

RICH CAPITAL HOLDINGS LIMITED
(Formerly known as INFINIO GROUP LIMITED)
(Incorporated in Republic of Singapore)
(Company Registration No. 199801660M)

Unaudited Half-Year Financial Statement Announcement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative period of immediately preceding financial period.

		Group		
		Half Year Ended 30 September		
	Note	2019 S\$'000	2018 S\$'000 (Restated)*	% Change
Revenue	(a)	-	-	-
Cost of sales		-	-	-
Gross profit		-	-	-
Other income	(b)	6	105	(94%)
General and administrative expenses	(c)	(1,338)	(1,107)	21%
Results from operating activities		(1,332)	(1,002)	33%
Finance cost	(d)	(201)	(21)	857%
Share of loss from equity-accounted investees	(e)	(217)	(147)	48%
Loss before tax		(1,750)	(1,170)	50%
Income tax expenses		-	-	-
Loss for the year		(1,750)	(1,170)	50%
Other comprehensive loss:				
Items that may be reclassified subsequently to profit or loss				
Currency translation differences		(1)	(33)	(97%)
Other comprehensive income for the year, net of tax		(1)	(33)	(97%)
Total comprehensive loss for the year		(1,751)	(1,203)	46%
Loss attributable to:				
Owners of the Company		(1,698)	(1,110)	53%
Non-controlling interests		(52)	(60)	(13%)
		(1,750)	(1,170)	50%
Total comprehensive loss attributable to:				
Owners of the Company		(1,699)	(1,135)	50%
Non-controlling interests		(52)	(68)	(24%)
		(1,751)	(1,203)	46%
Loss per share				
- Basic loss per share (cent)		(0.02)	(0.02)	-
- Diluted loss per share (cent)		(0.02)	(0.02)	-

*: Please refer to Item 5(ii), Comparative figures

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative period of immediately preceding financial period.

	Group Half Year Ended 30 September		
	2019 S\$'000	2018 S\$'000 (Restated)*	% Change
Loss has been arrived at after charging the followings:			
Depreciation of plant and equipment	6	1	500%
Directors' fee	74	75	(1%)
Employee compensation	571	316	81%
Legal and professional fees	415	222	87%
Listing fees and AGM/ EGM expenses	189	196	(4%)

**: Please refer to Item 5(ii), Comparative figures*

1 (b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Note	Group		Company	
		30-Sep	31-Mar	30-Sep	31-Mar
		2019	2019	2019	2019
		S\$'000	S\$'000	S\$'000	S\$'000
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS					
Non-current assets					
Plant and equipment		25	30	17	19
Investments in subsidiaries		-	-	19,473	21,128
Investments in equity-accounted investees	(f)	24,546	25,073	-	-
		<u>24,571</u>	<u>25,103</u>	<u>19,490</u>	<u>21,147</u>
Current assets					
Development property		11,453	11,446	-	-
Trade and other receivables	(g)	112	64	181	126
Cash and cash equivalents		1,107	702	1,095	661
		<u>12,672</u>	<u>12,212</u>	<u>1,276</u>	<u>787</u>
Total assets		<u>37,243</u>	<u>37,315</u>	<u>20,766</u>	<u>21,934</u>
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital		72,569	72,569	72,569	72,569
Reserves		(53,901)	(52,202)	(52,778)	(51,495)
		<u>18,668</u>	<u>20,367</u>	<u>19,791</u>	<u>21,074</u>
Non-controlling interests		<u>8,275</u>	<u>7,332</u>	<u>-</u>	<u>-</u>
Total equity		<u>26,943</u>	<u>27,699</u>	<u>19,791</u>	<u>21,074</u>
Non-current liabilities					
Amount due to joint venture partner	(h)	564	-	-	-
		<u>564</u>	<u>-</u>	<u>-</u>	<u>-</u>
Current liabilities					
Trade and other payables	(j)	1,096	976	975	860
Borrowings	(k)	8,640	8,640	-	-
		<u>10,300</u>	<u>9,616</u>	<u>975</u>	<u>860</u>
Total equity and liabilities		<u>37,243</u>	<u>37,315</u>	<u>20,766</u>	<u>21,934</u>

1(b)(ii) aggregate amount of the group's borrowings and debt securities

Amount repayable in one year or less, or on demand;

As at 30 September 2019		As at 31 March 2019	
S\$ (Unaudited)		S\$ (Audited)	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

Amount repayable after one year;

As at 30 September 2019		As at 31 March 2019	
S\$ (Unaudited)		S\$ (Audited)	
Secured	Unsecured	Secured	Unsecured
8,640,000 ¹	Nil	8,640,000 ¹	Nil

Details of collateral

¹As at 30 September 2019 and 31 March 2019, there was a loan facility from a bank using 6 Kim Chuan Terrace Singapore 537029 ("**Kim Chuan**") as security. The net book value of Kim Chuan stood at S\$11.4 million as at 30 September 2019. The proposed development to be erected thereon is a 7-storey industrial building inclusive of a cargo lift and a passenger lift.

The Group's bank borrowing 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, whichever is the earliest, and was classified as "current liabilities" in line with the multi-year operating cycle of the Group's business.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	Note	Group	
		Half Year Ended 30 Sep	
		2019	2018
		S\$'000	S\$'000
			(Restated)*
Cash flows from operating activities			
Loss before taxation		(1,750)	(1,170)
<u>Adjustments for:</u>			
Depreciation of plant and equipment		6	1
Finance cost		201	21
Share of results from equity-accounted investees		217	147
Operating cash flows before changes in working capital		(1,326)	(1,001)
<u>Changes in working capital</u>			
Development properties		(7)	(10,643)
Trade and other receivables		(48)	22
Trade and other payables		93	106
Net cash used in operating activities	(m)	(1,288)	(11,516)
Cash flows from investing activities			
Purchase of plant and equipment		(1)	(13)
Return /(Disbursement) of loan in joint venture		2,000	(10,393)
Investment in associate		(122)	(9,803)
Net cash generated (used in)/from investing activities	(n)	1,877	(20,209)
Cash flows from financing activities			
Interest paid		(184)	(77)
Proceeds from issue of new ordinary shares, net of expenses		-	21,600
Proceeds from loans		-	8,640
Net cash generated (used in)/from financing activities	(p)	(184)	30,163
Net increase/(decrease) in cash and cash equivalents		405	(1,562)
Cash and cash equivalents at beginning of financial year		702	1,656
Cash and cash equivalents at the end of the period		1,107	94

*: Please refer to Item 5(ii), Comparative figures

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of change in equity

Group	Share capital S\$'000	Capital reserves S\$'000	Translation reserves S\$'000	Accumulated losses S\$'000	Attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
(Unaudited)							
2019							
Balance at 1 April 2019	72,569	275	(55)	(52,422)	20,367	7,332	27,699
Loss for the period	-	-	-	(1,698)	(1,698)	(52)	(1,750)
Other comprehensive income	-	-	(1)	-	(1)	-	(1)
Total comprehensive loss for the period	-	-	(1)	(1,698)	(1,699)	(52)	(1,751)
Contribution from non-controlling interest	-	-	-	-	-	995	995
Balance at 30 September 2019	72,569	275	(56)	(54,120)	18,668	8,275	26,943
<u>Restated*</u>							
2018							
Balance at 1 April 2018	47,646	1,105	(58)	(49,759)	(1,066)	-	(1,066)
Loss for the period	-	-	-	(1,110)	(1,110)	(60)	(1,170)
Other comprehensive income	-	-	(25)	-	(25)	(8)	(33)
Total comprehensive loss for the period	-	-	(25)	(1,110)	(1,135)	(68)	(1,203)
<u>Contributions by and distributions to owners of the Company</u>							
Interest-free loan from controlling shareholder	-	(759)	-	-	(759)	-	(759)
Issuance of shares	24,931	-	-	-	24,931	-	24,931
Share issue expenses	(8)	-	-	-	(8)	-	(8)
Balance at 30 September 2018	72,569	346	(83)	(50,869)	21,963	(68)	21,895

*: Please refer to Item 5(ii), Comparative figures

**Statement of change in equity
(Cont'd)**

Company	<u>Share capital</u> S\$'000	<u>Capital Reserves</u> S\$'000	<u>Accumulated losses</u> S\$'000	<u>Total Equity</u> S\$'000
(Unaudited)				
2019				
Balance at 1 April 2019	72,569	255	(51,750)	21,074
Loss for the period	-	-	(1,283)	(1,283)
Total comprehensive loss for the period	-	-	(1,283)	(1,283)
Balance at 30 September 2019	72,569	255	(53,033)	19,791
 2018				
Balance at 1 April 2018	47,646	1,105	(49,568)	(817)
Loss for the period	-	-	(810)	(810)
Total comprehensive loss for the period	-	-	(810)	(810)
<u>Contributions by and distributions to owners of the Company</u>				
Interest-free loan from controlling shareholder	-	(759)	-	(759)
Issuance of shares	24,931	-	-	24,931
Share issue expenses	(8)	-	-	(8)
Balance at 30 September 2018	72,569	346	(50,378)	22,537

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no changes in the share capital of the Company since 31 March 2019, being the end of the preceding period reported on.

The Company had no outstanding convertibles, treasury shares or subsidiary holdings as at 30 September 2019 and 30 September 2018.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares at the end of the current financial period and as at the end of the immediately preceding year**

	As at 30 September 2019	As at 31 March 2019
Total number of issued shares	7,342,671,467	7,342,671,467

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not Applicable. The Company did not hold any treasury shares during and as at the end of the current financial period reported on.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not Applicable. The Company did not have any subsidiary holdings during and at the end of the current financial period reported on.

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have neither been audited nor reviewed by the auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the 6-months ended 30 September 2019 ("HY2020") as with those of the audited financial statements for the financial year ended 31 March 2019.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

(i) SFRS(I) 16 Leases

The Group has applied SFRS(I) 16 Leases that is effective from 1 April 2019. SFRS(I) 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting 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. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

The Group and the Company have adopted the new standard and assessed that the adoption of this standard has no material effect on the amounts reported. As such, the comparative figures have not been restated.

(ii) Comparative figures

The comparative figures for the period from 1 April 2018 to 30 September 2018, both dates inclusive, ("HY2019") have been restated because of a change in accounting policy to equity account for the investment in PT Oxley Karya Indo Batam ("PTOKIB"); which was consolidated previously.

The Batam Project had been equity-accounted since March 2019 as the Company concluded that it does not possess substantive rights and control over PT OKIB.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	30 Sep 2019 (Unaudited)	30 Sep 2018 (Unaudited)
(Loss) per ordinary share		
- Based on weighted average number of ordinary shares in issue (Singapore cent)	(0.02)	(0.02)
- Based on fully diluted number of ordinary shares in issue (Singapore cent)	(0.02)	(0.02)

The Group's loss per share is computed based on the weighted average number of ordinary shares of 7,342,671,000 and 6,716,469,000 for the half-year ended 30 September 2019 and 30 September 2018 respectively. The basic and dilutive earnings per share are the same as there were no potentially dilutive securities for both financial periods.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year: -

	Group		Company	
	30/09/19	31/03/19	30/09/19	31/03/19
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net asset value per ordinary share (Singapore cent)	0.25	0.28	0.27	0.29

The net asset value per share is calculated based on the number of ordinary shares in issue of 7,342,671,467 shares as at 30 September 2019 (31 March 2019: 7,342,671,467 shares).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The explanatory notes below compares the financial performance of the Group between HY2020 and HY2019.

Notes on Review of Income Statement

- (a) No revenue was recorded in HY2020 as the Group's Kim Chuan Project was in the initial development stage and the Group equity-accounted its investments in Oxley Convention City Project in Batam, Indonesia (the "**Batam Project**") and 333 Thomson Road (formerly known as Peak Court) Project in Singapore. Accordingly, there was no cost of sales and gross profit recorded in HY2020.
- (b) Other income decreased mainly due to the absence of gain on extinguishment of liability arising from dormant subsidiaries recorded in 2019.
- (c) The increase in general and administrative expenses was mainly due to higher staff cost incurred to support the Group's business operations and legal fees incurred in connection with the dispute with the Indonesian partner on the Batam Project (the "**Batam Project**").
- (d) The increase in finance cost was attributable to interest expenses of S\$184,000 incurred on the Kim Chuan Project during the current financial period as the Company had sought for a deferment of the commencement of the construction and an extension of the development charge loan availability period from the bank. Accordingly, the interest expenses were expensed off during the extension period in accordance with accounting standards, in view that the Company has yet to commence the construction. The interest expense that arose from the Kim Chuan Project in HY2019 had been capitalized in accordance to the accounting standards, as the Company had the intention to commence construction by December 2018 then.
- (e) There was an increase in share of loss of equity-accounted entities as the Group accounted for its share of loss in the Batam Project for the full six-month period in the current period as contrasted to sharing its loss for the three-month period from July 2018 to September 2018. The Group was deemed to have completed its acquisition of the Batam Project on 30 June 2018.

As a result of the aforesaid, the Group reported a higher net loss of approximately S\$1.8 million and a net loss attributable to shareholders of approximately S\$1.7 million in HY2020.

Notes on Review of Financial Position

Non-Current Assets

(f) Investments in equity-accounted investees

The carrying amount of S\$24.5 million as at 30 September 2019 comprised the Group's 30% stake in TSRC Novena Pte Ltd, a joint venture project in relation to the development of 333 Thomson Road and the Group's 50% stake in PT OKIB, a joint venture project in relation to Oxley Convention City in Batam (collectively referred to as equity-accounted investees). The Group's effective interest in these two projects are 15% and 40% respectively after taking into account the non-controlling interests of their respective investment holding companies.

Investments in equity-accounted investees were decreased from S\$25.1 million to S\$24.5 million in HY2020 reflecting mainly a refund of a loan of S\$2 million previously injected into the Batam Project offset by a shareholders' fund injection into the 333 Thomson Road Project of approximately S\$1.4 million during the current reporting period.

Current Assets

(g) Trade and other receivables

The increase in trade and other receivables during the financial period was attributable mainly to deposit paid for certain professional services.

Non-Current Liabilities

(h) Amount due to joint venture partner

Amount due to a joint venture partner of S\$0.6 million was pertaining to shareholders' fund injected on behalf of the Company by the majority owner of the 333 Thomson Road (formerly known as Peak Court) Project.

Current Liabilities

(j) Trade and other payables

Trade and other payables increased mainly due to outstanding sum of legal and professional fees incurred in relation to the dispute with the Indonesian joint venture partner on the Batam Project.

(k) Borrowings

Borrowings of S\$8.6 million was in relation to a bank loan drawn under the Kim Chuan Project as explained under Item 1(b)(ii).

Working Capital

The working capital strengthened from S\$2.6 million as at 31 March 2019 to S\$2.9 million as at 30 September 2019 mainly due to the refund of an advance payment of S\$2 million previously injected into the Batam Project.

Notes on Review of Cash Flow Statement

- (m) Net cash used in operating activities was mainly due to higher loss before tax S\$1.8 million in HY2020 offset against finance cost incurred in relation to the Kim Chuan Project and share of results in the Batam Project.

- (n) Net cash inflows from investing activities was mainly attributable to the S\$2 million refund of the advance payment in relation to the Batam Project less S\$0.2 million being shareholder's loan in the 333 Thomson Road (formally known as Peak Court) Project.
- (p) Net cash outflows from financing activities of approximately S\$0.2 million in HY2020 reflected mainly interest paid related to a bank loan.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group is currently recalibrating its business strategy and is evaluating various options to ensure its ability to meet ongoing operational and funding requirements. This includes the review of our current property portfolio to align with our business strategy and searching for new opportunities in real estate development and investment. As for the current dispute with the Indonesian joint venture partner and lawsuit commenced by the main contractor of the Batam Project, Rich-Link Construction Pte. Ltd. and Rich-Link Konstruksi as previously announced, the Group is exploring all avenues to protect and preserve our investment in the Batam Project and will provide appropriate updates when there are material developments.

The outlook for Singapore's real estate market is expected to remain challenging. Amid growing trade conflicts and slower global economic growth, Singapore's economy is expected to undergo a challenging period and market sentiments are likely to remain cautious. The Group will continue to monitor the market sentiment and impact of the property cooling measures within the Singapore real estate market. The Group will continue to seek opportunities and explore potential partnerships and collaborations.

11. Dividend

If a decision regarding dividend has been made: -

(a) Whether an interim (final) dividend has been declared (recommended); and

No dividend has been declared or recommended for the current financial period reported on.

(b)(i) Amount per share (cents)

Not applicable.

(b)(ii) Previous corresponding period (cents)

Not applicable. No dividend has been declared or recommended for the previous corresponding period.

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) **The date the dividend is payable.**

Not applicable.

- (e) **The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

- 12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision: -**

No dividend has been declared or recommended for HY2020 as the Group is currently in a loss-making position.

- 13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The general mandate from shareholders for IPTs in the extraordinary general meeting held on 30 July 2018 continued in force until the conclusion of the next annual general meeting, which was held on 28 September 2019. The Group did not seek for a general mandate from shareholders for IPTs in the said annual general meeting.

In HY2020, the Group did not enter into any IPT of more than S\$100,000 in value.

- 14. Confirmation pursuant to Rules 705(5) of the Catalist Rules**

Save for the matters described ("the **Described Matters**") in the Basis of Qualified Opinion issued on the consolidated financial statements of the Group for the financial year ended 31 March 2019 ("FY2019") by the Company's Independent Auditors, Foo Kon Tan LLP ("**FKT**"), the Directors of the Company confirm that, to the best of their knowledge nothing has come to their attention which may render the unaudited financial results of the Group for the half-year ended 30 September 2019 to be false or misleading in any material aspect.

The Described Matters were:

1. Goodwill on acquisition of Oxley Batam Pte. Ltd. and its joint venture ("the **Goodwill**"); and
2. Valuation of mining rights / recoverable amount of the cost of investment in a subsidiary.

In respect of the Goodwill included in the Group's carrying amount of the investment in a joint venture, FKT was unable to determine if the Goodwill of \$1.66 million on acquisition of the joint venture was fairly stated as FKT was unable to obtain sufficient appropriate audit evidence to ascertain the appropriateness of the fair value adjustment of the land development parcel due to the ongoing disputes with the joint venture partner.

On the valuation of mining rights and the recoverable amount of the cost of investment in a subsidiary which was recorded at \$nil, respectively, FKT was not able to obtain sufficient appropriate audit evidence to ascertain whether the fair value of the mining rights and the recoverable amount of the cost of investment in subsidiary were measured appropriately in accordance with SFRS(I) 1-36 as at 31 March 2019.

15. Confirmation by the Company to Rule 720(1) of the Catalist Rules

The Company confirms that it has procured all the required undertakings from all directors and executive officers of the Company (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Rules.

BY ORDER OF THE BOARD
RICH CAPITAL HOLDINGS LIMITED
Giang Sovann
Independent Non-Executive Director

14 November 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).