS(I) 3 Business Combinations to improve the definition of a business. The amendments narrowed and clarified the definition of a business.

They also permit a simplified assessment of whether an acquired set of activities and assets is a group of assets rather than a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets.

The amendments to SFRS(I) 3 should apply for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning or after 1 January 2020, with earlier application permitted.

The Group is assessing the impact to its consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(c) New and revised SFRS(I) in issue but not yet effective (Cont'd)

Amendments to SFRS(I) 1-1 and SFRS(I) 1-8 Definition of Material

The amendments are intended to make the definition of 'material' in SFRS(I) 1-1 easier to understand and are not intended to alter the underlying concept of materiality in SFRS(I). The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of 'material' in SFRS(I) 1-8 has been replaced by a reference to the definition of 'material' in SFRS(I) 1-1. In addition, the other SFRS(I) and the Conceptual Framework, which contain a definition of 'material' or refer to the term 'material', have been updated to ensure consistency.

The amendments to SFRS(I) 1-1 and SFRS(I) 1-8 are required to be applied for annual periods beginning on or after 1 January 2020. The amendments must be applied prospectively and earlier application is permitted.

The Group is assessing the impact to its consolidated financial statements.

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 profit or loss and other 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

I. Consolidation (Cont'd)

(i) Basis of consolidation (Cont'd)

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.

(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 profit or loss 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 profit or loss.

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 profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

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 profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, 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 Payment 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 profit or loss as a bargain purchase gain.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

II. Business combinations (Cont'd)

Goodwill (Cont'd)

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. Investment in associates and joint venture

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group account for its investments in associates and joint venture using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates/joint venture are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates/joint venture. The profit or loss reflects the share of results of operations of the associates/joint venture. Distributions received from associates/joint venture reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and loss resulting from transaction between the Group and the associate/joint venture are eliminated to the extent of the interest in the associates/joint venture.

When the Group's share of losses in an associate/joint venture equals or exceeds its interest in the associate/joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate/joint venture.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

III. Investment in associates and joint venture (Cont'd)

The financial statements of the associates/joint venture are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence or joint control over the associate/joint venture, the Group measures the retained interest at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss.

The Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would have been required if that associate or joint venture had directly disposed of the related assets or liabilities.

When an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

If the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

In the Company's separate financial statements, investments in equity-accounted investees are accounted for at cost less impairment losses. On disposal of an equity-accounted investee, the difference between the net disposal proceeds and the carrying amount of the investment is taken to the profit and loss account.

IV. Investment in joint venture

Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group reassesses whether the type of joint arrangement in which it is involved has changed when facts and circumstances change.

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint venture is set out above in investment in associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

V. 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 property, 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.

VI. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

VI. Development properties (Cont'd)

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.

VII. 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, 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

VII. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Measurement (Cont'd)

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 profit or loss when the asset is derecognised or impaired, and through the amortisation process.

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

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 OCI ("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 profit or loss 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 do not have any financial asset at fair value through other comprehensive income (equity instruments).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

VII. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Measurement (Cont'd)

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. 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 a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss statement 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 profit or loss.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

VII. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Measurement (Cont'd)

Derecognition (Cont'd)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

VII. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Measurement (Cont'd)

Impairment of financial assets (Cont'd)

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.

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 profit or loss.

(b) Financial liabilities

Initial recognition and measurement

All financial liabilities are initially recognised at fair value plus, in the case of a financial liability not at FVPL, 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

VII. Financial instruments (Cont'd)

(b) Financial liabilities (Cont'd)

Financial liabilities at fair value through profit or loss (Cont'd)

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

Financial liabilities that are not 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 profit or loss.

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.

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 its 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.

VIII. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

IX. 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.

X. 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.

XI. 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 or 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

XI. Income tax (Cont'd)

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 Company 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.

XII. 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.

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.

XIII. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

XIV. 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.

XV. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

XV. Impairment of non-financial assets (Cont'd)

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 profit or loss 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 profit or loss, a reversal of that impairment loss is recognised as income in the profit or loss.

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 profit or loss.

XVI. 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.

XVII. 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 borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

XVII. Conversion of foreign currencies (Cont'd)

Transactions and balances (Cont'd)

When a foreign operation is disposed of or any borrowings forming part of the net investment of the foreign operation are repaid, 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.

XVIII. 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.

XIX. 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 22 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

3(d) Summary of significant accounting policies (Cont'd)

XX. Revenue

Sale of completed development properties

The Group, through its subsidiaries, joint venture and associate, develops and sells residential and mixed development projects 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 residential 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, joint venture and associate, 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.

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.

XXI. Borrowings costs

Borrowing costs incurred to finance the development of properties and property, 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 profit or loss using the effective interest method.

Pursuant to the Agenda Decision issued by the International Financial Reporting Standards Interpretations Committee ("IFRIC") in connection with SFRS(I) 15 relating to capitalisation of borrowing costs for the construction of residential multi-unit estate developments where revenue is recognised over time, the Group ceases capitalisation of borrowing costs at the point when the property development project is ready for sales launch, instead of when the temporary occupation permit is obtained.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

4 Plant and equipment

The Group	Furniture and fittings \$'000	Equipment \$'000	Total \$'000
<u>Cost</u>			
At 1 April 2018	-	1	1
Additions	7	30	37
Written off	-	(1)	(1)
At 31 March 2019	7	30	37
Additions	-	2	2
At 31 March 2020	7	32	39
<u>Accumulated depreciation</u>			
At 1 April 2018	-	1	1
Depreciation (Note 18)	1	6	7
Written off	-	(1)	(1)
At 31 March 2019	1	6	7
Depreciation (Note 18)	2	11	13
At 31 March 2020	3	17	20
<u>Net carrying amount</u>			
At 31 March 2020	4	15	19
At 31 March 2019	6	24	30
The Company			
<u>Cost</u>			
At 1 April 2018	-	1	1
Additions	7	17	24
Written off	-	(1)	(1)
At 31 March 2019	7	17	24
Additions	-	2	2
At 31 March 2020	7	19	26
<u>Accumulated depreciation</u>			
At 1 April 2018	-	1	1
Depreciation	1	4	5
Written off	-	(1)	(1)
At 31 March 2019	1	4	5
Depreciation	2	7	9
At 31 March 2020	3	11	14
<u>Net carrying amount</u>			
At 31 March 2020	4	8	12
At 31 March 2019	6	13	19

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

5 Mining rights

The Group	31 March 2020 \$'000	31 March 2019 \$'000
<u>Cost</u>		
At the beginning and end of the year	6,483	6,483
<u>Accumulated amortisation and impairment losses</u>		
At the beginning and end of the year	6,483	6,483
<u>Net carrying amount</u>		
At the beginning and end of the year	-	-

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.

Management has obtained approval from the Department of Mines and Petroleum, Australia to convert the existing Prospecting Licence 77/3982 into a General Purpose Lease G77/123 which allows the Group to either (i) erect, place and operate machinery in connection with mining operations, (ii) deposit or treat minerals obtained from any land; and (iii) use the land for any other specified purpose directly connected with mining operations.

As at 31 March 2020, as the sale of the mining rights was no longer highly probable, following the change in management team of the Company and there was no active marketing of the mining rights by the new management team, the mining rights were fully impaired since financial year ended 31 March 2018.

As at the date of this report, there are two forfeiture applications by third parties affecting the mining rights. The Group has engaged lawyers to represent it at the forfeiture application hearing.

6 Investments in subsidiaries

The Company	31 March 2020 \$'000	31 March 2019 \$'000
Unquoted equity investment, at cost	6,699	6,699
Reclassification from/(to) "Assets Held-for-Sale" (Note 12)	(6,457)	-
Loans to subsidiaries	20,443	21,128
	20,685	27,827
Impairment losses:		
- At the beginning of the year	6,699	6,699
- Impairment loss recognised in the statement of comprehensive income (See Note (a) below)	764	-
	7,463	6,699
Net carrying amount	13,222	21,128

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

6 Investments in subsidiaries (Cont'd)

Loans to subsidiaries amounting to \$20.44 million (2019 - \$21.13 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 of equity interest held		Principal activities
		31 Mar 2020 S\$'000	31 Mar 2019 S\$'000	31 Mar 2020 %	31 Mar 2019 %	
		Held by the Company				
First Capital Pte. Ltd. ⁽¹⁾	Singapore	3,383	2,903	100	100	Real estate development
Rich Batam Private Limited ⁽¹⁾ ("Rich Batam")	Singapore	10,537	12,541	100	100	Real estate development
Rich Capital Realty Pte. Ltd. ⁽¹⁾⁽⁴⁾⁽⁸⁾	Singapore	-	5,684	50	50	Real estate development
Rich Capital International Holdings Pte. Ltd. ⁽¹⁾⁽³⁾⁽⁷⁾	Singapore	-	-	-	100	Dormant
Summit Light Ventures Ltd. ⁽²⁾ ("Summit Light")	British Virgin Islands	6,484	6,450	100	100	Legal and sole owner of the mining rights
Infinio Mining Pty. Ltd. ⁽²⁾⁽³⁾⁽⁵⁾	Australia	-	-	-	100	Dormant
Infinio Korea Co. Ltd. ⁽²⁾	South Korea	264	240	100	100	Dormant
Roomwise Holdings Pte. Ltd. ⁽¹⁾	Singapore	17	9	100	100	Dormant
Infinio Resources Pte. Ltd. ⁽⁶⁾	Singapore	-	-	-	-	Dormant
Onegame Pte. Ltd. ⁽⁶⁾	Singapore	-	-	-	-	Dormant
Held by Rich Batam						
Oxley Batam Pte. Ltd. ⁽¹⁾⁽³⁾	Singapore	-	-	80	80	Real estate development
Held by Rich Capital International Holdings Pte. Ltd.						
Rich Capital Land Pte. Ltd. ⁽¹⁾⁽³⁾⁽⁷⁾	Singapore	-	-	-	100	Dormant
		20,685	27,827			

⁽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⁾ Reclassified to "Asset Held-for-Sale" as at 31 March 2020

⁽⁵⁾ Deregistered on 11 June 2019

⁽⁶⁾ Struck-off on 4 September 2018

⁽⁷⁾ Struck-off on 4 September 2019

⁽⁸⁾ The Group determines if it has control, or not, over an investee based on whether the Group has the practical ability to direct the relevant activities significantly affecting the investee's returns. Although the Group owns half of the ownership interests in RCR, management has determined that the Group has control over RCR, because the Group has the majority voting rights in the investee.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

6 Investment in subsidiaries (Cont'd)

Note A

2 of the subsidiaries, Infinio Resources Pte. Ltd. and Onegame Pte. Ltd. were not consolidated with effect from the dates of struck-off during the year ended 31 March 2019. 3 of the subsidiaries, Rich Capital Land Pte. Ltd., Infinio Mining Pty. Ltd. and Rich Capital International Holdings Pte. Ltd. were not consolidated with effect from the dates of struck-off/deregistration during the year ended 31 March 2020. The effect of deconsolidation of these subsidiaries is immaterial.

(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 5 since Summit Light is the sole legal owner of the mining rights. In FY2018, 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.

Impairment testing of investment in subsidiaries

As at 31 March 2020, the carrying amount of the investment in subsidiaries amounted to \$13,222,000 (2019 - \$21,128,000).

The recoverable amount of the subsidiaries was also estimated by management based on the higher of fair value less cost to sell and value-in-use. The fair value less cost to sell was determined based on the financials of the subsidiaries which comprised mainly cash balances, other receivables and other payables which were current and approximated fair value at year end. Based on the impairment testing, an impairment loss of \$764,000 relating to the cost of investment in the subsidiaries is recognised under general and administrative expenses in profit or loss of the Company for the financial year ended 31 March 2020, being the shortfall between the carrying amount and the recoverable amount.

(b) Non-wholly-owned subsidiaries

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

<u>Name of subsidiary</u>	<u>Principal place of business</u>	<u>Effective interest held by NCI</u>
Oxley Batam Pte. Ltd.	Singapore, Indonesia	20%
Rich Capital Realty Pte. Ltd.	Singapore	50%

<u>The Group</u>	<u>31 March 2020</u>		
	<u>Oxley Batam Group</u>	<u>Rich Capital Realty Group</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<u>Cumulative non-controlling interests:</u>			
- Net liabilities attributable to NCI	<u>(632)</u>	<u>(782)</u>	<u>(1,414)</u>
- Shareholders' loan contributed by NCI	<u>3,825*</u>	<u>6,765</u>	<u>10,590</u>
	<u>3,193</u>	<u>5,983</u>	<u>9,176</u>
<u>Allocated to non-controlling interests during the year:</u>			
- Loss attributable to NCI	<u>(130)</u>	<u>(464)</u>	<u>(594)</u>
- Total comprehensive loss attributable to NCI	<u>(139)</u>	<u>(464)</u>	<u>(603)</u>

* As at 31 March 2020, an amount of \$1,150,000 relates to fee payable to Oxley Holdings Limited under the management fee agreement dated 18 May 2018.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

6 Investment in subsidiaries (Cont'd)

(b) Non-wholly-owned subsidiaries (Cont'd)

The Group	31 March 2019		
	Oxley Batam Group \$'000	Rich Capital Realty Group \$'000 (Restated)	Total \$'000 (Restated)
<u>Cumulative non-controlling interests:</u>			
- Net liabilities attributable to NCI	(493)	(318)	(811)
- Shareholders' loan contributed by NCI	3,183	4,680	7,863
	<u>2,690</u>	<u>4,362</u>	<u>7,052</u>
<u>Allocated to non-controlling interests during the year:</u>			
- Loss attributable to NCI	(77)	(127)	(204)
- Total comprehensive loss attributable to NCI	<u>(79)</u>	<u>(127)</u>	<u>(206)</u>

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 2020		
	Oxley Batam Group \$'000	Rich Capital Realty Group \$'000	Total \$'000
<i>Summarised statement of financial position</i>			
Non-current assets	11,085	12,031	23,116
Non-current liabilities	(14,242)	(13,222)	(27,464)
Current liabilities	(4)	(371)	(375)
Net liabilities	<u>(3,161)</u>	<u>(1,562)</u>	<u>(4,723)</u>

The Group	31 March 2019		
	Oxley Batam Group \$'000	Rich Capital Realty Group \$'000 (Restated)	Total \$'000 (Restated)
<i>Summarised statement of financial position</i>			
Non-current assets	13,123	9,737	22,860
Non-current liabilities	(15,583)	(10,365)	(25,948)
Current liabilities	(4)	(7)	(11)
Net liabilities	<u>(2,464)</u>	<u>(635)</u>	<u>(3,099)</u>

The Group	31 March 2020		
	Oxley Batam Group \$'000	Rich Capital Realty Group \$'000	Total \$'000
<i>Summarised statement of comprehensive income</i>			
Revenue	-	-	-
Loss for the year from continuing operations	(650)	(929)	(1,579)
Other comprehensive loss	(46)	-	(46)
Total comprehensive loss	<u>(696)</u>	<u>(929)</u>	<u>(1,625)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

6 Investment in subsidiaries (Cont'd)

(b) Non-wholly-owned subsidiaries (Cont'd)

The Group	31 March 2019		Total \$'000 (Restated)
	Oxley Batam Group \$'000	Rich Capital Realty Group \$'000 (Restated)	
<i>Summarised statement of comprehensive income</i>			
Revenue	-	-	-
Loss for the year from continuing operations	(387)	(635)	(1,022)
Other comprehensive loss	(8)	-	(8)
Total comprehensive loss	(395)	(635)	(1,030)

(c) Changes in interests in a subsidiary without loss of control

On 20 November 2018, the Company disposed of its 50% equity interest in RCR to an unrelated third party for a consideration of \$4.4 million. Arising from the disposal of its 50% equity interest in RCR, the effective interest of the Group's investment in TSRC was diluted to 15% (See Note 7).

The cash flows and carrying values of assets disposed of and liabilities discharged were as follows:

	\$'000 (Restated)
Net liabilities of RCR Group at date of disposal	(382)
Add: Equity interests retained (50%)	191
Add: Novation of loan to non-controlling interest	4,405
Attributable to non-controlling interest arising from change in ownership interest	4,214
Gain on disposal of subsidiary, recognised in capital reserve	191
Proceeds received on partial disposal of equity interest in a subsidiary	4,405

7 Investment in an associate

The Group	31 March 2020 \$'000	31 March 2019 \$'000 (Restated)
Investment in an associate	109	984
Shareholder's loans to an associate	11,922	8,753
	12,031	9,737
Reclassification to assets of disposal group classified as held-for-sale (Note 12)	(12,031)	-
	-	9,737

The cost of investment in an associate include the transaction costs paid to an unrelated individual amounting to \$1.0 million. The shareholder's loans to an associate forms part of the Group's net investment in the associate. These loans are unsecured and interest-free with no fixed repayment terms.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

7 Investment in an associate (Cont'd)

The details of the associate are as follows:

Name of Company	Nature of relationship with the Group	Principle place of business	Group's effective interest	
			2020	2019
TSRC Novena Pte. Ltd. ("TSRC") ⁽¹⁾	Real estate development	Singapore	15%	15%

⁽¹⁾ Audited by Deloitte & Touche LLP, Singapore

TSRC was incorporated on 11 May 2018 to acquire Peak Court, a freehold residential site located at 333 Thomson Road, Singapore 307675. The Group holds 50% equity interest in RCR, which in turn holds 30% equity interest in TSRC. As a result, the Group's effective interest is 15%. The Company had, on 20 January 2020, entered into a sale and purchase agreement (the "SPA") with Mr Qiu Jinzhang (the "Purchaser") in relation to a disposal of 50 ordinary shares in share capital of RCR held by the Company (the "Sale Shares"), representing 50% of the total issued and paid-up share capital of RCR for a cash consideration of \$6,582,741. RCR has been accounted for as disposal group classified as held-for-sale as at 31 March 2020. Following the completion of the proposed disposal on 2 June 2020, the Company ceased to hold any ordinary shares in the share capital of RCR and RCR ceased to be a subsidiary of the Company.

Details of Peak Court project:

Location	Description	Tenure	Land Area	Gross Floor Area	Expected Completion Date
333 Thomson Road, Singapore	Proposed new erection of condominium housing	Freehold	5,330.6 sqm (57,378 sq ft)	8,209 sqm (88,361 sq ft)	2022

The following summarises the financial information of the Group's associate based on its respective financial statements prepared in accordance with SFRS(I), modified for adjustments on acquisition and differences in the Group's accounting policies.

	31 March 2020 \$'000	31 March 2019 \$'000 (Restated)
The Group		
Revenue	-	-
Loss from continuing operations	(2,921)	(2,050)
Other comprehensive income	-	-
Total comprehensive loss	(2,921)	(2,050)
The Group		
Current assets	140,103	124,804
Current liabilities	(38,145)	(30,002)
Non-current liabilities	(104,929)	(94,852)
Net assets	(2,971)	(50)
Add: Shareholders' loans to an associate	36,405	29,176
Net assets including shareholders' loans to an associate	33,434	29,126
The Group's share of net assets (30%)	10,031	8,737
Deposit contributed from non-controlling shareholder	1,000	-
Transaction costs capitalised	1,000	1,000
	12,031	9,737

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

7 Investment in an associate (Cont'd)

	31 March 2020 \$'000	31 March 2019 \$'000 (Restated)
<u>Group's interest in net assets of the associate</u>		
At the beginning of the year	9,737	-
Group's share of loss from continuing operations (net of tax)	(876)	(615)
Group's contributions during the year reflected in consolidated statement of cashflows	1,037	10,078
Additional contributions from non-controlling interest during the financial year	2,085	274
Contribution from a third party	48	-
At the end of the year	12,031	9,737

8 Investment in a joint venture

	31 March 2020 \$'000	31 March 2019 \$'000
The Group		
Investment in joint venture	4,942	4,962
Amounts due from joint venture	7,838	9,817
	12,780	14,779

The amounts due from joint venture form part of the Group's net investment in joint venture. These amounts are unsecured and interest-free with repayment terms at the discretion of the joint venture.

The details of the joint venture are as follows:

Name of Company	Nature of relationship with the Group	Principle place of business	Group's effective interest	
			2020	2019
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. (2019: Audited by Kreston Hendrawinata Hanny Erwin & Sunargo, Indonesia)

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

PT OKIB is a joint venture company in which the Group has joint control with another joint venture partner via a Shareholders' Agreement dated 12 August 2016. PT OKIB is the property developer of the Oxley Convention City located in Batam City, Indonesia. The Group holds 80% equity interest in Oxley Batam which in turn holds 50% equity interest in PT OKIB. As a result, the Group's effective interest is 40%.

PT OKIB is structured as a separate vehicle and the Group has a residual interest in its net assets. Accordingly, the Group has classified its interest in PT OKIB as a joint venture, which is equity-accounted.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

8 Investment in a joint venture (Cont'd)

The following table summarises the financial information of the joint venture based on unaudited management accounts (2019: financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies).

	31 March 2020 \$'000	31 March 2019 \$'000
Revenue	-	-
Loss from continuing operations	(1,266)	(702)
Other comprehensive income	(93)	(16)
Total comprehensive loss	(1,359)	(718)
Included in total comprehensive loss:		
- Depreciation and amortisation	(235)	(62)
- Interest income	290	140
- Interest expense	(36)	-
	31 March 2020 \$'000	31 March 2019 \$'000
Current assets	24,813	26,643
Non-current assets	506	782
Current liabilities	(3,156)	(3,859)
Non-current liabilities	(17,777)	(17,904)
Net assets	4,386	5,662
Group's share of net assets (50%)	2,193	2,831
Add: Goodwill arising from business combination	1,656	1,656
Add: Amounts due from joint venture	7,838	9,817
Add: Contributions from non-controlling interest	1,093	475
	12,780	14,779
Included in current assets:		
- Cash and cash equivalents	5,550	4,919
	31 March 2020 \$'000	31 March 2019 \$'000
<u>Group's interest in net assets of PT OKIB</u>		
At the beginning of the year	14,779	-
Fair value of net identifiable assets acquired and liabilities assumed at the acquisition date	-	8,737
Goodwill on acquisition (See Note 3(a))	-	1,656
Total consideration transferred	14,779	10,393
Advance payment (return)/extended to/(from) joint venture during the financial year ⁽¹⁾	(2,000)	2,000
Total investment in joint venture	12,779	12,393
Non-controlling interest retained	-	2,295
Exchange differences	24	25
Additional contributions from non-controlling interest during the financial year	618	475
Share of loss of a joint venture recognised in the statement of comprehensive income	(633)	(351)
Share of other comprehensive income of a joint venture recognised in the statement of comprehensive income:		
- Owners of the Group	(37)	(6)
- Non-controlling interest	(9)	(2)
Others	38	(50)
At the end of the year	12,780	14,779

(1) During the financial year ended 31 March 2020, Rich-Link Construction Pte. Ltd. has refunded the advance payment of approximately \$2 million to the Company and the advance payment extended to the joint venture was reversed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

9 Development property

The Group	31 March 2020 \$'000	31 March 2019 \$'000 (Restated)
Property under development:		
Cost incurred to date	11,299	11,287
Borrowing costs capitalised during the year	-	77

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 development	Freehold	827.4 sqm (8,906 sq ft)	2,067.4 sqm (22,253 sq ft)	To be advised

As at 31 March 2020, the development property with a carrying amount of \$11.3 million (2019 - \$11.3 million) has been mortgaged to a financial institution to secure the bank borrowing as disclosed under Note 16. Borrowing costs capitalised in prior the financial year amounted \$0.07 million at an effective interest ranging from 3.53% to 3.96% per annum.

10 Other receivables

	The Group		The Company	
	31 March 2020 \$'000	31 March 2019 \$'000	31 March 2020 \$'000	31 March 2019 \$'000
Amount due from subsidiaries (non-trade)	-	-	24	65
Allowance for impairment losses	-	-	-	-
Net amounts due from subsidiaries	-	-	24	65
Deposit	75	-	75	-
Amount due from a joint venture	-	-	39	20
Other receivables	12	20	10	-
Loans and receivables	87	20	148	85
Input GST recoverable, net	15	33	14	30
Prepayments	4	11	4	11
	106	64	166	126

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 2020			
No credit terms (repayable on demand)	87	-	87
As at 31 March 2019			
No credit terms	20	-	20

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

10 Other receivables (Cont'd)

The Company	Gross \$'000	Impairment losses \$'000	Net \$'000
As at 31 March 2020			
No credit terms	148	-	148
As at 31 March 2019			
No credit terms	85	-	85

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

The Group	31 March 2020 \$'000	31 March 2019 \$'000
At the beginning and end of the year	-	-
The Company	31 March 2020 \$'000	31 March 2019 \$'000
At the beginning of the year	-	300
Allowance utilised	-	(300)
At the end of the year	-	-

Non-trade amounts due from subsidiaries and non-related parties are unsecured, non-interest bearing and are repayable on demand.

Other receivables are denominated in the following currencies:

	The Group		The Company	
	31 March 2020 \$'000	31 March 2019 \$'000	31 March 2020 \$'000	31 March 2019 \$'000
Singapore Dollar	85	20	131	85
United State Dollar	-	-	17	-
Australian Dollar	2	-	-	-
	87	20	148	85

11 Cash and cash equivalents

	The Group		The Company	
	31 March 2020 \$'000	31 March 2019 \$'000	31 March 2020 \$'000	31 March 2019 \$'000
Cash at bank	5,560	702	5,534	661

Cash and cash equivalents are denominated in Singapore dollar.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

12 Disposal group classified as held-for-sale

On 20 January 2020, the Company entered into a sale and purchase agreement (“SPA”) with Mr. Qiu Jinzhang in relation to a disposal of 50% of the total issued and paid-up share capital in RCR for a cash consideration of \$6,582,741. The proposed disposal Group of RCR includes the Group’s investment in associate, TSRC.

The assets and liabilities attributable to RCR, which are expected to be sold within the next twelve months, had been classified as a disposal group held for sale and are presented separately in the consolidated statement of financial position.

At 31 March 2020, the disposal group was stated at fair value less costs to sell and comprised the following assets and liabilities:

The Group	31 March 2020
	\$’000
Assets and liabilities of disposal group	
Investment in an associate	12,031
Assets of disposal groups	12,031
Other payables	(371)
Liabilities of disposal groups	(371)
 The Company	
	31 March 2020
	\$’000
Details of assets in non-current asset classified as held-for-sale were as follows: -	
Investment in a subsidiary	6,457

13 Share capital

The Company	No. of ordinary shares ’000	Amount \$’000
At 1 April 2018	3,781,146	47,646
Rights issue	3,561,526	24,931
Share issue expense	-	(8)
At 31 March 2019 and 31 March 2020	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.

Issue of ordinary shares:

Rights issue

On 2 May 2018, the Company completed the renounceable non-underwritten Rights Issue of 3,561,525,737 new ordinary shares at an issue price of \$0.007 for each Rights share on the basis of one Rights share for every 1 existing ordinary share in the capital of the Company. Total gross proceeds amounted to \$24.93 million and net proceeds received of \$21.6 million after deducting expenses in connection with the Rights Issue of approximately \$0.38 million and the utilisation of the controlling shareholder’s interest-free loan of \$2.95 million he had previously extended to the Company to subscribe for his share of the Rights Issue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

14 Reserves

	The Group		The Company	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	\$'000	\$'000	\$'000	\$'000
		(Restated)		
Capital reserve	446	446	255	255
Translation reserve	(111)	(55)	-	-
Accumulated losses	(56,625)	(53,029)	(54,670)	(51,750)
	(56,290)	(52,638)	(54,415)	(51,495)

Capital reserve

As at 31 March 2020, the capital reserve represents (i) 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; and (ii) gain on disposal of 50% equity interest in Rich Capital Realty Pte. Ltd. amounting to \$0.19 million, without a loss in control in the subsidiary.

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.

15 Other payables

	The Group		The Company	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	\$'000	\$'000	\$'000	\$'000
Other payables	462	622	385	526
Accrued expenses	243	354	228	334
Amount due to directors/ ex-directors	41	-	41	-
Deposit received	1,317	-	1,317	-
Advance received	5,266	-	5,266	-
Financial liabilities at amortised cost	7,329	976	7,237	860

Included in the other payables as at 31 March 2020, there were advance received of \$5,266,000 and deposit received of \$1,317,000. These amounts were deposits received from the purchaser in relation to proposed disposal of 50% of the entire issued share capital of Rich Capital Realty Pte. Ltd. in connection with 333 Thomson Road Project. Refer to Note 12 for the details.

Other payables are denominated in the following currencies:

	The Group		The Company	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	7,256	899	7,172	784
Australian Dollar	8	1	-	-
United States Dollar	47	58	47	58
Hong Kong Dollar	18	18	18	18
	7,329	976	7,237	860

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

16 Borrowings

	31 March 2020 \$'000	31 March 2019 \$'000
The Group		
Bank borrowings (secured) (Note A)	8,640	8,640
Nominal interest rate	3.78% to 4.01%	3.53% to 3.96%

Note A:

The Group's 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 and is classified as "current liabilities" in line with the normal operating cycle of the Group's business. As at 31 March 2020, the effective interest rates ranged from 3.78% to 4.01% (2019 - 3.53% to 3.96%) per annum and is secured by a mortgage on the Group's development property disclosed in Note 9.

The subsidiary, First Capital Pte. Ltd. ("FC") is in breach of a loan covenant in relation to the construction schedule of the construction of the development property, as construction had not commenced prior to the deadline of 30 April 2020 as agreed under the loan agreement. The loan is for the purposes of the development property for an amount of \$8,640,000. The Company and FC have not received any notice from the financial institution in relation to the breach of the abovementioned covenant. The breach of this covenant constitutes an "event of default" under the loan and entitles the financial institution to, amongst others, demand for all outstanding sums due under the loan to be payable immediately. Further, the financial institution is contractually entitled to enforce an equitable charge against FC's assets, and/or seek remedies against the Company's in its capacity as a corporate guarantor. The Company's management are in discussions with the financial institution which has granted the loan to waive any breaches of the aforesaid loan covenant and to obtain an extension of the banking facilities. The management are also exploring other financing options for the development property.

17 Other income

	2020 \$'000	2019 \$'000
The Group		
Gain on extinguishment of financial liabilities	-	172
Sundry income	17	4
	17	176

The gain on extinguishment of financial liabilities resulted from the expiry of the statutory time bar period of certain liabilities recorded during the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

18 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	2020 \$'000	2019 \$'000
<u>Included in "general and administrative expenses"</u>			
Depreciation of plant and equipment	4	13	7
Audit fees – auditors of the Company		86	82
Non-audit fees – auditors of the Company		2	28
Directors' fee		162	141
Employee compensation (See below)		933	850
Legal and professional fees		965	1,221
Operating lease expenses		96	80
<u>Breakdown of employee compensation:</u>			
<u>Directors' remuneration other than fee:</u>			
- Salaries and allowances		111	125
- Defined contribution plan		3	16
		114	141
<u>Key management personnel other than directors: -</u>			
- Salaries and allowances		123	356
- Defined contribution plan		12	24
		135	380
<u>Other than directors and key management personnel</u>			
- Salaries and allowances		625	284
- Defined contribution plan		59	45
		684	329
		933	850
<u>Included in "finance cost"</u>			
Interest expense on borrowings		411	159

19 Income tax expense

The tax expense on the results of the financial year 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:

The Group	2020 \$'000	2019 \$'000 (Restated)
Loss before taxation	(4,190)	(3,474)
Tax at statutory rate of 17% (2019 - 17%)	(712)	(590)
Tax effect on non-deductible expenses	455	425
Share of results:		
- Associate	149	105
- Joint venture	108	60
	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

19 Income tax expense (Cont'd)

Non-deductible expenses are related to general and administrative expenses.

As at the reporting date, the Group reported \$3,702,000 (2019 - \$3,702,000) of tax losses to be carried forward and unutilised capital allowances of approximately \$3,000 (2019 - \$3,000).

The tax losses and capital allowances are subject to agreement by the Inland Revenue Authority of Singapore. Deferred tax assets have not been recognised in respect of the tax losses because there is no reasonable certainty that future taxable profit will be available against which the Group can utilise the benefits.

20 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 2020 and 2019.

The Group	2020 \$'000	2019 \$'000 (Restated)
Loss for the year attributable to owners of the Company	(3,596)	(3,270)
	Number of shares ('000)	
The Company	2020	2019
Number of ordinary shares issued at 1 April	7,342,672	2,384,070
Issue of shares (weighted average)	-	4,645,500
Weighted average number of ordinary shares issued during the year	7,342,672	7,029,570
The Company	2020	2019 (Restated)
Loss per share (cents):		
- basic	0.05	0.05
- diluted	0.05	0.05

21 Commitments

- (i) Operating lease commitments

The Group and the Company were committed to making the following rental payments in respect of non-cancellable operating lease of its office premises:

The Group and the Company	2019 \$'000
Not later than 1 year	96
Later than 1 year and no later than 5 years	-
	96

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

21 Commitments (Cont'd)

(ii) Capital commitments

Capital expenditure contract for as at the end of the reporting period but not recognised in the financial statements are as follows:

The Group	2020 \$'000	2019 \$'000
Amounts approved and contracted by the joint venture in respect of future capital expenditure but not provided for	(125,000)	(123,000)

22 Operating segments

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

- 1) Property development;
- 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.

The allocation of group assets and liabilities attributable to individual segments is not presented as the information is not provided to the Executive Director.

	Property Development		Mining		Corporate		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Revenue	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-
Other income	6	1	-	102	11	73	17	176
General and administrative expenses	(123)	(206)	(24)	(15)	(2,140)	(2,304)	(2,287)	(2,525)
Finance costs	(411)	(159)	-	-	-	-	(411)	(159)
Share of loss from equity-accounted investees	(1,509)	(966)	-	-	-	-	(1,509)	(966)
Loss before taxation	(2,037)	(1,330)	(24)	87	(2,129)	(2,231)	(4,190)	(3,474)
Income tax expense	-	-	-	-	-	-	-	-
Loss for the year	(2,037)	(1,330)	(24)	87	(2,129)	(2,231)	(4,190)	(3,474)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

22 Operating segments (Cont'd)

	Property Development		Mining		Corporate		Total	
	2020 \$'000	2019 \$'000 (Restated)	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000 (Restated)
<u>Other information:</u>								
Gain on extinguishment of financial liabilities	-	-	-	102	-	70	-	172
Depreciation of plant and equipment	-	(2)	-	-	(13)	(5)	(13)	(7)

There was no revenue generated by the Group during the current and previous financial year. Non-current assets information based on geographical location of customers and assets respectively is as follows:

<u>Non-current assets</u>	2020 \$'000	2019 \$'000 (Restated)
Singapore	19	9,767
Indonesia	12,780	14,779
<u>Segment assets</u>	2020 \$'000	2019 \$'000
Total assets for reportable segments	63,605	60,516
Elimination	(21,810)	(23,917)
<u>Consolidated total assets</u>	<u>41,795</u>	<u>36,599</u>
<u>Segment liabilities</u>	2020 \$'000	2019 \$'000
Total liabilities for reportable segments	16,340	9,616
Elimination	-	-
<u>Consolidated total liabilities</u>	<u>16,340</u>	<u>9,616</u>

23 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, and liquidity risk. The Group's principal financial instruments comprise other receivables, cash and cash equivalents, other payables, and borrowings. The Group has various other financial assets and liabilities such as other receivables, which arise directly from its operations.

The Company and the Group 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 Company's and the Group's exposure to these financial risks and the manner in which they manage and measure the risks.

NOTES TO THE FINANCIAL STATEMENTS

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23 Financial risk management (Cont'd)

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 2020		
Financial assets at amortised cost		
Other receivables ⁽¹⁾	87	148
Cash and bank balances	5,560	5,534
	5,647	5,682
Financial liabilities at amortised cost		
Other payables	7,329	7,237
Borrowings	8,640	-
	15,969	7,237
31 March 2019		
Financial assets at amortised cost		
Other receivables ⁽¹⁾	20	85
Cash and bank balances	702	661
	722	746
Financial liabilities at amortised cost		
Other payables	976	860
Borrowings	8,640	-
	9,616	860

⁽¹⁾ Excluded GST receivable and prepayments

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 other receivables, amounts due from subsidiaries 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.

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23 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:

	2020 \$'000	2019 \$'000
The Group		
Financial assets measured at amortised cost		
Other receivables *	87	20
Cash and cash equivalents	5,560	702
	5,647	722
The Company		
Financial assets measured at amortised cost		
Other receivables *	148	85
Cash and cash equivalents	5,534	661
	5,682	746

* Excludes GST receivable and prepayments.

The Group's and the Company's major classes of financial assets are cash and cash equivalents 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 \$'000	Loss allowance \$'000	Net carrying amount \$'000
At 31 March 2020				
Other receivables	12-month	87	-	87
		87	-	87
The Group	12-month/ Lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
At 31 March 2019				
Other receivables	12-month	20	-	20
		20	-	20
The Company	12-month/ Lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
At 31 March 2020				
Other receivables	12-month	148	-	148
At 31 March 2019				
Other receivables	12-month	85	-	85

(1) Other receivables

The Company and the Group apply the SFRS(I) 9 general approach to measuring 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) and joint venture (Group level), are insignificant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

23 Financial risk management (Cont'd)

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.

Cash and cash equivalents

Cash is placed with financial institutions which are regulated and have good credit ratings. Impairment on cash and cash equivalents 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 cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

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 during the current financial year.

As at 31 March 2020, 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's and the Company's financial instruments will fluctuate due to changes in market interest rates.

The Group's 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's and the Company's financial instruments that are exposed to interest rate risk:

The Group	Loss before tax increase/(decrease) (10 bp increase)		Equity increase/(decrease) (10 bp increase)	
	(10 bp increase) \$	(10 bp decrease) \$	(10 bp increase) \$	(10 bp decrease) \$
At 31 March 2020				
Borrowings	(8,640)	8,640	(8,640)	8,640
At 31 March 2019				
Borrowings	(8,640)	8,640	(8,640)	8,640

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, and borrowings.

NOTES TO THE FINANCIAL STATEMENTS

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23 Financial risk management (Cont'd)

Liquidity risk (Cont'd)

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

	Carrying amount \$'000	Contractual cash flows \$'000	Less than 1 year \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000
The Group					
31 March 2020					
Other payables (Note 15)	7,329	7,329	7,329	-	-
Borrowings (Note 16)	8,640	8,926	231	8,695	-
	15,969	16,255	7,560	8,695	-
31 March 2019					
Other payables (Note 15)	976	976	976	-	-
Borrowings (Note 16)	8,640	9,363	310	9,053	-
	9,616	10,339	1,286	9,053	-
The Company					
31 March 2020					
Other payables (Note 15)	7,237	7,237	7,237	-	-
31 March 2019					
Other payables (Note 15)	860	860	860	-	-

24 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.

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.

Borrowings (Note 16)

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 including other receivables (Note 10), cash and cash equivalents (Note 11) and other payables (Note 15) approximate their fair values because of the short period to maturity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

25 Capital management

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

- (a) To safeguard the Group's and the Company's ability to continue as a going concern;
- (b) To support the Group's and the Company's stability and growth;
- (c) To provide capital for the purpose of strengthening the Group's 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's 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 16.

The directors monitor capital based on the net debt to total equity ratio. Net debt comprises borrowings and other payables, less cash and cash equivalents.

	The Group		The Company	
	31 March 2020 \$'000	31 March 2019 \$'000 (Restated)	31 March 2020 \$'000	31 March 2019 \$'000
Other payables (Note 15)	7,329	976	7,237	860
Borrowings (Note 16)	8,640	8,640	-	-
Less: Cash and cash equivalents (Note 11)	(5,560)	(702)	(5,534)	(661)
Net debt	10,409	8,914	1,703	199
Total equity	25,455	26,983	18,154	21,074
Net debt to total equity ratio	41%	33%	9%	1%

26 Related party transaction

Other than as disclosed elsewhere in these financial statements, the following transactions took place between the Company and the related party at terms agreed between the parties:

- (a) Other transactions

	31 March 2020 \$'000	31 March 2019 \$'000
The Company		
Service fee expenses	60	80

Service fee expenses are paid to a lessor in which the Company's ex director was deemed to have an interest. The terms of the transaction were agreed between the parties. The related party transaction ceased when the director resigned on 14 November 2019.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

26 Related party transaction (Cont'd)

(b) Key management personnel compensation

	31 March 2020 \$'000	31 March 2019 \$'000
Directors' fee	162	141
Wages and salaries	234	482
Defined contribution plans, including Central Provident Fund	15	39
	411	662

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.

27 Prior year adjustment

On 6 March 2019, the IFRIC has finalised the agenda decision and concluded that borrowing costs should not be capitalised when the borrowings relate to the construction of a residential multi-unit real estate development for which revenue is recognised over time. The Group has applied the changes in accounting policies retrospectively to each reporting year using the full retrospective approach. Accordingly, the following restatements were accounted for retrospectively.

The Group	As reported \$'000	Adjustment \$'000	As restated \$'000
Consolidated statement of financial position as at 31 March 2019			
Investment in an associate	10,294	(557)	9,737
Development property	11,446	(159)	11,287
Capital reserve	275	171	446
Accumulated losses	(52,422)	(607)	(53,029)
Non-controlling interest	7,332	(280)	7,052
Consolidated statement of comprehensive income for the financial year ended 31 March 2019			
Finance cost	-	(159)	(159)
Share of loss of associate	(58)	(557)	(615)
Loss before taxation	(2,758)	(716)	(3,474)
Loss for the year	(2,758)	(716)	(3,474)
<u>Profit/(Loss) attributable to:</u>			
Owners of the Company	(2,663)	(607)	(3,270)
Non-controlling interest	(95)	(109)	(204)
<u>Total comprehensive income attributable to:</u>			
Owners of the Company	(2,660)	(607)	(3,267)
Non-controlling interest	(97)	(109)	(206)
Consolidated statement of cash flow for the financial year ended 31 March 2019			
Cash Flow from Operating Activities			
Loss before taxation	(2,758)	(716)	(3,474)
Finance cost	-	159	159
Share of loss of an associate	58	557	615

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

27 Prior year adjustment (Cont'd)

SFRS(I) 1-1 Presentation of Financial Statements states that an entity shall present a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements required in paragraph 38A if:

- (a) it applies an accounting policy retrospectively, makes a retrospective restatement of items in its financial statements or reclassifies items in its financial statements; and
- (b) the retrospective application, retrospective restatement or the reclassification has a material effect on the information in the statement of financial position at the beginning of the preceding period.

There is no retrospective application of accounting policies and the reclassification and restatement do not have an effect on the statement of financial position at the beginning of the preceding period and accordingly, there is no requirement to present the third statement of financial position.

28 Contingent liabilities

A legal claim for damages was commenced by PT Karya Indo Batam (“PT KIB”), the joint venture partner in PT OKIB against various parties, including the Company and a subsidiary, Oxley Batam, that were involved in the construction and development of the proposed Oxley Convention City i.e. the Batam project. The Group will file its defence against these claims. The Company will issue third party notices against some of its former directors and one employee.

As at the date of this report, because of the other proceedings as disclosed in Note 28, it is too early and difficult to assess the quantum of losses and damages.

29 Subsequent events

- (a) The Group has completed proposed disposal of 50% of the entire issued share capital of RCR on 2 June 2020. Following the completion of the proposed disposal, the Company ceased to hold any ordinary shares in the share capital of RCR and RCR ceased to be a subsidiary of the Company.
- (b) Based on the latest public information available to the Group at this time, there are two ongoing civil lawsuits commenced in Indonesia against PT OKIB.

On 14 July 2020, a civil lawsuit was commenced in Indonesia by PT Pratama Widya Tbk against PT OKIB (as well as PT KIB and other parties) for alleged arrears for work done on the Batam Project. The claim amounted to Rp 33,259,775,716 (plus periodic penalty payment of Rp 1,000,000 per day). The latest public information shows that the lawsuit is still ongoing with its first hearing, originally scheduled to take place on 3 July 2020, postponed to summon PT OKIB and PT KIB.

On 27 August 2020, PT KIB filed a lawsuit in tort against PT OKIB in the Batam District Court for immaterial losses of Rp 1,238,836,830,000 (or approximately S\$ 114,590,635.24) and its material losses in the amount of Rp 351,466,800,000 (or approximately S\$ 32,510,176.40), totalling Rp 1,590,313,630,000 (or approximately S\$ 147,100,811.60). The Company only discovered this suit on its own initiative by conducting a litigation search on PT OKIB. Neither the Company nor OBPL has had sight of the court papers filed in this suit and is thus unable to seek and obtain legal advice on the allegations made by PT KIB against PT OKIB and the merits of these allegations. The Company and OBPL are also unable to assess the prospects of this suit.

Based on the latest public information available to the Group at this time, two other civil lawsuits commenced in Indonesia against PT OKIB are now concluded.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

29 Subsequent events (Cont'd)

- (b) On 13 July 2020, a civil lawsuit was commenced in Indonesia by PT Aricipa Semesta against PT OKIB (as well as PT KIB) for alleged arrears for work done on the Batam Project. It involved a claim amounting to Rp 234,296,358 (plus periodic penalty payment of Rp 500,000 per day). The latest public information shows that the lawsuit is now concluded due to its revocation by PT Aricipa Semesta.

On 24 October 2019, a civil lawsuit was commenced in Indonesia by a Dara Rok Ing against PT OKIB (as well as PT KIB and the Batam Land Office) for alleged payments due from PT OKIB. It involved a claim amounting to Rp 268,776,470,683. The Company only discovered this suit on its own initiative by conducting a litigation search on PT OKIB. Neither the Company nor OBPL has had sight of the court papers filed in this suit. The latest public information shows that the lawsuit is concluded due to its rejection by the Batam District Court and there is no information at this point on whether any appeal has been requested on the decision.

Other than the aforementioned lawsuits, proceedings and potential proceedings were also commenced by purchasers of units in the Batam Project against PT OKIB for refunds and/or losses and damages arising from the illegality and/or delay in the construction of the Batam project.

- (c) On 5 June 2020, the Company received service of the sealed copy of the Order of Court granting leave for one of the Company's shareholders, Lim Soon Fang, to (i) commence an action in the Company's name against the Company's former directors Wang Zhenwen, Soong Kar Leong and Oh Si Kai (the "**Former Directors**") for their breaches of duties/fiduciary duties owed to the Company, against the Company's employee, Aldrin Tai (the "**Employee**") for his breaches of employee's duties owed to the Company, and against Rich-Link Construction Pte Ltd for having been unjustly enriched by the receipt of funds from PT OKIB following the breaches of duties of the Company's Former Directors and Employee; (ii) intervene in the legal claim commenced by PT KIB against, amongst others, the Company, and to bring a third party action against the Former Directors and Employee for a contribution and/or indemnity for RCH in respect of any liability to PT KIB; and (iii) to commence any enforcement or execution proceedings arising from the foregoing. Pursuant to the Order of Court, M/s Solitaire LLP and M/s K&L Gates Straits Law LLC were jointly appointed to act for the Company in relation to the foregoing.
- (d) At an extraordinary general meeting of the company held on 10 July, the shareholders passed the resolution to resolve, inter alia, that the Company and its subsidiaries will not do anything that will result in PT OKIB entering into any terms of settlement or refunding any sales proceeds without the approval of the shareholders of the Company in an extraordinary general meeting to be convened.

STATISTICS OF SHAREHOLDING

AS AT 16 SEPTEMBER 2020

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 16 SEPTEMBER 2020

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	21	0.74	567	0.00
100 - 1,000	423	14.97	275,252	0.00
1,001 - 10,000	1,015	35.93	5,034,658	0.07
10,001 - 1,000,000	1,193	42.23	163,763,108	2.23
1,000,001 AND ABOVE	173	6.13	7,173,597,882	97.70
TOTAL	2,825	100.00	7,342,671,467	100.00

TWENTY LARGEST SHAREHOLDERS AS AT 16 SEPTEMBER 2020

NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1 BAI FENGMEI	2,168,657,900	29.54
2 MAYBANK KIM ENG 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 TAN CHONG CHAI	72,000,000	0.98
14 KANG YEE YIN (JIANG YIYUN)	67,972,300	0.93
15 XU YONGSHENG	67,000,000	0.91
16 WU YONGQIANG	61,910,000	0.84
17 KOH GUAT CHOO	61,500,000	0.84
18 TIEW ENG HOCK @ ENG SIONG	56,600,000	0.77
19 LOI TECK HAN	50,000,000	0.68
20 DBS NOMINEES PTE LTD	40,715,960	0.55
TOTAL:	6,200,678,043	84.45

STATISTICS OF SHAREHOLDING

AS AT 16 SEPTEMBER 2020

List of Substantial Shareholders as at 16 September 2020 (As recorded in the Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct Interest	%	Deemed Interest	%	Total	%
Bai FengMei	2,168,657,900	29.54	–	–	2,168,657,900	29.54
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 Kim Eng 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 46.16% of the issued ordinary shares of the Company are held in the hands of the public as at 16 September 2020. 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 (“AGM”) of **RICH CAPITAL HOLDINGS LIMITED** (the “Company”) will be held by way of electronic via Live Webcast means on 9 October 2020, at 11:00 a.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 2020 together with the Directors’ Report and Auditors’ Report thereon. **Resolution 1**
2. To approve the payment of Directors’ Fees of S\$ 153,000 for the financial year ending 31 March 2021, to be paid quarterly in arrears. (FY2020: S\$203,000) **Resolution 2**
3. To re-elect the following Directors retiring pursuant to the Company’s Bye-Law at the forthcoming Annual General Meeting:
 - 3.1 James Kho Chung Wah (retiring pursuant to Regulation 107 of the Company’s Constitution) **Resolution 3**
 - 3.2 Alan Chang Chi Hsung (retiring pursuant to Regulation 117 of the Company’s Constitution) **Resolution 4**
 - 3.3 Oh Siyang (retiring pursuant to Regulation 117 of the Company’s Constitution) **Resolution 5**

[See Explanatory Note (i)]
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 6**
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 **Resolution 7**

That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Section B: Rules of Catalyst (“Catalist Rules”), the Directors of the Company be authorised and empowered to:

 - A. (i) allot and issue shares in the Company (“shares”) whether by way of rights, bonus or otherwise; and/or

NOTICE OF ANNUAL GENERAL MEETING

- (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
- B. (notwithstanding 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 for the time being; and

NOTICE OF ANNUAL GENERAL MEETING

- (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 (ii)]

7. AUTHORITY TO ISSUE SHARES UNDER THE RICH CAPITAL PERFORMANCE SHARE PLAN **Resolution 8**

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 (iii)]

8. AUTHORITY TO ISSUE SHARES UNDER THE RICH CAPITAL EMPLOYEE SHARE OPTION SCHEME **Resolution 9**

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 (iv)]

BY ORDER OF THE BOARD

LEE BEE FONG
Company Secretary

Date: 24 September 2020

Singapore

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes: -

- (i) If re-elected under Resolution 3 above, Mr James Kho Chung Wah will, upon re-election as a Director, remain as Independent Non-Executive Director, a member of the Audit Committee and Chairman of the Nominating Committee and Remuneration Committee. Mr James Kho Chung Wah shall be considered independent for the purposes of Rule 704(7) of the Catalist Rules. Detailed information on Mr James Kho Chung Wah can be found at page 105 of the Annual Report.

If re-elected under Resolution 4 above, Mr Alan Chang Chi Hsung 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 Alan Chang Chi Hsung shall be considered independent for the purposes of Rule 704(7) of the Catalist Rules. Detailed information on Mr Alan Chang Chi Hsung can be found at page 105 of the Annual Report.

If re-elected under Resolution 5 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 105 of the Annual Report.

- (ii) Ordinary Resolution 7 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) of the Company at the time of passing this Resolution. 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 5 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 5 is passed and any subsequent consolidation or subdivision of shares.

- (iii) The Ordinary Resolution 8 proposed in item 7 above, if passed, will empower the Directors of the Company, from date of this Annual General Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the vesting of awards under the Plan and such other share-based incentive scheme (including the Rich Capital Employee Share Option Scheme) up to a number not exceeding in total (for the entire duration of the Plan) 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time.
- (iv) The Ordinary Resolution 9 proposed in item 8 above, if passed, will empower the Directors of the Company, from date of this Annual General Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the Scheme and such other share-based incentive scheme (including Rich Capital Performance Share Plan) up to a number not exceeding in total (for the entire duration of the Scheme) 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time.

NOTICE OF ANNUAL GENERAL MEETING

Please read the following notes and the explanations of the resolutions before deciding how to vote.

Appointment of Proxy and Voting – Shareholders are also to refer to the letter dated 24 September 2020 in relation to the important notice to shareholders regarding the Company’s AGM to be held on 9 October 2020

- (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 (the **Order**) 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” (the **Joint Guidance**), a Shareholder who wishes to vote at the Meeting can only do so by appointing the Chairman of the Meeting to act as his/her proxy to vote on his/her behalf in respect of all the Shares held by him/her. In the Proxy Form, a Shareholder should specifically direct the proxy on how he/she is to vote for or vote against (or abstain from voting on) the resolutions to be tabled at the Meeting. Proxy forms submitted after 7 October 2020, 11:00 a.m. would be disregarded. If no specific direction as to voting is given, the Chairman of the Meeting will vote or abstain from voting at his/her discretion. All valid votes cast via proxy on each resolution will be counted.
- (b) Investors holding Shares through relevant intermediaries (as defined under Section 181 of the Companies Act (Chapter 50 of Singapore)), should not use the Proxy Form and should contact their relevant intermediaries as soon as possible to specify voting instructions.
- (c) The instrument appointing a proxy must be deposited by post to the Company’s Share Registrar office at 80 Robinson Road #11-02 Singapore 068898 and must be received by the Company not less than 48 hours before the time appointed for holding the AGM.
- (d) Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof) recordings and transmitting images and/or voice recordings when broadcasting the AGM proceedings through webcast, and in order for the Company (or its agents) 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), 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) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) 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.

Website

Please refer to <http://sg.conveneagm.com/richcapital> or <https://www.sgx.com> for more information about the Company, including the latest Annual Report, the Letter, the Notice of AGM and the Proxy Form.

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

Mr James Kho Chung Wah, Chang Chi Hsung and Oh Si Yang are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 9 October 2020 (“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:

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
Date of Appointment	5 January 2018	23 June 2020	10 July 2020
Date of last re-appointment	30 July 2018	–	–
Age	44	42	29
Country of principal residence	Singapore	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 James Kho Chung Wah for re-appointment as Independent Non-Executive Director of the Company.</p> <p>The Board has reviewed and concluded that Mr James Kho Chung Wah 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 Chang Chi Hsung for re-appointment as Independent Non-Executive Director of the Company.</p> <p>The Board has reviewed and concluded that Mr Chang Chi Hsung 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 Independent Non-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	Non-Executive	Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director, Chairman of the Nominating and Remuneration Committees and a Member of the Audit Committee	Independent Non-Executive Director, member of Audit Committee, Nominating Committee and Remuneration Committee.	Executive Director

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
Professional qualifications	Bachelor of Business and Chartered Financial Analyst	<ol style="list-style-type: none"> Bachelor of Commerce, Accounting and Finance, University of New South Wales Chartered Accountant, Institute of Singapore Chartered Accountants Chartered Accountant, Malaysia Institute of Accountants Fellow CPA, CPA Australia Certified Public Accountant, Hong Kong Institute of Certified Public Accountants 	Bachelor of Business with a Major in Management and a Major in Marketing, University of Newcastle.
Working experience and occupation(s) during the past 10 years	<p>2018 – Current, CEO, Willan Capital Pte Ltd</p> <p>2017 – 2018, Executive Director, Taiyo Asset Management Pte Ltd</p> <p>2014 – 2016, Executive Director Pacific Star (Greater China) Pte Ltd (a JV company of Willan Capital Pte Ltd)</p> <p>2013 – 2017, Managing Director, Willan Capital Pte Ltd</p> <p>2010 – 2013, Senior Vice President, Maybank Kim Eng Corporate Finance Pte Ltd</p>	<p>2009 – 2015, Associate Director, Mazars Singapore</p> <p>2016 – Current, Managing Director, OA Group of Companies (OA Assurance PAC and OA International Holdings Pte Ltd and its subsidiaries, namely, OA Valuation Pte. Ltd., Singapore Corporate Service Pte. Ltd., OA Corporate Services Pte. Ltd., OA Tax Advisory Pte. Ltd., OA Corporate Advisory (Hong Kong) Limited and 7W Digital Marketing Pte. Ltd., collectively, the “OA Group of Companies”)</p>	<p>2016 – 2019, Owner and General Manager, The Entrepreneur Diary (Cancelled)</p> <p>2015 – Current, Owner and General Manager, Kosy Creative Solutions (Cancelled)</p> <p>2015 – 2015, Owner and General Manager, Soon Li Construction</p> <p>2014 – 2020, General Manager, Lam Chee Land Pte Ltd</p> <p>2014 – 2020, General Manager, Lam Chee Group</p> <p>2014 – 2016, Business Development Advisor, Leatherback Co Pte Ltd</p>
Shareholding interest in the listed issuer and its subsidiaries	No	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	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%.

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
Conflict of Interest (including any competing business)	No	No	<p>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.</p> <p>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. Further, Mr Oh Siyang has undertaken to recuse himself from all discussions and not to be involved in any decision in relation to any litigation undertaken by the Group against Mr Oh Sikai, his brother, a former Executive Director of the Company, or to give any instructions to the Company's solicitors for the litigation.</p>
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
Other Principal Commitments* Including Directorships#			
Past (for the last 5 years)	<p>Eminence Investment Pte Ltd</p> <p>Pacific Star (Greater China) Pte. Ltd.</p> <p>Ariva Investment Management Pte Ltd</p> <p>Intuition Solutions Pte. Ltd.</p> <p>Serrano Holdings Limited</p> <p>Fifth Avenue Group Pte Ltd</p> <p>Taiyo Asset Management Pte Ltd</p> <p>富尔腾（山西）企业咨询有限公司</p> <p>[Fu Er Teng (Shanxi Business Advisory Ltd)</p> <p>China Environment Ltd</p> <p>D&R International Capital Limited</p>	<p>RF Fund Management Private Limited</p> <p>Singapore Blockchain Commodities Trading Exchange Pte Ltd</p> <p>D&A Strategic Capital Pte. Ltd</p> <p>OA Corporate Services Pte Ltd</p> <p>Jing Li Business Advisory Pte Ltd (Stuck-off)</p> <p>Haina Technology Group Limited</p> <p>OA International Holdings Pte Ltd</p> <p>OA Valuation Pte Ltd</p> <p>OA Assurance PAC</p> <p>OA Tax Advisory Pte Ltd</p> <p>RF International Holdings Private Limited</p> <p>Reclaims Global Limited</p> <p>RF Strategic Capital Pte Ltd</p>	<p>D P Construction Pte Ltd</p> <p>Pang Long Pte Ltd</p> <p>TPE Engineering Pte Ltd</p> <p>Tech Built Construction Pte Ltd</p> <p>Andori Ken (F&B) Pte Ltd</p> <p>Gfuku Pte Ltd</p> <p>Wong's Kitchen Pte Ltd T&W Pte Ltd</p> <p>Lam Chee Land Pte Ltd</p> <p>Leatherback Co Pte Ltd</p> <p>Soon Li Construction</p> <p>Kosy Creative Solutions</p> <p>The Entrepreneur Diary</p>
Present	<p>Willian Capital Pte Ltd</p> <p>MIB Investments Pte Ltd</p> <p>Pollux Properties Ltd</p> <p>Willian (Tianjin) Business Advisory Ltd</p> <p>Willian (Tianjin) Asset Management Ltd</p> <p>Century Management Pte Ltd</p> <p>SBI Offshore Ltd</p> <p>Willian Consultants Pte Ltd</p> <p>Platinum Project Consultancy Pte Ltd</p> <p>Sunshine Investments Pte Ltd</p>	<p>Heroic Wish Limited (BVI)</p> <p>OA Corporate Advisory (Hong Kong) Limited – (Hong Kong)</p> <p>Rio Tinto Trading Co, Limited – (Hong Kong)</p> <p>Haina Intelligent Equipment International Holdings Limited – (Cayman Islands)</p> <p>7W Digital Marketing Pte Ltd</p> <p>One Assurance LLP (Partnership)</p> <p>D & A Strategic Capital Sdn Bhd</p>	<p>Nil</p>

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
<p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.</p>			
<p>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?</p>	No	No	No
<p>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?</p>	No	No	No

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
c) Whether there is any unsatisfied judgment against him?	No	No	No
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	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
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	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	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	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:- 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	Yes Mr James Kho Chung Wah previously served as an independent director of Serrano Limited ("Serrano") (now known as Winmark Investments Holding). An independent reviewer was appointed in November 2019 to review and identify, amongst others, any potential breaches of listing rules and relevant laws and regulations in connection to the allegations of improprieties and concerns relating to transactions, business and/or conduct of management that were relevant to the Serrano's old business prior to the implementation of the schemes of arrangement. Based on publicly available information, the said independent review is still on going.	No	No

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
<p>iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No	No
<p>k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	<p>Yes</p> <p>China Environment Ltd</p> <p>There is a letter of advisory sent by ACRA to James Kho in relation to China Environment Ltd, wherein ACRA's investigations has found that although the breaches were committed by this company during the period of his directorship, there were strong mitigating factors in his favour. In view of the strong mitigating factors, ACRA has advised Mr James Kho to exercise due diligence when carrying out his duty as director.</p>	No	No

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
	<p><u>SBI Offshore Limited</u></p> <p>On 21 March 2019, SBI Offshore Limited announced that, in consultation with its sponsor and the SGX RegCo, the Board has appointed RSM Corporate Advisory Pte. Ltd. (“RSM”) as the special auditor to investigate into, among others, the background and circumstances which led to the acquisition and the subsequent disposal a vacant factory in China and whether there is any potential breach of listing rules, laws or regulations governing the company and its personnel.</p> <p>The special audit has been completed and based on the various facts and circumstances considered by RSM including the consultation with Savills Real Estate Valuation (Guangzhou) Ltd, RSM’s report concluded that the company had undertaken an adequate and reasonable process to market and sell the factory, and the sale price of RMB 18 million represented the best offer they received during the period.</p>		

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
	<p>Notwithstanding the RSM's report did not point to concerns on the disposal of the factory, SGX RegCo in its regulatory announcement released on 12 June 2020, SGX RegCo highlighted that the RSM's report noted certain concerns surrounding the acquisition of the factory and related disclosure matters, and accordingly RSM flagged out potential listing rule breaches and potential contravention of directors' fiduciary duties under Section 157 of the Companies Act. And in the same announcement, SGX RegCo stated that they will look into any potential listing rule breaches and refer the potential contravention of the Companies Act to the relevant authorities. Mr Kho is not the director of the company during the acquisition of the factory.</p> <p><u>Rich Capital Holdings Limited</u></p> <p>He is an independent director of Rich Capital Holdings Limited since January 2018. An independent reviewer was appointed in August 2019 to carry out an independent review based on the approved scope of work by SGX RegCo. The said independent review is still ongoing as at the date of the annual report</p>		

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION AND APPOINTMENT

	JAMES KHO CHUNG WAH	CHANG CHI HSUNG	OH SIYANG
Disclosure applicable to the appointment of Director only			
<p>Any prior experience as a director of a listed company?</p> <p>If yes, please provide details of prior experience.</p> <p>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.</p> <p>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).</p>	<p>Not applicable, as this relates to the re-election of a director.</p>	<p>Not applicable, as this relates to the re-election of a director.</p>	<p>Not applicable, as this relates to the re-election of a director.</p>

RICH CAPITAL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No: 199801660M)

PROXY FORM

ANNUAL GENERAL MEETING HELD ON 9 OCTOBER 2020, 11:00 A.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 as amended by COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) (Amendment No. 2) Order 2020.
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 meeting can be electronically accessed via live audio-visual webcast or audio-only means), submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions and voting by appointing the Chairman of the AGM as proxy at the AGM, are set out in the Company's announcement dated 24 September 2020. The Company will be responding to questions 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 6 October 2020.
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 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.
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 or 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 11.00 a.m. on 29 September 2020.
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 24 September 2020 which can 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/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting ("AGM") of the Company to be held wholly by way of electronic means on 9 October 2020 at 11.00 a.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 2020 together with the Directors' Statement and Auditors' Report.			
2	Approval of Directors' Fees of \$153,000 for the financial year ending 31 March 2021, to be paid quarterly in arrears.			
3	Re-election of James Kho Chung Wah as Director.			
4	Re-election of Alan Chang Chi Hsung as Director.			
5	Re-election of Oh Siyang as Director.			
6	Re-appointment of Messrs Foo Kon Tan LLP as auditors and to authorise the Directors to fix their remuneration.			
7	Authority to allot and issue shares (General Share Issue Mandate).			
8	Authority to allot and issue shares pursuant to the Rich Capital Performance Share Plan.			
9	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 _____ 2020.

Total Number of Shares held (see Note 1)

Signature(s) of Member(s)
or Common Seal of Corporate Member

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/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 11.00 a.m. on 29 September 2020.

- 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 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 7 October 2020, 11.00 a.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 appointer 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 48 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.