



RICH CAPITAL

SHAPING A NEW TOMORROW

ANNUAL REPORT 2021

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This Annual Report has been reviewed by the Company's sponsor SAC Capital Private Ltd (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this Annual Report, including the correctness of any of the statements or opinions made or reports contained in this Annual Report.

The contact person for the Sponsor is Ms Tay Sim Yee (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

CORPORATE PROFILE



RICH CAPITAL

Rich Capital Holdings Limited (the “Company” or “Rich Capital” and together with its subsidiaries, the “Group”) is a property developer with focus on residential and industrial properties in Singapore. Its core businesses include property development, investment and management as well as the provision of specialist construction services. In line with its vision to be a property developer that offers quality, innovative and responsive built environments, Rich Capital’s portfolio includes the redevelopment of the freehold site at 6 Kim Chuan Terrace, an industrial property in Singapore. 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 of Rich Capital Holdings Limited (the "Company", together with its subsidiaries, the "Group"), I present to you the annual report for the financial year ended 31 March 2021 ("FY2021").

MOVING FORWARD IN OUR TRANSFORMATIVE JOURNEY

Over the past 2 years, the exceptional challenges which the Group encountered for both the Kim Chuan Project and the Batam Project had led to a standstill in these projects.

KIM CHUAN PROJECT

The Company is actively engaging with potential buyers and partners to optimise the value of this asset. As announced on 30 June 2021, the relevant financial institution has granted an extension of time for the First Capital Pte Ltd. ("First Capital"), the wholly owned subsidiary of the Company, an extension of time to repay the outstanding sums under the loan in full on or before 31 January 2022.

CONSTRUCTION SERVICES

The Group has recently embarked on its journey in providing specialist construction services. To date, the progress has been commendable with the award of several projects, some of which have recently commenced works. Merco Pte Ltd ("Merco"), a wholly-owned subsidiary of the Company has on 21 June 2021 received notification from the Building and Construction Authority of Singapore that its application for contractor registration status under category CR01 for Minor Construction Works Single Grade has been approved. Pursuant to this, it is now able to tender for government construction assignments called under the CR01 Workhead relating to Minor building and civil engineering works.

UPDATES ON BATAM PROJECT

For the dispute and lawsuit regarding the Batam Project, PT Karya Indo Batam ("PT KIB"), our joint venture partner has filed a Notice of Discontinuance to wholly discontinue its claims against all five defendants named in the legal dispute ("Suit 104"). The Notice of Discontinuance was accepted by the Supreme Court Registry on 11 May 2021.

The Group is also taking the necessary steps to consult with Indonesian Legal Counsel to protect its interests in the Indonesian Actions (Please refer to the Company's announcement on 20 November 2020 for further details).

The Company remains in consultation with its legal advisors and will make further announcements when there are material updates.

FINANCIAL RESULTS UNDER REVIEW

The Group did not record any revenue for the financial year under review as we have not commenced the development of Kim Chuan. The Group has also divested its stake in the 333 Thomson Road project ("Peak Court Project") in June 2020.

Legal and professional fees incurred in FY2021 were mainly attributable to the legal fees incurred for the dispute with PT KIB on the Batam Project as well as professional fees incurred on the independent review performed on the Batam Project. The Group also recognised the impairment on loss of joint control over joint venture in relation to the Batam Project based on an independent valuation of our investment which did not take into consideration any potential recovery of the value of the investment. As such, the Group did not factor the aforementioned potential recovery into the impairment on loss of joint control

MESSAGE TO SHAREHOLDERS

over joint venture in accordance with the relevant accounting standards. As a result, the Group recorded a higher net loss attributable to equity holders of S\$12.4 million in FY2021 compared to S\$3.6 million in the previous financial year.

The Group's total equity decreased from S\$25.5 million to S\$4.9 million during the year under review, mainly due to the (i) disposal of its stake in Rich Capital Realty Pte Ltd, which held the Peak Court Project and (ii) the impairment on loss of joint control over joint venture for the joint venture in relation to the Batam Project. Equity attributable to shareholders stood at S\$3.9 million while cash and cash equivalents was S\$2.6 million as at 31 March 2021.

CHALLENGING BUSINESS ENVIRONMENT

The COVID-19 pandemic has left national economies and businesses reeling as governments struggled to curtail the spread of the virus. The domestic economy and local real estate and construction sectors also experienced significant disruption of business operations amidst the implementation of strict lockdown and safe management measures. Notwithstanding these hurdles, we are actively looking for suitable new construction projects and other opportunities to augment our existing portfolio and provide additional revenue streams in the near future.

LOOKING AHEAD

The Group is still undergoing its reformation phase, having refreshed our management team and actively identifying suitable business opportunities that will yield long-term benefits for the Group. Since our last update on the regulatory issues, Provenance Capital has completed the first independent review and submitted their report to the Singapore Exchange Regulation. PricewaterhouseCoopers Consulting (Singapore) Pte Ltd is currently conducting a second independent review. We will make further announcements when there are material updates.

We are encouraged by the promising start to our construction services business and will strive to strengthen our order book in the upcoming year.

As we work tirelessly to resolve the outstanding regulatory concerns and lift the trading suspension of the Company's shares, management is also continuously evaluating suitable strategic opportunities to maximise shareholder value. As announced on 27 January 2021, we have entered into a tenancy agreement to rent out our property located at Kim Chuan Terrace for two years with an option to extend for an additional year. Barring unforeseen circumstances, this is expected to contribute positively to the Group's cash flows.

IN APPRECIATION

On behalf of the Board, I would like to express my sincere thanks to all our shareholders and business partners for their staunch support and patience with us during this unprecedented period of uncertainty. I would also like to thank our management and staff for their resilience and hard work throughout the year. We remain cautiously optimistic that we can turn the page and write a new chapter of growth for the years ahead. Together, we look forward to building a sustainable future and shaping a better tomorrow for the Group.

Thank you.

GIANG SOVANN
Interim Chairman and
Independent Non-Executive Director

BOARD OF DIRECTORS

KEN OH SIYANG **EXECUTIVE DIRECTOR**

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

He has a decade of experience in Property Development, Property Management, Building Construction, Civil Engineering, Fashion Manufacturing and Food & Beverages in the private sector during his career both in the South East Asia Region and China.

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

Today, he also continues to serve in various Trade & Cultural Associations in their Executive Committees in Various Roles.

GIANG SOVANN **INTERIM CHAIRMAN & INDEPENDENT NON-EXECUTIVE DIRECTOR**

Mr. 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 the 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**

Mr. 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. 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**

Mr. 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 from Singapore and Malaysia, where he gathered his experience in audit and accounting advisory, prior to founding OA group of companies.

Presently, Mr Chang is an Independent Director of Reclaims Global Limited, a company listed on the Catalist of the Singapore Exchange Securities Trading Limited, where he sits on the Audit and Remuneration committees. He is a Non-Executive Director, 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. Mr. Chang is also an Independent Non-Executive Director of Alpha DX Group Limited, where he is the Chairman of the Audit Committee and a member of the Remuneration Committee.

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

EXECUTIVE OFFICER

SIMON ONG ENG HOCK **CHIEF FINANCIAL OFFICER**

Mr. 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" or "Rich Capital" and, together with its subsidiaries, the "Group") is engaged in the development of residential and industrial properties in Singapore as well as the provision of specialist construction services.

FINANCIAL PERFORMANCE

The Group did not record any revenue for the financial year under review as we did not commence the development of Kim Chuan. The Group has also divested its stake in the 333 Thomson Road project ("Peak Court Project") in June 2020. Accordingly, no costs of sales and gross profit was recognised in the financial year ended 31 March 2021 ("FY2021").

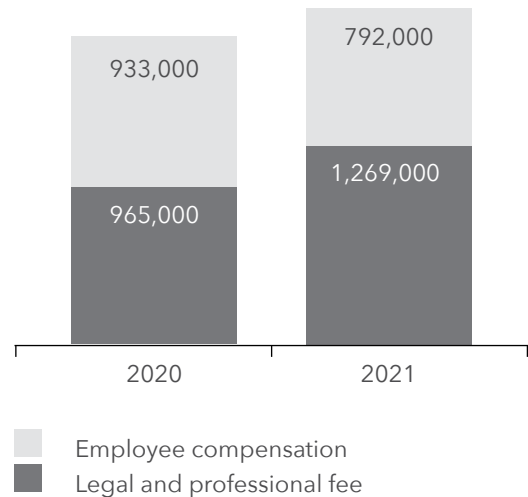
Other income increased mainly due to gain on disposal of our stake in the Peak Court Project of S\$0.98 million and receipts from the Job Support Scheme of S\$0.13 million during the year under review.

The increase in general and administrative expenses of S\$0.27 million was mainly due to higher legal fees incurred in connection with the dispute with the Indonesian joint venture partner on the Batam Project; independent valuation performed for the Batam Project and independent review fees incurred for the reviews conducted by professional advisors.

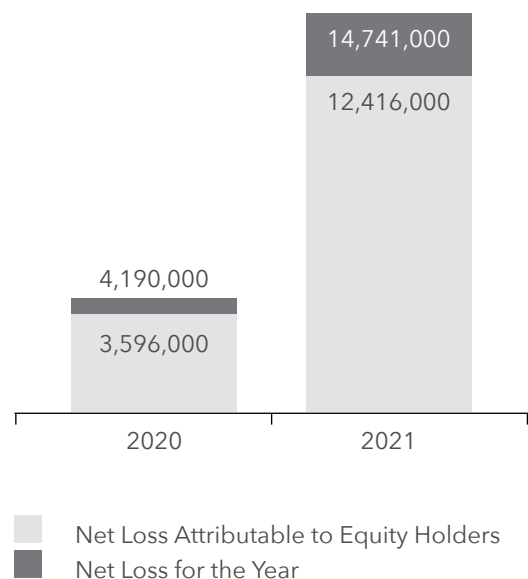
Following the independent valuation performed on the Batam Project, the Group also recognised an impairment on loss of joint control over joint venture amounting to S\$12.9 million.

As a result, the Group recorded a higher net loss attributable to equity holders of S\$12.4 million in FY2021 compared to S\$3.6 million in the previous financial year.

GENERAL AND ADMINISTRATIVE EXPENSES



NET LOSS

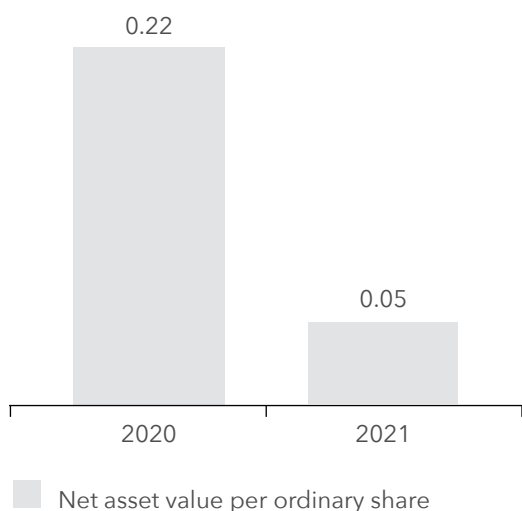


OPERATING & FINANCIAL REVIEW

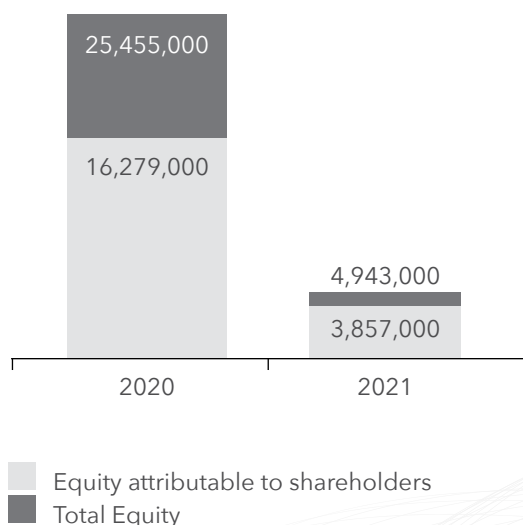
FINANCIAL POSITION

The Group's net asset value per share declined from 0.22 cents per share in the prior corresponding year end to 0.05 cents per share as at 31 March 2021. Total net assets decreased from S\$25.5 million as at 31 March 2020 to S\$4.9 million as at the end of the year under review, mainly due to the aforementioned disposal of its stake in the Peak Court Project and the impairment on loss of joint control over joint venture in relation to the Batam Project. Equity attributable to shareholders fell correspondingly from S\$16.3 million as at 31 March 2020 to S\$3.9 million as at 31 March 2021.

NET ASSET VALUE PER ORDINARY SHARE



EQUITY



The Group recorded nil balance in its investment in a joint venture as its investment in the Batam Project was reclassified as financial assets at fair value through other comprehensive income ("FVOCI") and subsequently recognised as impairment on loss of joint control over joint venture of S\$12.9 million as a result of the independent valuation performed for the Batam Project. The Group also recorded nil balance in its assets of disposal group classified as held-for-sale upon the completion of the sale of its stake in the Peak Court Project.

The increase in other receivables of S\$0.1 million during the financial year was attributable mainly to deposit paid for certain legal advisors in relation to the dispute with the Indonesian joint venture partner on the Batam Project. Other payables decreased mainly due to the reversal of advance received from the purchaser of S\$6.6 million in relation to the sale of the Company's stake in the Peak Court Project.

In light of the above, working capital weakened from S\$12.7 million as at 31 March 2020 to S\$4.9 million as at 31 March 2021.

CASH FLOW

Net cash used in operating activities was mainly due to higher loss before tax S\$14.7 million in FY2021 adjusted for gain on disposal of the Company's stake in the Peak Court Project of S\$1.0 million, offset against impairment on loss of joint control over joint venture of S\$12.9 million, share of loss from an associate of S\$0.1 million upon completion of disposal of its stake in the Peak Court Project and finance cost incurred on the Kim Chuan Project.

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

Net cash outflows from financing activities of S\$0.3 million in FY2021 was mainly due to interest paid for a bank loan in relation to Kim Chuan Project and monthly office rental.

OUTLOOK

The prevailing operating environment is expected to remain subdued as a result of the ongoing COVID-19 pandemic. While there may be nascent signs of economic recovery with the progressive rollout of vaccines, the recent surge in cases may lead to heightened uncertainty and uneven growth prospects across various industries. We expect overall sentiment for the real estate and construction market to remain tepid. Nevertheless, we will continue to monitor the market for suitable opportunities to invest in the real estate and construction sectors as we seek to build out our pipeline for growth to enhance shareholder value.

CORPORATE DIRECTORY

BOARD OF DIRECTORS

GIANG SOVANN

Interim Chairman and
Independent Non-Executive Director

JAMES KHO CHUNG WAH

Independent Non-Executive Director

CHANG CHI HSUNG

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

T: +65 6236 3333

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PRINCIPAL PLACE OF BUSINESS

140 Paya Lebar Road

#10-23, AZ@Paya Lebar

Singapore 409015

T: +65 6288 0080

F: +65 6288 2282

E: general@richcapital.com.sg

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Tricor Barbinder Share Registration Services

(A division of Tricor Singapore Pte Ltd)

80 Robinson Road #02-00

Singapore 068898

INDEPENDENT AUDITOR

Foo Kon Tan LLP

Public Accountants and Chartered Accountants

24 Raffles Place

#07-03 Clifford Centre

Singapore 048621

Partner-in-charge: Ang Soh Mui

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

PRINCIPAL BANKER

United Overseas Bank Limited

Maybank Singapore Limited

SPONSOR

SAC Capital Private Ltd

1 Robinson Road, #21-00 AIA Tower,

Singapore 048542

CORPORATE GOVERNANCE

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

Outlined below are the policies, processes and practices adopted by the Company in compliance with the principles and provisions of the Code of Corporate Governance 2018 (the "Code") and the accompanying Practice Guidance for the financial year ended 31 March 2021 ("FY2021").

Pursuant to Rule 710 of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited (the "SGX-ST") ("Catalist Rules"), the Board confirms that the Company and Group have for FY2021, complied with and observed the Principles as set out in the Code. Where there is any deviation from the Code, appropriate explanations are provided in this report on each area of non-compliance and how the Company's practices are consistent with the aim and philosophy of the principle in question.

THE BOARD'S CONDUCT OF AFFAIRS

PRINCIPLE 1:

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

Provision 1.1

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

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

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

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

The Board recognises that principal duties of each Director include:

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

CORPORATE GOVERNANCE

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

Provision 1.2

With the assistance of the Company 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 FY2021, the external auditor briefed the AC on changes and/or amendments to financial reporting standards.

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

In addition, for a newly appointed Director with no prior experience as a director of a listed company in Singapore will undergo training in the roles and responsibilities of a listed Company director as prescribed by the SGX-ST in accordance to Rule 406(3) (a). The Company will provide some training in areas such as accounting and legal where necessary including the Listed Company Directors Programme organised by the Singapore Institute of Directors and as prescribed by the 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. During FY2021, an independent director and an executive director were appointed to the Board.

CORPORATE GOVERNANCE

Provision 1.3

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

Executive Director

Mr Oh Siyang

Non-Executive and Independent Directors

Mr Giang Sovann (Interim Chairman of the Board)

Mr James Kho Chung Wah

Mr Chang Chi Hsung

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

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

CORPORATE GOVERNANCE

Provision 1.4

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

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

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

Provision 1.5

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

The Constitution of the Company allows Board and Board Committees meetings to be conducted by way of 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 FY2021 and the attendance of each Director, where relevant, are set out as follows:

	Board of Directors	Audit Committee	Remuneration Committee	Nominating Committee
No. of Meeting(s) Held	4	3	1	1
	No. of Meetings Attended			
Oh Siyang ⁽¹⁾	4	-	-	-
Giang Sovann	4	3	1	1
James Kho Chung Wah	4	3	1	1
Wong Quee Quee, Jeffrey ⁽²⁾	-	-	-	-
Chang Chi Hsung ⁽³⁾	4	3	1	1

Notes:

- (1) Mr Oh Siyang was appointed on 10 July 2020.
- (2) Mr Wong Quee Quee, Jeffrey was appointed on 28 September 2019 and had resigned on 2 April 2020.
- (3) Mr Chang Chi Hsung was appointed on 23 June 2020.

CORPORATE GOVERNANCE

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.

Our Directors have made a conscious effort to make themselves available and accessible to the Management for discussion and consultation outside the framework of formal meetings. During FY2021, Mr James Kho Chung Wah, Mr Giang Sovann and Mr Chang Chi Hsung also attended several ad-hoc 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. This ensures that discussions during the Board meetings are constructive. Any additional materials or information requested by the Directors are promptly furnished. If necessary, management staff who are able to explain and provide insights to the matters to be discussed are invited to make the appropriate presentation and answer any queries that the Directors may have.

Provision 1.7

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

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

The Company Secretary 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.

BOARD COMPOSITION AND GUIDANCE

PRINCIPLE 2:

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

Provision 2.1, 2.2 and 2.3

As at the date of this Report, the Board comprises three (3) Non-Executive and Independent Directors and one (1) Executive Director, where Non-Executive Directors make up a majority of the Board. As at the 31 March 2021, the Board Comprises of three (3) non-executive independent Directors.

CORPORATE GOVERNANCE

Details of the Directors are as set out below:

Name of Director	Board Membership	Board Committee Membership
Giang Sovann	Interim Chairman and Non-Executive Independent Director	AC (Chairman) NC RC
James Kho Chung Wah	Non-Executive Independent Director	AC NC (Chairman) RC (Chairman)
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. A brief description of the background of each Director is presented at the "Board of Directors" section of the Annual Report.

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

The Board is of the view that a strong element of independence is present in the Board with Non-Executive and Independent Directors making up 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.

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

Provision 2.4

The composition of the Board is reviewed annually by the NC and the Board is satisfied 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 provide 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 provide core competencies in business, investment, industry knowledge, legal, regulatory matters, audit, accounting and tax matters which are necessary to meet the Group's needs.

CORPORATE GOVERNANCE

The Company currently does not have a formal Board Diversity Policy. However, the Company recognises the benefits of having an effective and diverse Board, and views diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and sustainable development.

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

Provision 2.5

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

The Non-Executive and Independent Directors met regularly in FY2021 without the presence of Management. The Chairman of such meetings provides feedback to the Board where necessary.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

PRINCIPLE 3:

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

Provision 3.1 and 3.2

As at 31 March 2021 and the date of this report, Mr Giang Sovann is the Non-Executive and Independent Director and Interim Chairman of the Board while Mr Oh Siyang is the Chief Executive Officer ("CEO"). There is a clear division of roles and responsibilities between the Non-Executive Chairman and the CEO. The Chairman leads and manages the business of the Board whilst the CEO and the Management team translate the Board's decisions into executive action.

The CEO 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. The CEO is responsible for implementing the Group's strategies and policies, making strategic and business investment decisions as well as the overall management and performance of the Group.

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 ensures 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, ensuring effective communication with shareholders and continuous pursuance of high standards of corporate governance.

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

CORPORATE GOVERNANCE

Provision 3.3

As at the date of this Report and for FY2021, the Company does not have a Lead Independent Director as both the Chairman and ED are separate persons.

BOARD MEMBERSHIP

PRINCIPLE 4:

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

Provision 4.1

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

CORPORATE GOVERNANCE

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 was a member of the NC during FY2021 prior to his resignation on 2 April 2020.

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

Provision 4.3

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

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

In accordance with the Constitution of the Company, one-third of Directors for the time being, or, if their number is not a multiple of three, the number nearest to but not less than one-third, shall retire from office by rotation at the annual general meeting of the Company, and a Director appointed during the year shall hold office until the next annual general meeting of the Company. The retiring Directors may offer themselves for re-election.

The NC has reviewed and recommended the nomination of Mr Giang Sovann who will be retiring by rotation in accordance with Regulation 107 of the Constitution of the Company, for re-election as a Director of the Company at the forthcoming Annual General Meeting of the Company scheduled for 30 July 2021.

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 FY2021. 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 Provision 2.3 of the Code.

CORPORATE GOVERNANCE

Provision 4.5

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

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

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

Notwithstanding the foregoing, each of them had contributed sufficient time, resources and commitment to the Group in FY2021.

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 FY2021, which are planned and scheduled in advance.

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

CORPORATE GOVERNANCE

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

Name of Director	Current position held	Date of first Appointment	Date of Last Re-appointment	Present Directorships in Listed Companies	Past Directorships in Listed Companies	Other Principal Commitment if any
Oh Siyang	Executive Director	10 July 2020	9 October 2020	-	-	-
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 Independent Director	5 January 2018	9 October 2020	SBI Offshore Ltd	Pollux Properties Ltd Serrano Holdings Limited China Environment Ltd	Chief Executive Officer (Willan Capital Pte Ltd)
Chang Chi Hsung	Non-Executive Independent Director	23 June 2020	9 October 2020	Reclaims Global Limited (SGX) Haina Intelligent Equipment International Holdings Limited (HKSE) Alpha DX Group Limited		Managing Director (OA Group of companies)

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.

CORPORATE GOVERNANCE

BOARD PERFORMANCE

PRINCIPLE 5:

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

Provision 5.1

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

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

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

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

Provision 5.2

For FY2021, the NC assessed the effectiveness of the Board, its Board Committees and the contribution of each individual Director to the effectiveness of the Board. The Board's performance was measured by its ability to support the Management especially in times of crisis, and to steer the Company towards profitability and the achievement of strategic and long-term objectives set by the Board.

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

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

The performance evaluation of the Board, the Board Committees and each Director for FY2021 had been conducted. Both the NC and the Board are of the view that all Directors individually and severally contributed effectively and demonstrated full commitment to their roles, accordingly, the performance of the Board, the Board Committees and each Director for FY2021 were satisfactory.

CORPORATE GOVERNANCE

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

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

For FY2021, the Board did not engage an independent external consultant to facilitate the annual review of the performance of the Board and the Board Committees. Each member of the NC shall abstain from voting on any resolutions and making any recommendation and/or participating in any deliberations of the NC in respect of the assessment of his/her own performance or re-nomination as director.

REMUNERATION MATTERS **PROCEDURES FOR DEVELOPING REMUNERATION POLICIES**

PRINCIPLE 6:

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

Provision 6.1

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, including 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 the remuneration of the Non-Executive Directors, taking into account factors such as their effort, time spent and their responsibilities;
- (4) To review and recommend to the Board the benefits under any long-term incentive schemes, if any, for Executive Directors and Key Management Personnel of the Group;
- (5) To review and recommend the remuneration package of employees related to Directors or controlling shareholder of the Group, if any; and
- (6) To review the contracts of service of the Executive Directors and Key Management Personnel of the Group.

CORPORATE GOVERNANCE

The recommendations of the RC are submitted for endorsement by the Board. Such frameworks are reviewed periodically to ensure that the Directors and key management personnel are adequately but not excessively remunerated as compared to industry benchmarks and other comparable companies. This is also to ensure that the remuneration is appropriate to attract, retain and motivate the Directors and key management personnel to successfully manage the Group for the long term. Each member of the RC will abstain from voting on any resolution and making any recommendation or participating in any deliberations of the RC in respect of matters concerned 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 was also a member of the RC during FY2021 prior to his resignation on 2 April 2020.

The RC as at 31 March 2021 and the date of this Report comprises at least 3 directors, all of which are Non-Executive and Independent Directors.

Provision 6.3

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

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

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

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

Provision 6.4

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

No remuneration consultant was appointed by the Company for FY2021.

CORPORATE GOVERNANCE

LEVEL AND MIX OF REMUNERATION

PRINCIPLE 7:

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

Provision 7.1

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

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

Provision 7.2

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

Based on the remuneration framework, the RC has recommended that Directors' fees of S\$148,500 for FY2022, to be paid quarterly in arrears, be approved by Shareholders at the forthcoming annual general meeting of the Company ("AGM").

Provision 7.3

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

DISCLOSURE ON REMUNERATION

PRINCIPLE 8:

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

Provision 8.1

Details on the remuneration of Directors and key management personnel for the financial year under review are reported below. There are no terminations, retirement and post-employment benefits granted to the Directors and key management for FY2021.

CORPORATE GOVERNANCE

The remuneration bands of the Directors for FY2021 are as follows:

Name of Directors	Salary (%)	Fees ⁽¹⁾ (%)	Total (%)
Below S\$250,000 per annum			
Giang Sovann	-	100	100
James Kho Chung Wah	-	100	100
Wong Quee Quee ⁽²⁾	-	100	100
Chang Chi Hsiung	-	100	100
Oh Siyang ⁽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) Wong Quee Quee was appointed on 28 September 2019 and had resigned on 2 April 2020.
- (3) Chang Chi Hsiung was appointed on 23 June 2020.
- (4) Oh Siyang was appointed on 10 July 2020.

The Group has only three Key Management Personnel for FY2021. The breakdown (in percentage terms) of the remuneration of the three Key Management Personnel of the Group for FY2021 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
⁽⁵⁾ Simon Ong Eng Hock	Chief Financial Officer	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 resigned on 22 July 2020
- (4) Leow Quek Kien resigned on 7 August 2020
- (5) Simon Ong Eng Hock was appointed Chief Financial Officer on 28 August 2020.

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

In view of the confidentiality and sensitivity attached to remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose exact remuneration and the breakdown of remuneration in the forms of salary, bonus or other benefits received by the Key Management Personnel of the Group during FY2021. Accordingly, the aggregate remuneration paid to the Key Management Personnel for FY2021 will also not be provided in the Annual Report.

CORPORATE GOVERNANCE

Provision 8.2

Save for Mr Oh Siyang, there is no other employees who are substantial shareholders of the Company, or are immediate family members of a director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 for FY2021. Mr Oh Siyang is the son of Mr Oh Keh Yew, a substantial shareholder of the Company.

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

Provision 8.3

There were no options and awards granted under the Scheme and the Plan in FY2021. The information on the Scheme and the Plan are disclosed in the Directors' Statement to the Financial Statements as set out in this Annual Report.

Save as disclosed, there were no other forms of remuneration and other payments and benefits paid by the group to its directors and key management personnel of the issuer.

ACCOUNTABILITY AND AUDIT RISK MANAGEMENT AND INTERNAL CONTROLS

PRINCIPLE 9:

The Board is responsible for the governance of risk and ensure that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

Provision 9.1

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

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

The Board has required the Management to maintain a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives. The Board determines the Group's levels or risk tolerance and risk policies, and oversees the Management in the design, implementation and monitoring of the risk management and internal control systems. The Group's financial risk management is described in Note 28 to the Financial Statements as set out in this Annual Report.

CORPORATE GOVERNANCE

As highlighted in our annual report last year, the Company engaged Provenance Capital Pte Ltd (“Provenance Capital”) to carry out an independent review in accordance to the SGX’s approved scope of work as announced on 14 August 2019. Provenance Capital issued its independent report dated 26 January 2021 (“Provenance Capital Report”) which highlighted the following weaknesses in:-

- (1) Interested Person Transactions
- (2) Inappropriate practices
- (3) IPT processes
- (4) Weak management
- (5) Access to Company’s premises and documents

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

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

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

During the year, the Company also engaged PricewaterhouseCoopers Consulting (Singapore) Pte Ltd to carry out an Independent Review (“Second Independent Review”) referred to in the Company’s announcement dated 22 September 2020. The review is still ongoing and the Company will make further announcements to update shareholders when there are material developments on the Second Independent Review where appropriate.

The Group has a selection process for areas to be subject to internal audit, which will follow a cycle of a few years so that all key operations/units of the Group would be audited 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 scope of the Follow-up Review had significant overlap with the internal audit and therefore, no separate Internal Audit was carried out for FY2021. Baker Tilly has experience in providing risk advisory, internal audit and other consulting services. The team, comprising of a manager and staff members, is led by an engagement partner, a Certified Internal Auditor, who has more than 15 years of internal audit experience. Baker Tilly carries out internal audits of the Group in line with the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors. The AC has reviewed and assessed the experience of the appointed internal audit firm’s team and is satisfied that the team is staffed by members who are suitably qualified to undertake the internal audit function within the Group.

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 save for matters that may be raised at the conclusion of the ongoing Second Independent Review, the Group’s internal controls of risk management systems were adequate and effective as at 31 March 2021 to address the financial, operational, compliance risks and information technology risk which the Group considers relevant and material to its operations.

Discussions were also held between the AC and the external and internal auditors in the absence of key management personnel to review and address any potential concerns.

CORPORATE GOVERNANCE

Provision 9.2

The Company's Executive Director, Oh Siyang, and the Chief Financial Officer, Ong Eng Hock Simon, 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, 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.

AUDIT COMMITTEE

PRINCIPLE 10:

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

Provision 10.1

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

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

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

- (1) To review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and the Group and the announcements relating to the Group's financial performance;
- (2) To review the assurance from the CEO (or its equivalent, the ED) and the Chief Financial Officer on the financial records and financial statements;
- (3) To review scope, audit plans and reports of the external auditor and the internal auditor;
- (4) To review and report to the Board on the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance, information technology controls and risk management system at least on an annual basis;
- (5) To review interested person transactions in accordance with the requirements of the Catalist Rules of the SGX-ST;
- (6) To review and recommend to the Board of the release of the unaudited quarterly financial results and unaudited full year financial results;
- (7) To review and approving transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

CORPORATE GOVERNANCE

- (8) To review any potential conflicts of interest;
- (9) To review and recommend the re-appointment of the external and internal auditor, and approve the remuneration of the external and internal auditor;
- (10) To oversee co-ordination where more than one auditing firm or auditing corporation is involved in the Group's external audit;
- (11) To review the independence of the external auditor and internal audit function annually;
- (12) To review all non-audit services provided by the external auditor to determine if the provision of such services will affect the independence of the external auditor; and
- (13) To review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

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. Each member of the ARC shall abstain from voting on any resolutions in respect of matters in which he is interested.

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 106 of the Annual Report.

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

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

Whistle Blowing Policy

The 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 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 on 27 June 2021 to ensure that the Group's whistle-blowing policy staying relevant and reaching out to the Group's employees in Singapore and overseas.

As at the date of this Annual Report and during FY2021, there were no whistle blowing reports received by the Company.

CORPORATE GOVERNANCE

During FY2021, 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;
- (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 FY2021 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 FY2021, 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:-

- Resolution of the disclaimer of opinion issued for the year ended 31 March 2020
- Valuation of development property
- Fair Value of financial asset, at fair value through other comprehensive income (FVOCI)

Please refer to the Independent Auditors Report for further details

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.

CORPORATE GOVERNANCE

Provision 10.2

The members of the AC of the Company as at the date of this 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 was also a member of the AC during FY2021 prior to his resignation on 2 April 2020.

As at 31 March 2021 and the date of this Report, the AC comprises entirely of Non-Executive and Independent Directors.

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

Provision 10.3

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

Provision 10.4

In FY2021, the Group 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 FY2021, 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.

For FY2021, 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.

CORPORATE GOVERNANCE

Provision 10.5

During FY2021, 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

SHAREHOLDER RIGHTS AND ENGAGEMENT **SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS**

PRINCIPLE 11:

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

Provision 11.1

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

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

All shareholders of the Company will receive notices of all general meetings including the forthcoming AGM. The Company will comply with its Constitution, the Companies Act and the Catalist Rules in respect of the requisite notice periods for convening general meetings. The notice of an AGM is accompanied by the Company's annual report and will be released to shareholders on SGXNet at least 14 days before the date of the AGM. Any notice of an extraordinary general meeting will also be accompanied by a circular or letter to shareholders, providing sufficient detail on the proposals to be considered at the meeting. Circulars sent to shareholders also contain a notice on their cover page that if shareholders are in any doubt 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 on his/her/its behalf.

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

CORPORATE GOVERNANCE

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 9 October 2020.

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

Provision 11.4

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

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

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

Provision 11.5

The Company prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management. These minutes will be available to shareholders on the SGXNet within 1 month from the date of the general meeting.

Provision 11.6

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

- (1) the level of the earnings of the Group;
- (2) the financial condition of the Group;
- (3) the projected levels of the Group's capital expenditure and other investment plans;

CORPORATE GOVERNANCE

- (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 FY2021 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.

ENGAGEMENT WITH SHAREHOLDERS

PRINCIPLE 12:

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

Provision 12.1

The Company's main forum for dialogue with shareholders takes place at its AGM, where members of the Board, 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- and trade-sensitive information through SGXNet.

Provisions 12.2 and 12.3

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

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

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

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

CORPORATE GOVERNANCE

MANAGING STAKEHOLDERS RELATIONSHIP ENGAGEMENT WITH STAKEHOLDERS

PRINCIPLE 13:

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

Provision 13.1, 13.2 and 13.3

The Company's engagement with all stakeholders is set out in detail in the Sustainability Report for FY2021 which will be published as a standalone report via the SGXNet on or before 31 August 2021. The Company ensures that the financial results and annual reports are announced or issued within the mandatory periods as prescribed by the Catalist Rules.

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

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, Directors and employees are also required to adhere to the provisions of the Securities and Futures Act (Chapter 289) of Singapore, Companies Act (Chapter 50) of Singapore, the Catalist Rules and any other relevant regulations with regards to their securities transactions.

The Company has complied with Rule 1204(19) of the Catalist Rules in FY2021.

NON-SPONSOR FEES

No non-sponsorship fees were paid to the Company's Sponsor, SAC Capital Private Ltd, during FY2021.

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 FY2021.

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 FY2021. In FY2021, 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 2021

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 2021.

In our opinion,

- (a) having regard to the matters disclosed in the notes to the financial statements, in particular Note 2, 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 2021 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the 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)

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

James Kho Chung Wah (Independent Non-Executive Director)

Chang Chi Hsung (Independent Non-Executive Director)

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:

	Number of ordinary shares			
	Shares registered in the name of director		Shares in which director is deemed to have an interest	
	As at 1.4.2020	As at 31.3.2021	As at 1.4.2020	As at 31.3.2021
The Company				
Giang Sovann	3,000,000	3,000,000	-	-

The Directors' interests in shares of the Company as at 21 April 2021 were the same as those as at 31 March 2021.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2021

PERFORMANCE SHARE PLAN AND EMPLOYEE SHARE OPTION

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

Performance Share Plan

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

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

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

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

Employee Share Option

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

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

DIRECTORS' STATEMENT

For the financial year ended 31 March 2021

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
Chang Chi Hsung

The Audit Committee performs the functions set out in Section 201B (5) of the Companies Act, Cap. 50, the Catalist Rules of the Listing Manual of the SGX-ST and the Code of Corporate Governance. The functions performed are detailed in the Report on Corporate Governance set out in the Annual Report of the Company for the financial year ended 31 March 2021.

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 2021

AUDIT COMMITTEE (CONT'D)

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

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

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

INDEPENDENT AUDITOR

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

On behalf of the Directors

.....
OH SIYANG

.....
GIANG SOVANN

Dated: 13 July 2021

INDEPENDENT AUDITOR'S REPORT

to the Members of Rich Capital Holdings Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the financial statements of Rich Capital Holdings Limited (the "Company") and its subsidiaries (collectively, 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 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards (International) (SFRS(I)s) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

BASIS FOR QUALIFIED OPINION

Loss of joint control over joint venture

On 18 May 2018, the Group announced the completion of the acquisition of an 80% equity interest in Oxley Batam Pte. Ltd. ("OB") by its wholly-owned subsidiary, Rich Batam Private Limited ("Rich Batam"). 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 Project in Batam (the "Batam Project").

From the acquisition date to 31 March 2020, management has evaluated its investment in PT Oxley Karya Indo Batam ("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, the Group recorded a goodwill of \$1.66 million in the carrying amount of its investment in the joint venture, 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 Group's appointed external valuer. 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 for the financial year ended 31 March 2020.

The Group accounted for its investment in joint venture in PT OKIB using the equity method from acquisition date to 31 March 2020. 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 less impairment. The Group's profit or loss include its share of the PT OKIB's profit or loss and the Group's other comprehensive income or loss includes its share of the PT OKIB'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 for further commitment in the investment.

The Group determined that it lost joint control over PT OKIB on 1 April 2020, when the Group's employee was barred from entering PT OKIB's premises, loss of access to bank tokens and was unable to appoint a representative on the board of directors of PT OKIB for the financial year ended 31 March 2021. The loss of joint control led to the cessation of equity accounting of the joint venture on 1 April 2020. The investment was reclassified to financial asset, at fair value through other comprehensive income (FVOCI) on that date.

INDEPENDENT AUDITOR'S REPORT

to the Members of Rich Capital Holdings Limited

BASIS FOR QUALIFIED OPINION (CONT'D)

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

An independent professional valuer was appointed as management's expert to determine the fair value of the investment as at 1 April 2020 and 31 March 2021. The fair value so determined was \$Nil on both dates. Consequently, the investment in Rich Batam was also determined to be \$Nil. This resulted in the Group recognising the impairment on loss of joint control over the joint venture amounting to \$12,940,000 on 1 April 2020 and in the consolidated statement of comprehensive income for the financial year ended 31 March 2021.

Management had not determined if the joint venture had been appropriately classified and impaired in the prior years. Hence, we are unable to ascertain if the entire loss of \$12,940,000 should be recognised in the consolidated statement of comprehensive income for the financial year ended 31 March 2021 or in prior financial years.

We conducted our audit in accordance with Singapore Standards in Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Management is responsible for the other information. The other information comprise the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection to our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis of Qualified Opinion section above, we were unable to obtain sufficient appropriate evidence about the loss of joint control over joint venture. Accordingly, we are unable to conclude whether or not the other information is materially misstated.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

INDEPENDENT AUDITOR'S REPORT

to the Members of Rich Capital Holdings Limited

KEY AUDIT MATTERS (CONT'D)

1. Resolution of disclaimer of opinion issued for the financial year ended 31 March 2020

a. Carrying amount of cost of investment in joint venture and subsidiary

We disclaimed our opinion on the consolidated financial statements of the Group for the financial year ended 31 March 2020 as we were unable to determine (i) if the goodwill of \$1.66 million on acquisition of OB and PT OKIB is appropriately stated, including if any impairment is required for the financial year ended 31 March 2020, (ii) if the share of results of PT OKIB and the carrying value of PT OKIB were appropriately stated for the financial year ended 31 March 2020, and (iii) if the recoverable amount of cost of investment in PT OKIB and Rich Batam is appropriately stated as at 31 March 2020.

The Group determined it lost joint control over the joint venture on 1 April 2020. Consequently, the investment in joint venture was reclassified to financial asset, at fair value through other comprehensive income ("FVOCI") on that date. The goodwill of \$1.66 million is derecognised upon the change in the classification to financial asset, at FVOCI and the Group ceased equity accounting of the joint venture from 1 April 2020.

The Group engaged a professional independent valuer to carry out a valuation of the investment in PT OKIB as at the date of reclassification of investment in PT OKIB from a joint venture to financial asset, at FVOCI, and as at 31 March 2021. The Group recognised a loss of \$12,940,000 during the current financial year ended 31 March 2021 based on the valuation performed by the valuer. Accordingly, the carrying amount of the financial asset, at FVOCI as at 31 March 2021 is \$Nil. The cost of investment in Rich Batam is fully impaired to \$Nil as the recoverable amount of the joint venture is \$Nil as at 31 March 2021.

Our response and work performed:

We have assessed the significant events that led to the Group's loss of joint control over the joint venture that led to the reclassification of the investment in joint venture to financial asset, at FVOCI. We have assessed the appropriateness of the classification of the investment in joint venture to financial asset, at FVOCI.

We have evaluated the professional competence, qualification and objectivity of the independent professional valuer engaged by the Group as the management's expert. We have appointed an auditor's expert to review the valuation report prepared by the management's expert. We have evaluated the professional competence, qualification and objectivity of the auditor's expert.

We have assessed the appropriateness of valuation methodology used by the management's expert, which is the adjusted net assets ("ANA") method. We have reviewed and challenged the key inputs and assumptions used by the management's expert. We have discussed with the auditor's expert on the appropriateness of the key inputs and assumptions used by the management's expert.

We assessed the recoverable amount of the Company's cost of investment in subsidiary, Rich Batam based on the adjusted net asset method.

INDEPENDENT AUDITOR'S REPORT

to the Members of Rich Capital Holdings Limited

KEY AUDIT MATTERS (CONT'D)

1. Resolution of disclaimer of opinion issued for the financial year ended 31 March 2020 (Cont'd)

b. Valuation of mining rights and recoverable amount of the cost of investment in a subsidiary

Our audit report dated 12 September 2020 on the financial statements for the previous financial year ended 31 March 2020 contained a disclaimer opinion due to (i) the valuation of the mining rights, and (ii) the recoverable amount of the cost of investment in a subsidiary.

During the financial year ended 31 March 2021, hearings for applications for forfeiture of mining rights held by Summit Light brought by West Australian Prospectors Pty Ltd and Kym Anthony McClaren ("forfeiture applicants") took place. An application for forfeiture is an application seeking the forfeiture of a mining rights where the mining rights holder had failed to meet expenditure conditions that were set by Department of Mines, Industry Regulation and Safety in Western Australia. A successful forfeiture application would result in the loss of mining rights held by Summit Light.

There was no conclusion from these hearings and the next hearing which is yet to be fixed is expected to be in late 2021. As the Group had been unable to find a buyer for the mining rights to-date when the forfeiture hearing is ongoing, the fair value of the mining rights is determined to be \$Nil as at 31 March 2020 and 2021, in light of the hearings that took place in this financial year. As a consequence, the recoverable amount of the cost of investment in Summit Light is \$Nil as at 31 March 2020 and 2021.

As the fair value of the mining rights have been determined to be \$Nil as at 31 March 2021, using adjusted net assets method, the fair value of the cost of investment in a subsidiary is \$Nil as at 31 March 2021. The Group has fully impaired the investment in a subsidiary for the financial years ended 31 March 2020 and 2021.

Our response and work performed:

We have evaluated the professional competence, qualification and objectivity of the lawyers representing the Group in the above forfeiture applications. We have obtained legal confirmation on the status of forfeiture applications. We have discussed the case with the lawyers to understand and identify any contingent liability.

We assessed if the Group would be able to source for a buyer to sell the mining rights due to the ongoing forfeiture application. We confirmed with the management that Group currently has no intention to conduct mining exploration of the region.

INDEPENDENT AUDITOR'S REPORT

to the Members of Rich Capital Holdings Limited

KEY AUDIT MATTERS (CONT'D)

1. Resolution of disclaimer of opinion issued for the financial year ended 31 March 2020 (Cont'd)

c. Legal issue faced by joint venture

On 3 February 2020, PT Karya Indo Batam ("PT KIB"), the joint venture partner of PT OKIB, commenced legal claims for unliquidated damages against the Company and OB for their conduct in relation to the Batam Project (the "Singapore Action").

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 were unable to quantify the financial impact to the Company and OB for the financial year ended 31 March 2020. We were 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 for the financial year ended 31 March 2020.

On 13 November 2020, OB applied for injunction from the Singapore court in the ongoing Singapore Action to restrain PT KIB from continuing all legal actions in Batam and Jakarta against OB (the "ASI Application"). On 10 February 2021, the ASI Application was heard, and OB obtained an order of court which required PT KIB to withdraw all legal actions in Batam and Jakarta and be restrained from commencing, pursuing or continue to pursue any proceedings of any nature in Indonesia or anywhere else in the world against the Company, OB, PT OKIB and Rich Batam in relation to the Batam Project (the "ASI Order"). On 8 March 2021, PT KIB's application to appeal against the ASI Order was dismissed by the Singapore court.

On 24 March 2021, PT KIB applied to the Singapore court to discontinue the Singapore Action in its entirety against the Company and OB. On 5 May 2021, PT KIB obtained leave of court to discontinue the Singapore Action and, on 7 May 2021, filed a Notice of Discontinuance to wholly discontinue the Singapore Action against the Company and OB. The Notice of Discontinuance was accepted by the Supreme Court Registry on 11 May 2021. The Singapore Action had thereby been wholly discontinued against the Company and OB. As a result of the Notice of Discontinuance, the Group does not have contingent liability arising from the legal claim for the financial year ended 31 March 2021.

The lawyers confirmed that the legal actions in Indonesia ought to be discontinued by PT KIB due to the ASI Order. There is no bilateral or reciprocal enforcement regime between Singapore and Indonesia. Therefore, an Indonesian judgement has no direct legal effect in Singapore. Even if PT KIB were to succeed in the legal actions in Indonesia, it would have to commence fresh court proceedings in Singapore to be able to enforce the resulting Indonesian judgements. In such fresh Singapore proceedings, whether the Indonesian judgement should be enforced is subject to its own set of legal requirements and defences. Therefore, provision for contingent liability is not required in respect of the above-mentioned legal actions in Singapore and Indonesia as at 31 March 2021. The Singapore Action has concluded with The Notice of Discontinuance filed by PT KIB.

Our response and work performed:

We have evaluated the professional competence, qualification and objectivity of the lawyers representing the Group. We have obtained legal confirmations to confirm the status of the legal claim for unliquidated damages by PT KIB. We have discussed the legal claim with the lawyers to confirm our understanding of the case up to the last business day before our auditor's report. We performed subsequent events review to ascertain if payments were made in respect of these legal claims brought by PT KIB.

INDEPENDENT AUDITOR'S REPORT

to the Members of Rich Capital Holdings Limited

KEY AUDIT MATTERS (CONT'D)

2. Valuation of development property

The Group has a development property with carrying amount of \$11,306,000 and representing 79% of the Group's total assets as at 31 March 2021. Development property represents the most significant asset item on the consolidated statement of financial position.

The Group's accounting policy is to carry development properties at the lower of cost and net realisable value. Significant judgements and estimates are involved in estimating the expected selling price of the development properties based on recent transactions. The Group has estimated that the net realisable value of the development property is higher than its carrying amount.

Our response and work performed:

We have assessed the Group's processes in estimating the net realisable value of the development property as at 31 March 2021. We have checked the appropriateness of the key estimates and assumptions used by the Group in estimating the net realisable value of the development property. We have reviewed the latest transactions of similar properties in the same area and recomputed the average price per square feet of the properties transacted during the financial year ended 31 March 2021 and applied the computation to the Group's development property.

3. Fair value of financial asset, fair value through other comprehensive income (FVOCI)

The Group reclassified an investment in joint venture to financial asset, at FVOCI during the financial year ended 31 March 2021. Significant judgements and estimates are involved in estimating the fair value of the financial asset, at FVOCI. During the current financial year ended 31 March 2021, the Group recorded an impairment on loss of joint control over the joint venture amounting of \$12,940,000 and fair value of the financial asset, at FVOCI is \$Nil as at 31 March 2021.

This is determined to be a key audit matter due to the significant estimates and judgement involved in the key inputs and assumptions used in the valuation.

Our response and work performed:

We have evaluated the professional competence, qualification and objectivity of the independent professional valuer engaged by the Group as the management's expert. We have appointed an auditor's expert to review the valuation report prepared by the management's expert. We have evaluated the professional competence, qualification and objectivity of the auditor's expert.

We have assessed the appropriateness of valuation methodology used by the management's expert, which is the adjusted net assets ("ANA") method. We have reviewed and challenged the key inputs and assumptions used by the management's expert. We have discussed with the auditor's expert on the appropriateness of the key inputs and assumptions used by the management's expert.

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 objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT

to the Members of Rich Capital Holdings Limited

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary companies 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,

13 July 2021

STATEMENTS OF FINANCIAL POSITION

as at 31 March 2021

	Note	The Group		The Company	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Non-Current Assets					
Plant and equipment	4	8	19	6	12
Right-of-use asset	5	88	-	88	-
Mining rights	6	-	-	-	-
Investments in subsidiaries	7	-	-	3,140	13,222
Investment in an associate	8	-	-	-	-
Investment in a joint venture	9	-	12,780	-	-
Financial asset, at fair value through other comprehensive income ("FVOCI")	10	-	-	-	-
		96	12,799	3,234	13,234
Current Assets					
Development property	11	11,306	11,299	-	-
Other receivables	12	243	106	237	166
Cash and cash equivalents	13	2,604	5,560	2,513	5,534
		14,153	16,965	2,750	5,700
Assets of disposal group classified as held-for-sale	14	-	12,031	-	6,457
Total Assets		14,249	41,795	5,984	25,391
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	15	72,569	72,569	72,569	72,569
Reserves	16	(68,712)	(56,290)	(67,185)	(54,415)
		3,857	16,279	5,384	18,154
Non-controlling interests	7(d)	1,086	9,176	-	-
Total Equity		4,943	25,455	5,384	18,154
LIABILITIES					
Non-Current Liability					
Lease liability	17	30	-	30	-
		30	-	30	-
Current Liabilities					
Other payables	18	577	7,329	511	7,237
Lease liability	17	59	-	59	-
Borrowing	19	8,640	8,640	-	-
		9,276	15,969	570	7,237
Liabilities of disposal group classified as held-for-sale	14	-	371	-	-
Total Liability		9,306	16,340	600	7,237
Total Equity and Liabilities		14,249	41,795	5,984	25,391

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 2021

		Year ended 31 March 2021 \$'000	Year ended 31 March 2020 \$'000
	Note		
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Other income	20	1,204	17
General and administrative expenses		(2,557)	(2,287)
Distribution and marketing expenses		(109)	-
Finance cost	22	(227)	(411)
Other operating expense	21	(12,940)	-
Share of loss (net of tax) of:			
- Associate	8	(112)	(876)
- Joint venture	9	-	(633)
Loss before taxation	22	(14,741)	(4,190)
Income tax expense	23	-	-
Loss for the year		(14,741)	(4,190)
Other comprehensive loss, net of tax			
Item that will be reclassified subsequently to profit or loss			
Currency translation differences (nil tax)		(6)	(65)
Other comprehensive loss for the year		(6)	(65)
Total comprehensive loss for the year attributable to owners of the Company		(14,747)	(4,255)
Loss attributable to:			
Owners of the Company		(12,416)	(3,596)
Non-controlling interests	7(d)	(2,325)	(594)
		(14,741)	(4,190)
Total comprehensive loss attributable to:			
Owners of the Company		(12,422)	(3,652)
Non-controlling interests	7(d)	(2,325)	(603)
		(14,747)	(4,255)
Loss per share (cents)			
- basic	24	(0.17)	(0.05)
- diluted	24	(0.17)	(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 2021

	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 2019	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:							
<i>Contributions by and distributions to owners of the Company:</i>							
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
Loss for the year	-	-	-	(12,416)	(12,416)	(2,325)	(14,741)
Other comprehensive loss	-	-	(6)	-	(6)	-	(6)
Total comprehensive loss for the year	-	-	(6)	(12,416)	(12,422)	(2,325)	(14,747)
Transactions with owner, recognised directly in equity:							
<i>Contributions by and distributions to owners of the Company:</i>							
Contributions from non-controlling interests	-	-	-	-	-	161	161
Disposal of non-wholly owned subsidiary	-	-	-	-	-	(5,926)	(5,926)
Balance at 31 March 2021	72,569	446	(117)	(69,041)	3,857	1,086	4,943

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 2021

		Year ended 31 March 2021	Year ended 31 March 2020
	Note	\$'000	\$'000
Cash Flows from Operating Activities			
Loss before taxation		(14,741)	(4,190)
Adjustments for:			
Depreciation of plant and equipment	4	14	13
Depreciation of right-of-use asset	5	29	-
Finance cost	22	227	411
Gain on disposal of a subsidiary	7(a)	(978)	-
Impairment on loss of joint control over joint venture	9	12,940	-
Share of loss of an associate		112	876
Share of loss of a joint venture		-	633
Operating loss before working capital changes		(2,397)	(2,257)
Changes in development property		(7)	(12)
Changes in other receivables		(150)	(80)
Changes in other payables		(157)	74
Net cash used in operating activities		(2,711)	(2,275)
Cash Flows from Investing Activities			
Purchase of plant and equipment	4	(4)	(2)
Disposal of interest in a subsidiary	7(a)	14	-
Advances received for disposal of interest in a subsidiary	7(a)	-	6,583
Investment in an associate	8	-	(1,037)
Return of advance payment from a joint venture		-	2,000
Net cash generated from investing activities		10	7,544
Cash Flows from Financing Activities			
Interest paid		(226)	(411)
Repayment of lease liabilities		(29)	-
Net cash used in financing activities		(255)	(411)
Net (decrease)/increase in cash and cash equivalents		(2,956)	4,858
Cash and cash equivalents at the beginning of the year		5,560	702
Cash and cash equivalents at the end of the year	13	2,604	5,560

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

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

for the financial year ended 31 March 2021

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 2020	Additions	Cash flows - repayment	Finance costs	At 31 March 2021
	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liability (Note 17)	-	117	(29)	1	89
Bank borrowing (Note 19)	8,640	-	(226)	226	8,640
Total	8,640	117	(255)	227	8,729

	At 1 April 2019	Additions	Cash flows - repayment	Finance costs	At 31 March 2020
	\$'000	\$'000	\$'000	\$'000	\$'000
Bank borrowing (Note 19)	8,640	-	(411)	411	8,640
Total	8,640	-	(411)	411	8,640

There are non-cash additions to the Group's right-of-use assets of \$117,000 (2020 - \$Nil) through entering into new leases.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

1. GENERAL INFORMATION

The financial statements of the Group and of the Company for the year ended 31 March 2021 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

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

The registered office of the Company is located at 80 Robinson Road, #02-00 Singapore 068898 and the principal place of business of the Company is located at 140 Paya Lebar Road, #10-23, AZ@ Paya Lebar, Singapore 409015 with effect from 1 October 2020.

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 7, 8 and 9 to the financial statements, respectively.

2. GOING CONCERN

As at 31 March 2021, the Group's and the Company's accumulated losses amounted to \$69,041,000 (2020 - \$56,625,000) and \$67,440,000 (2020 - \$54,670,000) respectively. The Group recorded total comprehensive loss for the year of \$14,747,000 (2020 - \$4,255,000) and the Group reported net cash used in operating activities of \$2,711,000 (2020 - \$2,275,000) for the financial year then ended.

The Group did not record any revenue in the current financial year ended 31 March 2021 as the Group did not commence the construction of development property and reported a net loss of \$14.7 million for the current financial year ended 31 March 2021. The Group's and the Company's cash and cash equivalents amounted to \$2.6 million and \$2.5 million, respectively, as at 31 March 2021.

The Group has completed the 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 \$4.88 million and positive equity attributable to shareholders of \$3.86 million at the reporting date. The management has prepared the cashflow forecast for the financial year end 31 March 2022 and noted that there is a net cash in flow of \$3.51 million during this period. The key assumption for this cash flow includes the sale of the development property.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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 and have been rounded to the nearest thousand, unless otherwise stated.

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

Significant accounting estimates and judgements

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

Significant judgements in applying accounting policies

(i) Control over Rich Capital Realty Pte. Ltd. ("RCR") (Note 7)

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) Classification of investment in joint venture (Note 9)

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 in previous year and PT OKIB was classified as joint venture. The Group reassessed whether the type of joint arrangement in which it is involved has changed when facts and circumstances change during the current financial year. Management concluded that classification as a joint venture and equity accounting is no longer appropriate due to a series of material developments in FY2021 as detailed in Note 9 leading to a loss of joint control and significant influence over PT OKIB. Accordingly, the Group recognised the investment in PT OKIB as financial assets, at fair value through other comprehensive income ("FVOCI") with effect from 1 April 2020. As at 31 March 2021, the carrying amount of the interest in joint venture is Nil (2020 - \$12.78 million).

The Company engaged a valuer to carry out a valuation of (i) the investment in PT OKIB as at the time on derecognition of PT OKIB as a joint venture; (ii) as at 31 March 2021. Accordingly, the Group recognised an impairment on loss of joint control over joint venture of \$12.94 million in relation to Batam Project during the current financial year ended 31 March 2021 based on valuation by an Independent Expert. The valuation did not take into account any potential recovery in the value of the investment through legal action as SFRS(I) 37 Provisions, Contingent Assets and Contingent Liabilities prohibit the recognition of contingent assets. Accordingly, the carrying value of the financial asset, at FVOCI as at 31 March 2021 is \$Nil.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

Significant judgements in applying accounting policies (Cont'd)

(iii) 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 11)

On 28 June 2018, the Group completed the acquisition of an industrial building located at No. 6 Kim Chuan Terrace for redevelopment purposes. 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, 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 (2020 - \$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.

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 was included in the Group's carrying amount of its investment in PT OKIB before 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.

During the current financial year ended 31 March 2021, the Company engaged a valuer to carry out a valuation of the investment in PT OKIB as at financial year end. As at 1 April 2020 and 31 March 2021, the fair value of the investment was nil based on independent valuation. Accordingly, the goodwill and the investment in PT OKIB was derecognised upon reclassification of the investment in PT OKIB to financial asset, at FVOCI.

(iii) Fair value of unquoted financial asset, at FVOCI (Note 10)

Unquoted FVOCI financial assets are stated at fair value. As the market for investment in PT OKIB is not active or not available, the fair value is established by using valuation techniques such as the adjusted net assets to reflect the entity's specific circumstances.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

Significant estimates in applying accounting policies (Cont'd)

(iii) Fair value of unquoted financial asset, at FVOCI (Note 10) (Cont'd)

When valuing unquoted equity investment classified as FVOCI, the cost or latest financing price of the investments will be taken into consideration. These estimated values may differ significantly from the values that would have been used had a readily available market for such investments existed, or had such investments been liquidated, and the differences could be material to the financial statements.

(iv) 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 and adjusted net assets, if applicable. These calculations require the use of estimates. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating-unit (or group of cash-generating-units) and also to use many estimates and assumptions such as future market growth, forecast revenue and costs, useful lives of utilisation of the assets, discount rates and other factors. The carrying amounts of the Company's and Group's non-financial assets are disclosed in the following notes:

- Right-of-use asset (Note 5)
- Subsidiaries (Note 7)
- Associates (Note 8)
- Joint venture (Note 9)

The aggregate carrying amounts of the Group's non-financial assets at the reporting date were \$88,000 (2020 - \$12,780,000).

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

On 1 April 2020, the Group and the Company have adopted all the new and revised SFRS(I), SFRS(I) interpretations ("SFRS(I) INT") and amendments to SFRS(I), effective for the current financial year that are relevant to them. The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods, as discussed below:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 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) 9, SFRS(I) 1-39 and SFRS(I) 7	Interest Rate Benchmark Reform	1 January 2020
Revised Conceptual Framework for Financial Reporting		1 January 2020

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

Amendments to SFRS(I) 3 Definition of a Business

The amendments clarify that, while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 January 2020.

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

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

The amendments include clarifications to the definition of 'material' and the related guidance:

- the threshold of 'could influence' has been replaced with 'could reasonably be expected to influence';
- the term of 'obscuring information' has been included in the definition of 'material' to incorporate the existing concept in SFRS(I) 1-1 and examples have been provided of circumstances that may result in information being obscured; and
- the scope of 'users' has been clarified to mean the primary users of general purpose financial statements and their characteristics have been defined.

The amendments are to be applied prospectively and are effective for annual periods beginning on or after 1 January 2020.

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

Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 Interest Rate Benchmark Reform

The amendments provide temporary relief from applying specific hedge accounting requirements to hedging relationships that are directly affected by the global reform initiative with respect to the inter-bank offered rate ("IBOR"). The reliefs have the effect that the IBOR reform should not generally cause hedge accounting to terminate. The amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the ongoing IBOR reform.

Any hedge ineffectiveness continues to be recorded in the income statement. The reliefs will cease to apply when the uncertainties arising from the IBOR reform are no longer present. The amendments also introduce new disclosure requirements in SFRS(I) 7 for hedging relationships that are subject to the exceptions introduced by the amendments to SFRS(I) 9 and SFRS(I) 1-39. The amendments are mandatory for all hedges within scope and are to be applied retrospectively for annual reporting periods beginning on or after 1 January 2020.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 Interest Rate Benchmark Reform (Cont'd)

The Group has adopted the amendments with effect from 1 January 2020 retrospectively to hedging relationships that existed at the start of the reporting period or were designated thereafter, and to the amount accumulated in the cash flow hedging reserve at that date. The amendments are relevant for the following types of hedging relationships and financial instruments of the Group, all of which extend beyond 2021, the date by which the reform is expected to be implemented:

- cash flow hedges where IBOR-linked derivatives are designated as a cash flow hedge of IBOR-linked cash flows (in SGD);
- fair value hedges where IBOR-linked derivatives are designated as a fair value hedge of fixed rate debt in respect of the IBOR risk component (in SGD);
- net investment hedge where an IBOR-linked derivative hedges the foreign currency risk of its net investment in foreign operations in China; and
- loans to joint ventures, bank borrowings and lease liabilities which reference IBOR and are subject to the IBOR reform.

The application of the amendments impacts the Group's accounting in the following ways.

- Hedge accounting relationships shall continue despite the following:
 - for cash flow hedge of IBOR cash flows: there is uncertainty about the timing and amount of the hedged cash flows due to the IBOR reform;
 - for IBOR fair value hedge: the benchmark interest rate component may not be separately identifiable; and
 - for net investment hedge: there is uncertainty about the replacement of the IBOR reference rate included in the hedging derivative.
- The Group shall not discontinue hedge accounting even if the retrospective assessment of hedge effectiveness for a hedging relationship that is subject to the IBOR reform falls outside the range of 80% to 125% in accordance with SFRS(I) 1-39.
- The Group shall retain the cumulative gain or loss in the cash flow hedging reserve for designated IBOR cash flow hedges that are subject to the IBOR reform even though there is uncertainty arising with respect to the timing and amount of the cash flows of the hedged items.

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

Revised Conceptual Framework for Financial Reporting

The purpose of the Conceptual Framework is to assist in developing financial reporting standards. The Conceptual Framework is not a standard itself and none of the concepts contained therein override the requirements in any standard. The main changes to the Conceptual Framework's principles have implications for how and when assets and liabilities are recognised and derecognised in the financial statements. These revisions affect those entities which had developed their accounting policies based on the Conceptual Framework in the absence of specific SFRS(I) requirements. In such cases, the entities shall review those policies and apply the new guidance retrospective for annual periods beginning on or after 1 January 2020.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

Revised Conceptual Framework for Financial Reporting (Cont'd)

Some SFRS(I), their accompanying documents and SFRS(I) practice statements contain references to, or quotations from the Conceptual Framework. The Amendments to References to the Conceptual Framework in SFRS(I), issued together with the revised Conceptual Framework, sets out updates to SFRS(I), their accompanying documents and SFRS(I) practice statements to reflect the issue of the revised Conceptual Framework. These amendments are effective for annual periods beginning on or after 1 January 2020.

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

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I), SFRS(I) INT and amendments to SFRS(I) that have been issued but are not yet effective to them. Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group's and the Company's accounting policies in the period of their initial application:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 16	COVID-19 Related Rent Concessions	1 June 2020
Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16	Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to SFRS(I) 3	Reference to the Conceptual Framework	1 January 2022
Amendments to SFRS(I) 1-16	Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to SFRS(I) 1-37	Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Amendments to SFRS(I) 1-1	Classification of Liabilities as Current or Non-current	1 January 2023

Amendments to SFRS(I) 16 COVID-19 Related Rent Concessions

The amendments provide relief to lessees from applying SFRS(I) 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under SFRS(I) 16 if the change were not a lease modification. The amendments are applicable on a modified retrospective basis for annual reporting periods beginning on or after 1 June 2020. Early application is permitted.

It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Group's and the Company's financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 Interest Rate Benchmark Reform – Phase 2

The amendments address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The changes relate to the modification of financial assets, financial liabilities and lease liabilities, specific hedge accounting requirements, and disclosure requirements applying SFRS(I) 7 to accompany the amendments regarding modifications and hedge accounting.

On modification of financial assets, financial liabilities and lease liabilities, a practical expedient is available to allow for modifications required by the IBOR reform as a direct consequence and made on an economically equivalent basis to be accounted for by updating the effective interest rate prospectively. All other modifications are accounted for using current SFRS(I) requirements. A similar practical expedient is provided for lessee accounting applying SFRS(I) 16. SFRS(I) 4 is also amended to require insurers that apply the temporary exemption from SFRS(I) 9 to apply the amendments in accounting for modifications directly required by the reform.

On hedge accounting, certain amendments are made to generally permit hedge accounting continuation solely because of the IBOR reform provided that the amended hedging relationships meet all the qualifying criteria to apply hedge accounting including effectiveness requirements. The amendments enable entities to amend the formal designation and documentation of a hedging relationship to reflect changes required by the IBOR reform without discontinuing the hedging relationship or designating a new hedging relationship. Permitted changes include designating an alternative benchmark rate (contractually or non-contractually specified) as a hedged risk, amending the description of the hedged item, including the description of the designated portion of the cash flows or fair value being hedged, or amending the description of the hedging instrument to refer to an alternative benchmark rate, and for those applying SFRS(I) 1-39, amending the description of how the entity shall assess hedge effectiveness.

Amendments to SFRS(I) 7 outline disclosure requirements to allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBOR to alternative benchmark rates, and how the entity is managing this transition.

The amendments are effective for annual periods beginning on or after 1 January 2021 with early application permitted. The amendments apply retrospectively but provide relief from restating comparative information. An entity may restate prior period figures if, and only if, it is possible to do so without the use of hindsight.

It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Group's and the Company's financial statements in the period of initial application.

Amendments to SFRS(I) 3 Reference to the Conceptual Framework

The amendments update SFRS(I) 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Conceptual Framework. According to the amendments, for obligations within the scope of SFRS(I) 1-37, the acquirer shall apply SFRS(I) 1-37 to determine whether a present obligation exists at the acquisition date as a result of past events, and for a levy within the scope of SFRS(I) INT 21 Levies, the acquirer shall apply SFRS(I) INT 21 to determine whether the obligating event giving rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer shall not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if the entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

There is no material impact expected to the Group's and the Company's financial statements on initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

Amendments to SFRS(I) 1-16 Property, Plant and Equipment – Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. An entity shall recognise such sales proceeds and related costs in profit or loss and measure the cost of those items in accordance with SFRS(I) 1-2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly' and specify this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

There is no material impact expected to the Group's and the Company's financial statements on initial application.

Amendments to SFRS(I) 1-37 Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (e.g. direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (e.g. depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted. The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application.

There is no material impact expected to the Group's and the Company's financial statements on initial application.

Amendments to SFRS(I) 1-1 Classification of Liabilities as Current or Non-current

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on the rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise the right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer of cash, equity instruments, other assets or services to the counterparty.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted. There is no material impact expected to the Group's and the Company's financial statements on initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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.

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

I. CONSOLIDATION (CONT'D)

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

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

When the Group loses control of a subsidiary, a gain or loss is recognised in 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

II. BUSINESS COMBINATIONS (CONT'D)

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 2021

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 ASSOCIATE 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 accounts 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 2021

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

III. INVESTMENT IN ASSOCIATE AND JOINT VENTURE (CONT'D)

The financial statements of the associates/joint venture are prepared at 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 2021

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 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. LEASES

The Group as a lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

VI. LEASES (CONT'D)

The Group as a lessee (cont'd)

(a) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate specific to the lessee.

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

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

VI. LEASES (CONT'D)

The Group as a lessee (cont'd)

(a) Lease liability

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

(b) Right-of-use asset

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

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

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

Office premises: 2 years

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

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

The Group as a lessor

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

VI. LEASES (CONT'D)

The Group as a lessor (cont'd)

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

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

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

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

VII. DEVELOPMENT PROPERTIES

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

VIII. FINANCIAL INSTRUMENTS

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

(a) Financial assets

Measurement

Initial recognition and measurement

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

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

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

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

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

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

Subsequent measurement

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

VIII. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial assets (Cont'd)

Measurement (Cont'd)

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.

Fair value through other comprehensive income (debt instruments)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income ("FVOCI"). Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in 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 have an equity investment as financial asset at fair value through other comprehensive income (equity instruments).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

VIII. 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 2021

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

VIII. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial assets (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 2021

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

VIII. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial assets (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, 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:

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

VIII. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial liabilities (cont'd)

Financial liabilities at fair value through profit or loss

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

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

Gains or losses on liabilities held for trading are recognised in profit or loss when the changes arise.

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

Financial liabilities that are carried at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in 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 it becomes a party to the contractual agreements of the instrument. All interest-related charges are recognised as an expense in "finance cost" in the statement of comprehensive income. Financial liabilities are de-recognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

IX. 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.

X. 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.

XI. 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.

XII. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

XII. INCOME TAX (CONT'D)

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

Deferred income tax is measured:

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

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

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

XIII. 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.

XIV. 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 2021

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

XV. 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.

XVI. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

XVI. IMPAIRMENT OF NON-FINANCIAL ASSETS (CONT'D)

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

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

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

Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to the 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

XVII. 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.

XVIII. CONVERSION OF FOREIGN CURRENCIES

Transactions and balances

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

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

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within "finance cost". Foreign currency gains and losses are reported on a net basis as either other income or other operating expense depending on whether foreign currency movements are in a net gain or net loss position. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Group entities

The results and financial position of all the Group entities (*none of which has the currency of a hyperinflationary economy*) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

XIX. 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.

XX. 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 27 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

XXI. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

XXI. REVENUE (CONT'D)

Rental income

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

XXII. BORROWINGS COSTS

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

XXIII. GOVERNMENT GRANTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4. PLANT AND EQUIPMENT

The Group	Furniture and fittings \$'000	Equipment \$'000	Total \$'000
<u>Cost</u>			
At 1 April 2019	7	30	37
Additions	-	2	2
At 31 March 2020	7	32	39
Additions	-	4	4
Written-off	(5)	-	(5)
At 31 March 2021	2	36	38
<u>Accumulated depreciation</u>			
At 1 April 2019	1	6	7
Depreciation (Note 22)	2	11	13
At 31 March 2020	3	17	20
Depreciation (Note 22)	2	12	14
Written-off	(4)	-	(4)
At 31 March 2021	1	29	30
<u>Net carrying amount</u>			
At 31 March 2021	1	7	8
At 31 March 2020	4	15	19

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4. PLANT AND EQUIPMENT (CONT'D)

The Company	Furniture and fittings \$'000	Equipment \$'000	Total \$'000
<u>Cost</u>			
At 1 April 2019	7	17	24
Additions	-	2	2
At 31 March 2020	7	19	26
Additions	-	4	4
Written-off	(5)	-	(5)
At 31 March 2021	2	23	25
<u>Accumulated depreciation</u>			
At 1 April 2019	1	4	5
Depreciation	2	7	9
At 31 March 2020	3	11	14
Depreciation	2	7	9
Written-off	(4)	-	(4)
At 31 March 2021	1	18	19
<u>Net carrying amount</u>			
At 31 March 2021	1	5	6
At 31 March 2020	4	8	12

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

5. RIGHT-OF-USE ASSET

The Group and the Company	Office premise \$'000	Total \$'000
<u>Cost</u>		
At 1 April 2019 and 31 March 2020	-	-
Additions	117	117
At 31 March 2021	117	117
<u>Accumulated depreciation and impairment losses</u>		
At 1 April 2019 and 31 March 2020	-	-
Depreciation (Note 22)	29	29
At 31 March 2021	29	29
<u>Net carrying amount</u>		
At 31 March 2021	88	88
At 31 March 2020	-	-

Right-of-use asset represent right of use to occupy current office space commencing on 1st October 2020 and expiring on 30th September 2022.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

6. MINING RIGHTS

The Group	31 March 2021 \$'000	31 March 2020 \$'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 the date of this report, there are two forfeiture applications by third parties affecting the mining rights. The Group had engaged lawyers to represent it at the forfeiture application hearing. The mining rights were fully impaired since financial year ended 31 March 2018.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

7. INVESTMENTS IN SUBSIDIARIES

The Company	31 March 2021	31 March 2020
	\$'000	\$'000
Unquoted equity investment, at cost	6,699	6,699
Reclassification to "Assets Held-for-Sale" (Note 14)	-	(6,457)
Loans to subsidiaries	14,468	20,443
	21,167	20,685
Impairment losses:		
- At the beginning of the year	7,463	6,699
- Impairment loss recognised in the statement of comprehensive income (See Note (c) below)	10,571	764
- Impairment loss utilised on striking off subsidiary	(7)	-
	18,027	7,463
Net carrying amount	3,140	13,222

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Loans to subsidiaries amounting to \$14.47 million (2020 - \$20.44 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 held		Percentage of equity interest		Principal activities
		31 Mar 2021 S\$'000	31 Mar 2020 S\$'000	31 Mar 2021 %	31 Mar 2020 %	
<u>Held by the Company</u>						
First Capital Pte. Ltd. ⁽¹⁾	Singapore	3,838	3,383	100	100	Real estate development
Merco Private Limited ⁽³⁾⁽⁵⁾	Singapore	-	-	100	-	Other short-term accommodation activities and building construction
Rich Batam Private Limited ⁽¹⁾ ("Rich Batam")	Singapore	10,543	10,537	100	100	Real estate development
Rich Capital Realty Pte. Ltd. ⁽⁴⁾	Singapore	-	-	-	50	Real estate development
Summit Light Ventures Ltd. ⁽²⁾ ("Summit Light")	British Virgin Islands	6,512	6,484	100	100	Legal and sole owner of the mining rights
Infinio Korea Co. Ltd. ⁽²⁾	South Korea	264	264	100	100	Dormant
Roomwise Holdings Pte. Ltd. ⁽⁴⁾	Singapore	10	17	100	100	Dormant
<u>Held by Rich Batam Private Limited</u>						
Oxley Batam Pte. Ltd. ⁽¹⁾⁽³⁾	Singapore	-	-	80	80	Real estate development
		<u>21,167</u>	<u>20,685</u>			

(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) The application of strike off with ACRA on 23 March 2021.

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

(6) Reclassified to "Asset held-for-sale" as at 31 March 2020, and ceased to be a subsidiary of the Group on 2 June 2020. The Group completed the disposal of 50% of the entire issued share capital of Rich Capital Realty ("RCR") in connection with 333 Thomson Road Project on 2 June 2020.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

7(a) Disposal of subsidiary

On 2 June 2020, the Group completed the disposal of 50% of the entire issued share capital of RCR in connection with 333 Thomson Road Project.

Details of the disposal are as follows: -

	The Group
	2021
	\$'000
<i>Carrying amounts of net assets disposed upon completion date</i>	
Investment in an associate	13,056
Other payables	(1,511)
Net assets before deducting non-controlling interest	11,545
Less: Non-controlling interest	(5,926)
Net assets derecognised	5,619
<i>Consideration received</i>	
Cash and cash equivalents received in previous year	6,583
Cash and cash equivalents received in current year	14
Total consideration received	6,597
<i>Gain on disposal</i>	
Total consideration received	6,597
Less: Net assets derecognised	(5,619)
Gain on disposal	978
<i>Net cash inflows arising on disposal</i>	
Consideration received in cash and cash equivalents	6,597
Less: Advances received in financial year ended 31 March 2020	(6,583)
Less: Cash and cash equivalents disposed	-
Net cash inflows arising on disposal	14

The gain on disposal of subsidiary of \$978,000 is recorded within "other income" in profit or loss.

7(b) Investment in Summit Light

The recoverable amount of the Company's investment in Summit Light is dependent on the measurement basis of the mining rights as described in Note 6 since Summit Light is the sole legal owner of the mining rights. In 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

7(c) Impairment testing of investment in subsidiaries

For the financial year ended 31 March 2021 and 2020, management of the Group had carried out an impairment assessment over the investments in subsidiaries and identified the significant cash generating units ("CGUs"). These were considered to have indications of possible impairment at 31 March 2021 and 2020 as they were in a loss-making position for the past few years. The basis of determining impairment testing is based on the higher of fair value less costs to sell and value-in-use. The management adopted the fair value less costs to sell.

As at 31 March 2021, the carrying amount of the investment in subsidiaries amounted to \$3,140,000 (2020 - \$13,222,000).

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 \$10,571,000 (2020 - \$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 2021, being the shortfall between the carrying amount and the recoverable amount.

7(d) Non-wholly-owned subsidiaries

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

The Group	31 March 2020		
	Oxley Batam Group \$'000	Rich Capital	
		Realty Group \$'000	Total \$'000
<u>Cumulative non-controlling interests:</u>			
- Net liabilities attributable to NCI	(632)	(782)	(1,414)
- Shareholders' loan contributed by NCI	3,825 [^]	6,765	10,590
	<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	(130)	(464)	(594)
- 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.

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 2021	
	Oxley Batam	
	Group \$'000	Total \$'000
<i>Summarised statement of financial position</i>		
Non-current liabilities	(14,466)	(14,466)
Current liabilities	(33)	(33)
Net liabilities	<u>(14,499)</u>	<u>(14,499)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

The Group	31 March 2020		
	Rich Capital		
	Oxley Batam	Realty	Total
	Group	Group	
	\$'000	\$'000	\$'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	(3,161)	(1,562)	(4,723)

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

The Group	31 March 2020		
	Rich Capital		
	Oxley Batam	Realty	Total
	Group	Group	
	\$'000	\$'000	\$'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	(696)	(929)	(1,625)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

8. INVESTMENT IN AN ASSOCIATE

The Group	31 March 2021	31 March 2020
	\$'000	\$'000
Investment in an associate	-	109
Shareholder's loans to an associate	-	11,922
	-	12,031
Reclassification to assets of disposal group classified as held-for-sale (Note 14)	-	(12,031)
	-	-

The details of the associate are as follows:

Name of Company	Nature of relationship with the Group	Principal place of business	Group's effective interest	
			2021	2020
TSRC Novena Pte. Ltd. ("TSRC") ⁽¹⁾	Real estate development	Singapore	-	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 in the financial year ended 31 March 2020. Following the completion of the proposed disposal on 2 June 2020, the Group ceased to hold any ordinary shares in the share capital of RCR and RCR ceased to be a subsidiary of the Company as disclosed under Note 7(a) and TSRC ceased to be an associate of the Group on the same date.

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)	2023

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

8. INVESTMENT IN AN ASSOCIATE (CONT'D)

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.

The Group	31 March 2020
	\$'000
Revenue	-
Loss from continuing operations	(2,921)
Other comprehensive income	-
Total comprehensive loss	(2,921)

The Group	31 March 2020
	\$'000
Non-current assets	-
Current assets	140,103
Current liabilities	(38,145)
Non-current liabilities	(104,929)
Net assets	(2,971)
Add: Shareholders' loans to an associate	36,405
Net assets including shareholders' loans to an associate	33,434
The Group's share of net assets (30%)	10,031
Deposit contributed from non-controlling shareholders and the purchaser	1,000
Transaction costs capitalised	1,000
	12,031

	31 March 2020
	\$'000
<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)
Group's contributions during the year reflected in consolidated statement of cashflows	1,037
Additional contributions from non-controlling interest during the financial year	2,085
Contribution from the purchaser	48
At the end of the year	12,031

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

9. INVESTMENT IN A JOINT VENTURE

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 as at 31 March 2020 when PT OKIB was classified as joint venture.

The Group determined that it lost joint control over PT OKIB on 1 April 2020, when the Group's employee was barred from entering PT OKIB's premises, lost access to bank tokens and was unable to appoint a representative on the board of directors of PT OKIB for the financial year ended 31 March 2021. Management concluded that equity method is no longer appropriate. Accordingly, the Group recognised the investment in PT OKIB as financial assets, at fair value through other comprehensive income ("FVOCI") on 1 April 2020. As at 31 March 2021, the carrying amount of the interest in PT OKIB is \$Nil (2020 - \$12.78 million).

The Group engaged an independent valuer to carry out a valuation of (i) the investment in PT OKIB as at the time on derecognition of PT OKIB as a joint venture (1 April 2020); and (ii) as at 31 March 2021. Accordingly, the Group recognised impairment on loss of control over joint venture of \$12.94 million in the profit or loss in relation to Batam Project during the current financial year ended 31 March 2021 based on the independent valuation. Accordingly, financial assets, at FVOCI as at 31 March 2021 is \$Nil.

The Group	31 March 2021	31 March 2020
	\$'000	\$'000
Investment in joint venture	5,102	4,942
Amounts due from joint venture	7,838	7,838
	12,940	12,780
Impairment on loss of joint control over joint venture	(12,940)	-
Reclassification to financial assets, at fair value through other comprehensive income ("FVOCI")	-	-
Investment in joint venture as at the end of year	-	12,780

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	Principal place of business	Group's effective interest	
			2021	2020
PT Oxley Karya Indo Batam ("PT OKIB") ⁽¹⁾	Property developer of the Oxley Convention Centre ("OCC")	Indonesia	-	40%

(1) The financial statements are not audited.

Details of OCC project:

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

9. INVESTMENT IN A JOINT VENTURE (CONT'D)

Prior to FY2021, PT OKIB was a joint venture company in which the Group had 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 was 40%.

PT OKIB is structured as a separate vehicle and the Group has a residual interest in its net assets. Accordingly, the Group had classified its interest in PT OKIB as a joint venture in previous years, which was equity-accounted. However, the Group reassessed whether the type of joint arrangement in which it is involved has changed when facts and circumstances change during the current financial year. Management concluded that equity method is no longer appropriate due to a series of material developments in financial year ended 31 March 2021 leading to a loss of significant influence or joint control over PT OKIB.

The following table summarises the financial information of the joint venture based on unaudited management accounts.

	31 March 2020
	\$'000
Revenue	-
Loss from continuing operations	(1,266)
Other comprehensive income	(93)
Total comprehensive loss	(1,359)
Included in total comprehensive loss:	
- Depreciation and amortisation	(235)
- Interest income	290
- Interest expense	(36)
	31 March 2020
	\$'000
Current assets	24,813
Non-current assets	506
Current liabilities	(3,156)
Non-current liabilities	(17,777)
Net assets	4,386
Group's share of net assets (50%)	2,193
Add: Goodwill arising from business combination	1,656
Add: Amounts due from joint venture	7,838
Add: Contributions from non-controlling interest	1,093
	12,780
Included in current assets:	
- Cash and cash equivalents	5,550

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

9. INVESTMENT IN A JOINT VENTURE (CONT'D)

Group's interest in net assets of PT OKIB	31 March 2021	31 March 2020
	\$'000	\$'000
At the beginning of the year	12,780	14,779
Total consideration transferred	12,780	14,779
Advance payment return from joint venture during the financial year	-	(2,000)
Total investment in joint venture	12,780	12,779
Exchange differences	-	24
Additional contributions from non-controlling interest during the financial year	160	618
Share of loss of a joint venture recognised in the statement of comprehensive income	-	(633)
Share of other comprehensive income of a joint venture recognised in the statement of comprehensive income:		
- Owners of the Group	-	(37)
- Non-controlling interest	-	(9)
Others	-	38
	12,940	12,780
Impairment on loss of joint control over joint venture	(12,940)	-
Reclassification to financial asset, at fair value through other comprehensive income ("FVOCI")	-	-
At the end of the year	-	12,780

10. FINANCIAL ASSET, AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

The Group	31 March 2021	31 March 2020
	\$'000	\$'000
Financial asset at FVOCI (unquoted equity shares)		
At beginning of the year	-	-
Reclassification from investment in joint venture (Note 9)	-	-
At end of the year	-	-

Equity instrument designated at FVOCI

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

The fair values are within level 3 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

10. FINANCIAL ASSET, AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI") (CONT'D)

Determination of fair value

As the unquoted shares are not publicly traded, the fair value is determined based on the adjusted net liability, which resulted in a \$Nil value for the carrying value of the financial asset, at FVOCI as at 1 April 2020 (date of reclassification) and 31 March 2021.

11. DEVELOPMENT PROPERTY

The Group	31 March 2021	31 March 2020
	\$'000	\$'000
Property under development:		
Cost incurred to date	11,306	11,299

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 2021, the development property with a carrying amount of \$11.3 million (2020 - \$11.3 million) has been mortgaged to a financial institution to secure the bank borrowing as disclosed under Note 19.

12. OTHER RECEIVABLES

	The Group		The Company	
	31 Marc 2021	31 March 2020	31 March 2021	31 March 2020
	\$'000	\$'000	\$'000	\$'000
Amount due from subsidiaries (non-trade)	-	-	98	24
Allowance for impairment losses	-	-	(87)	-
Net amounts due from subsidiaries	-	-	11	24
Deposit	164	75	164	75
Amount due from a joint venture (non-trade)	-	-	39	39
Allowance for impairment losses	-	-	(39)	-
Other receivables	45	12	30	10
Loans and receivables	209	87	205	148
Input GST recoverable, net	7	15	6	14
Prepayments	27	4	26	4
	243	106	237	166

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

12. OTHER RECEIVABLES (CONT'D)

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 2021			
No credit terms (repayable on demand)	209	-	209
As at 31 March 2020			
No credit terms (repayable on demand)	87	-	87
The Company	Gross \$'000	Impairment losses \$'000	Net \$'000
As at 31 March 2021			
No credit terms (repayable on demand)	331	(126)	205
As at 31 March 2020			
No credit terms (repayable on demand)	148	-	148

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

The Group	31 March 2021 \$'000	31 March 2020 \$'000
At the beginning and end of the year	-	-
The Company	31 March 2021 \$'000	31 March 2020 \$'000
At the beginning of the year	-	-
Allowance made during the financial year	126	-
At the end of the year	126	-

The Company recognised an impairment loss on other receivables of \$126,000 (2020 - \$Nil) in the profit or loss for the financial year ended 31 March 2021 as the balances are assessed as not recoverable as the debtors do not have cash to repay, based on the debtor's financial information.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

12. OTHER RECEIVABLES (CONT'D)

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

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

	The Group		The Company	
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	205	85	205	131
United States Dollar	-	-	-	17
Australian Dollar	4	2	-	-
	209	87	205	148

13. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Cash at bank	2,604	5,560	2,513	5,534

Cash and cash equivalents are denominated in Singapore dollar.

14. 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 disposal Group of RCR includes the Group's investment in associate, TSRC, as disclosed in Note 8.

The assets and liabilities attributable to RCR, which were 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 as at 31 March 2020.

On 2 June 2020, the Group completed the disposal of 50% of the entire issued share capital of Rich Capital Realty ("RCR"). Accordingly, the Company ceased to hold any ordinary shares in the share capital of RCR and RCR ceased to be a subsidiary of the Company as disclosed in Note 7(a). As a result, the disposal group classified as held-for-sale has been disposed of upon the completion date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

14 DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE (CONT'D)

At 31 March 2021, the disposal group was stated at Nil due to the completion of disposal during current financial year.

The Group	31 March 2021 \$'000	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
	31 March 2021 \$'000	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

15. SHARE CAPITAL

The Company	No. of ordinary shares '000	Amount \$'000
At 31 March 2020 and 31 March 2021	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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

16. RESERVES

	The Group		The Company	
	31 March 2021 \$'000	31 March 2020 \$'000	31 March 2021 \$'000	31 March 2020 \$'000
Capital reserve	446	446	255	255
Translation reserve	(117)	(111)	-	-
Accumulated losses	(69,041)	(56,625)	(67,440)	(54,670)
	(68,712)	(56,290)	(67,185)	(54,415)

Capital reserve

As at 31 March 2021, 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 in previous year.

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.

17. LEASE LIABILITY

The Group and the Company	31 March 2021 \$'000	31 March 2020 \$'000
	Undiscounted lease payments due:	
- Year 1	60	-
- Year 2	30	-
Less: Future interest cost	(1)	-
	89	-
Presented as:		
- Non-current	30	-
- Current	59	-
	89	-

Interest expense on lease liabilities of \$1,200 (2020 - Nil) is recognised within "finance costs" in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

17. LEASE LIABILITY (CONT'D)

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

	31 March 2021 \$'000	31 March 2020 \$'000
The Group and the Company		
Short term leases	44	96

As at 31 March 2021, the Group's short-term lease commitments at the reporting date are not substantially dissimilar to those giving rise to the Group's short-term lease expense for the year.

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

Information about the Group's leasing activities are disclosed in Note 25.

18. OTHER PAYABLES

	The Group		The Company	
	31 March 2021 \$'000	31 March 2020 \$'000	31 March 2021 \$'000	31 March 2020 \$'000
Other payables	202	462	171	385
Accrued expenses	314	243	299	228
Amount due to directors/ex-directors	41	41	41	41
Financial liabilities at amortised cost	557	746	511	654
Deposit received	20	1,317	-	1,317
Advance received	-	5,266	-	5,266
Other payables - total	577	7,329	511	7,237

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 the disposal of 50% of the entire issued share capital of Rich Capital Realty Pte. Ltd. in connection with 333 Thomson Road Project.

Other payables (excluding deposit received and advance received) are denominated in the following currencies:

	The Group		The Company	
	31 March 2021 \$'000	31 March 2020 \$'000	31 March 2021 \$'000	31 March 2020 \$'000
Singapore Dollar	466	673	421	589
Australian Dollar	1	8	-	-
United States Dollar	74	47	74	47
Hong Kong Dollar	16	18	16	18
	557	746	511	654

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

19. BORROWINGS

The Group	31 March	31 March
	2021	2020
	\$'000	\$'000
Bank borrowings (secured)	8,640	8,640
Nominal interest rate	2.41% to 3.02%	3.78% to 4.01%

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 2021, the effective interest rates ranged from 2.41% to 3.02% (2020 - 3.78% to 4.01%) per annum and is secured by a mortgage on the Group's development property disclosed in Note 11.

The bank revised the banking facilities by cancelling the Development Charge Loan and Construction Loan on 31 December 2019, leaving the existing Land Loan in place. As a consequence of the delay in the commencement of Kim Chuan Project, First Capital Pte Ltd ("First Capital"), a wholly-owned subsidiary of the Group is in breach of the covenant to complete the construction of the Kim Chuan project before the stated deadline of 30 September 2020. For the avoidance of doubt, the Company and First Capital have not received any notice from the bank in relation to the breach of the abovementioned covenant. The Group has discussed with the bank for an extension of the loan and the bank has agreed, subject to the same terms and conditions of the Land Loan, to grant an extension of time for First Capital to repay the outstanding sums under the loan in full on or before 31 January 2022 (the "Offer of Extension"). First Capital has on 29 June 2021 accepted the Offer of Extension.

20. OTHER INCOME

The Group	2021	2020
	\$'000	\$'000
Gain on disposal of a subsidiary	978	-
Waiver of a third-party debt	69	-
Job support scheme grant	130	-
Rental income	20	-
Others	7	17
	1,204	17

Details of gain on disposal of a subsidiary is disclosed under Note 7(a).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

21. OTHER OPERATING EXPENSE

The Group	2021 \$'000	2020 \$'000
Impairment on loss of joint control over joint venture	12,940	-

22. 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	2021 \$'000	2020 \$'000
<u>Included in "general and administrative expenses"</u>			
Depreciation of plant and equipment	4	14	13
Depreciation of right-of-use asset	5	29	-
Audit fees - auditors of the Company		80	86
Non-audit fees - auditors of the Company		12	2
Directors' fee in respect of FY2020*		30	162
Directors' fee in respect of FY2021		153	-
Employee compensation (See below)		792	933
Legal and professional fees		1,269	965
Lease expense - short term leases		44	96
Extension fee of property loan		86	-
<u>Breakdown of employee compensation:</u>			
<u>Directors' remuneration other than fee:</u>			
- Salaries and allowances		112	111
- Defined contribution plan		9	3
		121	114
<u>Key management personnel other than directors: -</u>			
- Salaries and allowances		177	123
- Defined contribution plan		15	12
		192	135
<u>Other than directors and key management personnel</u>			
- Salaries and allowances		425	625
- Defined contribution plan		54	59
		479	684
		792	933

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

22. LOSS BEFORE TAXATION (CONT'D)

The Group	2021 \$'000	2020 \$'000
Included in "finance cost"		
Interest expense on borrowings	226	411
Interest expense on lease liability	1	-
	227	411

23. INCOME TAX EXPENSE

The tax expense on the results of the financial years ended 31 March 2020 and 2021 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	2021 \$'000	2020 \$'000
Loss before taxation	(14,741)	(4,190)
Tax at statutory rate of 17% (2020 - 17%)	(2,506)	(712)
Tax effect on non-deductible expenses	2,487	455
Share of results:		
- Associate	19	149
- Joint venture	-	108
	-	-

Non-deductible expenses are mainly related to the impairment on loss of joint control over joint venture and administrative expenses as the Company is an investment holding company and the subsidiaries are not generating revenue.

24. 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 2021 and 2020.

The Group	2021 \$'000	2020 \$'000
Loss for the year attributable to owners of the Company	(12,416)	(3,596)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24. LOSS PER SHARE (CONT'D)

The Company	Number of shares ('000)	
	2021	2020
Number of ordinary shares issued at 1 April	7,342,672	7,342,672
Issue of shares (weighted average)	-	-
Weighted average number of ordinary shares issued during the year	7,342,672	7,342,672
The Company	2021	2020
Loss per share (cents):		
- basic	0.17	0.05
- diluted	0.17	0.05

25. LEASES

(i) *The Group as lessee*

Office premises

The Group leases office premise for operation purposes. The office premise is recognised within the Group's right-of-use assets and lease liabilities as disclosed under Note 5 and Note 17.

The Group makes monthly lease payment for the use of office premise. Total cash outflows for the lease during the year amount to \$30,000.

(i) *The Group as lessor*

Development property

Operating leases, in which the Group is the lessor, relates to development property (Note 11) owned by the Group. These leases are classified as operating lease because the risks and rewards incidental to the ownership of the assets are not substantially transferred. The Group's rental income received on the development property are disclosed in Note 20.

The future minimum rental receivable under non-cancellable operating leases contracted for at the reporting date are as follows:

The Group	2021	2020
	\$'000	\$'000
Undiscounted lease payments to be received:		
Year 1	120	-
Year 2	100	-
	220	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

26. COMMITMENTS

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	2021 \$'000	2020 \$'000
Amounts approved and contracted by the joint venture in respect of future capital expenditure but not provided for	-	125,000

27. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

27. OPERATING SEGMENTS (CONT'D)

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

	Property Development		Mining		Corporate		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-
Other income	26	6	-	-	200	11	226	17
General and administrative expenses	(300)	(123)	(31)	(24)	(2,226)	(2,140)	(2,557)	(2,287)
Distribution and marketing expenses	(109)	-	-	-	-	-	(109)	-
Finance costs	(227)	(411)	-	-	-	-	(227)	(411)
Impairment on loss of joint control over joint venture	(12,940)	-	-	-	-	-	(12,940)	-
Share of loss from an associate	(112)	(876)	-	-	-	-	(112)	(876)
Gain on disposal of subsidiary	978	-	-	-	-	-	978	-
Share of loss from a joint venture	-	(633)	-	-	-	-	-	(633)
Loss before taxation	(12,684)	(2,037)	(31)	(24)	(2,026)	(2,129)	(14,741)	(4,190)
Income tax expense	-	-	-	-	-	-	-	-
Loss for the year	(12,684)	(2,037)	(31)	(24)	(2,026)	(2,129)	(14,741)	(4,190)
Reportable segment assets	11,402	23,324	4	2	2,843	5,689	14,249	29,015
Investment in joint venture	-	12,780	-	-	-	-	-	12,780
Reportable segment liabilities	(8,705)	(9,024)	(1)	(79)	(600)	(7,237)	(9,306)	(16,340)
Other information:								
Depreciation of right use of asset	-	-	-	-	(29)	-	(29)	-
Depreciation of plant and equipment	-	-	-	-	(14)	(13)	(14)	(13)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

27. OPERATING SEGMENTS (CONT'D)

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:

Non-current assets	2021	2020
	\$'000	\$'000
Singapore	96	19
Indonesia	-	12,780
Segment assets		
	2021	2020
	\$'000	\$'000
Total assets for reportable segments	14,249	29,015
Investment in joint venture	-	12,780
Consolidated total assets	14,249	41,795
Segment liabilities		
	2021	2020
	\$'000	\$'000
Total liabilities for reportable segments	9,306	16,340
Consolidated total liabilities	9,306	16,340

28. FINANCIAL RISK MANAGEMENT

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

For the financial year ended 31 March 2021

28. 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	The Company
	\$'000	\$'000
31 March 2021		
Financial assets, at fair value through other comprehensive income	-	-
	-	-
Financial assets at amortised cost		
Other receivables ⁽¹⁾	209	205
Cash and bank balances	2,604	2,513
	2,813	2,718
Financial liabilities at amortised cost		
Lease liability	89	89
Other payables ⁽²⁾	557	511
Borrowings	8,640	-
	9,286	600
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 ⁽²⁾	746	654
Borrowings	8,640	-
	9,386	654

(1) Excluded GST receivable and prepayments

(2) Excluded deposit and advance received

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

28. FINANCIAL RISK MANAGEMENT (CONT'D)

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

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

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

The Group	2021	2020
	\$'000	\$'000
Financial assets measured at amortised cost		
Other receivables *	209	87
Cash and cash equivalents	2,604	5,560
	2,813	5,647
The Company		
Financial assets measured at amortised cost		
Other receivables *	205	148
Cash and cash equivalents	2,513	5,534
	2,718	5,682

* 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).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

28. FINANCIAL RISK MANAGEMENT (CONT'D)

Credit risk (Cont'd)

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

The Group	12-month/ Lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$'000	\$'000	\$'000
At 31 March 2021				
Other receivables	12-month	209	-	209
		209	-	209
At 31 March 2020				
Other receivables	12-month	87	-	87
		87	-	87

The Company	12-month/ Lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$'000	\$'000	\$'000
At 31 March 2021				
Other receivables	12-month	331	(126)	205
At 31 March 2020				
Other receivables	12-month	148	-	148

(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.

Financial assets that are neither past due nor impaired

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

Financial assets that are past due but not impaired

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

28. FINANCIAL RISK MANAGEMENT (CONT'D)

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.

As at 31 March 2021 and 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)		Equity increase/(decrease)	
	(10 bp increase)	(10 bp decrease)	(10 bp increase)	(10 bp decrease)
	\$'000	\$'000	\$'000	\$'000
At 31 March 2021				
Borrowing	(9)	9	(9)	9
At 31 March 2020				
Borrowing	(9)	9	(9)	9

Liquidity risk

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

28. FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity risk (Cont'd)

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

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

	Carrying amount	Contractual cash flows	Less than 1 year	Between 2 and 5 years	Over 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000
The Group					
31 March 2021					
Lease liability	89	90	60	30	-
Other payables *	557	557	557	-	-
Borrowings	8,640	8,815	8,815	-	-
	9,286	9,462	9,432	30	-
31 March 2020					
Other payables *	746	746	746	-	-
Borrowings	8,640	8,926	231	8,695	-
	9,386	9,672	977	8,695	-
The Company					
31 March 2021					
Lease liability	89	90	60	30	-
Other payables *	511	511	511	-	-
	600	601	571	30	-
31 March 2020					
Other payables *	654	654	654	-	-

* Excludes deposit and advance received

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

28. FINANCIAL RISK MANAGEMENT (CONT'D)

Market price risk

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

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

29. 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.

Fair value measurement of financial instruments

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

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

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis as at 31 March 2021:

	Level 1	Level 2	Level 3	Total
The Group	\$'000	\$'000	\$'000	\$'000
At 31 March 2021				
Financial asset, at FVOCI	-	-	-	-

Determining of fair values-FVOCI (Level 3)

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

29. FAIR VALUE MEASUREMENT (CONT'D)

The following table represents the movement in Level 3 instruments.

	31 March 2021
	\$'000
The Group	
Financial assets at FVOCI (unquoted equity shares)	
At beginning of the year	-
Reclassification from investment in joint venture (Note 9)	-
At end of the year	-
Fair value of financial asset, at FVOCI	-

Borrowings

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

Other financial assets and liabilities

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

30. 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 19.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

30. CAPITAL MANAGEMENT (CONT'D)

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

	The Group		The Company	
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Lease liability (Note 17)	89	-	89	-
Other payables (Note 18)	577	7,329	511	7,237
Borrowings (Note 19)	8,640	8,640	-	-
Less: Cash and cash equivalents (Note 13)	(2,604)	(5,560)	(2,513)	(5,534)
Net debt	6,702	10,409	(1,913)	1,703
Total equity attributable to the owners of the Company	3,857	16,279	5,384	18,154
Net debt to total equity ratio	174%	64%	N. A	9%

31. 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

The Company	31 March	31 March
	2021	2020
	\$'000	\$'000
Service fee expenses	-	60

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 2021

31. RELATED PARTY TRANSACTION (CONT'D)

(b) Key management personnel compensation

	31 March 2021 \$'000	31 March 2020 \$'000
Directors' fee in respect of FY2020	30	162
Directors' fee in respect of FY2021	153	-
Wages and salaries	289	234
Defined contribution plans, including Central Provident Fund	24	15
	496	411

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.

32. CONTINGENT LIABILITIES

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

The legal claim started by PT KIB against OB on 3 February 2020 in the Singapore Courts have been discontinued by PT KIB on 5 May 2021. There is no financial impact from the discontinuance of this legal claim (as further detailed in Note 33(i)).

33. SUBSEQUENT EVENTS

(i) Discontinuance of legal suit ("HC/S 104/2020") against the Company and its indirect subsidiary

On 24 March 2021, PT KIB applied by HC/SUM 1355/2021 for liberty to discontinue HC/S 104/2020 in its entirety against all 5 defendants, namely Mr Wang Zhenwen, the Company, Rich-Link Construction Pte. Ltd., OB and Mr Tai Kok Kit Aldrin, none of whom objected to the discontinuance.

On 5 May 2021, PT KIB obtained leave of court to discontinue HC/S 104/2020 and, on 7 May 2021, filed a Notice of Discontinuance to wholly discontinue HC/S 104/2020 against all 5 defendants, including the Company and OB. The Notice of Discontinuance was accepted by the Supreme Court Registry on 11 May 2021. HC/S 104/2020 has thereby been wholly discontinued against the Company and OB.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

33. SUBSEQUENT EVENTS

- (ii) Approval from the building and construction authority on Company's application for new workhead

Merco Pte Ltd ("Merco"), a wholly-owned subsidiary of the Company has on 21st June 2021 received approval from the Building and Construction Authority of Singapore in relation to its application for contractor registration status under category CR01 for Minor Construction Works Single Grade ("Approval of Application"). Pursuant to the Approval of Application, Merco is now able to tender for government construction assignments under the CR01 Workhead relating to Minor building and civil engineering works that are not governed by the Building Control Act such as drainage, minor road works, aprons and minor Additions & Alterations Works (A&A). With Merco's registration as a licensed contractor, the Group believes it will enhance the competitive strength of Merco in future project tenders. The Company is now planning to pursue more projects in the Private and Public Sector and the management of the Company is in the midst of identifying the appropriate opportunities available.

- (iii) Subsidiary struck off from the Register of Companies

On 5 July 2021, a wholly-owned subsidiary of the Company, Roomwise Holdings Pte. Ltd., has been struck off from the register of Companies pursuant to Section 344A of the Companies Act, Cap 50.

STATISTICS OF SHAREHOLDING

As at 17 June 2021

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 17 JUNE 2021

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	21	0.74	567	0.00
100 - 1,000	425	15.03	276,352	0.00
1,001 - 10,000	1,016	35.94	5,036,158	0.07
10,001 - 1,000,000	1,194	42.24	164,913,108	2.25
1,000,001 AND ABOVE	171	6.05	7,172,445,282	97.68
TOTAL	2,827	100.00	7,342,671,467	100.00

TWENTY LARGEST SHAREHOLDERS AS AT 17 JUNE 2021

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1	BAI FENGMEI	2,168,657,900	29.53
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	LOI TECK HAN	79,033,800	1.08
14	TAN CHONG CHAI	72,000,000	0.98
15	KANG YEE YIN (JIANG YIYUN)	67,972,300	0.93
16	XU YONGSHENG	67,000,000	0.91
17	PHILLIP SECURITIES PTE LTD	62,571,091	0.85
18	WU YONGQIANG	61,910,000	0.84
19	KOH GUAT CHOO	61,500,000	0.84
20	TIEW ENG HOCK @ ENG SIONG	56,600,000	0.77
	TOTAL:	6,251,566,974	85.14

STATISTICS OF SHAREHOLDING

As at 17 June 2021

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 17 JUNE 2021

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 17 June 2021. 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 means on Friday, 30 July 2021, at 4.00 p.m. to transact the following business:-

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2021 together with the Directors’ Report and Auditors’ Report thereon.

Resolution 1

2. To approve the payment of Directors’ fees of S\$ 148,500 for the financial year ending 31 March 2022, to be paid quarterly in arrears. (FY2021: S\$153,000)

Resolution 2

3. To re-elect Mr. Giang Sovann as an Independent Director retiring pursuant to Regulation 107 of the Company’s Constitution. *[See Explanatory note (i)]*

Resolution 3

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 4

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

AS SPECIAL BUSINESS

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

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

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

- A. (i) allot and issue new shares (“shares”) in the capital of the Company whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

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

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

Adjustments in accordance with ii(a) and ii(b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of passing of this Resolution.

- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable requirements under the Companies Act and otherwise, and the Constitution of the Company for the time being; and
- (iv) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (ii)]

Resolution 5

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

That the Directors of the Company be authorised and empowered to grant awards in accordance with the provisions of Rich Capital Performance Share Plan (the “**Plan**”) and to allot and issue, transfer and/or deliver from time to time such number of fully paid-up shares as may be required to be issued or delivered pursuant to the vesting of awards provided that the aggregate number of shares available pursuant to the Plan and such other share-based incentive scheme, shall not exceed 15% of the total issued shares of the Company (excluding any treasury shares and subsidiary holdings) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iii)]

Resolution 6

NOTICE OF ANNUAL GENERAL MEETING

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

That the Directors of the Company be authorised and empowered to offer and grant options in accordance with the provisions of Rich Capital Employee Share Option Scheme (the "Scheme") and to allot and issue and/or deliver from time to time such number of fully paid-up shares as may be required to be issued or delivered pursuant to the exercise of options provided that the aggregate number of Shares available pursuant to the Scheme and such other share-based schemes (including Rich Capital Performance Share Plan) of the Company, shall not exceed 15% of the total issued Shares of the Company (excluding any treasury shares and subsidiary holdings) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)]

Resolution 7

By Order Of The Board

Lee Bee Fong
Company Secretary
Singapore

Date: 14 July 2021

Explanatory Notes: -

- (i) If re-elected under Resolution 3 above, Mr. Giang Sovann will, upon re-election as a Director, remain as Independent Non-Executive Director, Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee. Mr. Giang Sovann shall be considered independent for the purposes of Rule 704(7) of the Catalist Rules. Detailed information on Mr. Giang Sovann can be found at page 129 of the Annual Report.
- (ii) Ordinary Resolution 5 if passed, will empower the Directors of the Company from the date of this Meeting until the date of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue shares and convertible securities in the Company. The number of shares and convertible securities that the Directors may allot and issue under this Resolution shall not exceed 100% of the issued share capital of the Company at the time of passing this Resolution (excluding treasury shares and subsidiary holdings). For issue of shares other than on a pro-rata basis to all shareholders of the Company, the aggregate number of shares to be issued shall not exceed 50% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings).

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

NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT TO READ:

Shareholders are also advised to refer to the letter dated 14 July 2021 in relation to the important notice to shareholders regarding the Company's annual general meeting to be held on 30 July 2021 ("AGM")

ALTERNATIVE ARRANGEMENT OF AGM:

- (a) In compliance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and the Joint Statement of the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation issued on 13 April 2020 titled "Additional Guidance on the Conduct of General Meetings During Elevated Safe Distancing Period", and subsequently amended on 14 April 2020, 24 April 2020 and 29 September 2020, issuers should make alternative arrangements to hold general meetings where personal attendance is required under written law or legal instruments (such as a company's constitution).
- (b) In light of the above developments, the Company is arranging for a live webcast of the AGM proceedings (the "Live AGM Webcast") which will take place on 30 July 2021 at 4.00 p.m. Shareholders will be able to watch the AGM proceedings through the Live AGM Webcast, and the Company will not accept any physical attendance by shareholders. Any shareholder seeking to attend the AGM physically in person will be turned away.
- (c) Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company's website at the URL <https://www.richcapital.com.sg/index.php>. This Notice will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. The annual report for the financial year ended 31 March 2021 ("2021 Annual Report") has been published on SGXNET and on the Investors Relations page on the Company's corporate website. Hard copies of the Notice, Proxy Form and Annual Report will only be sent to shareholders upon written request to the Company's registered office or via email general@richcapital.com.sg.
- (d) Participation in the AGM via live webcast or live audio feed
As the AGM will be held by way of electronic means, shareholders will NOT be able to attend the AGM in person. All shareholders or their corporate representatives (in the case of shareholders which are legal entities) will be able to participate in the AGM proceedings by accessing a live webcast or live audio feed. To do so, shareholders are required to pre-register their participation in the AGM ("Pre-registration") at this link: <https://conveneagm.com/sg/rich/> (the "Registration Link") by 4.00 p.m. on 28 July 2021 ("Registration Deadline"), providing their full name and identification number for verification of their status as shareholders (or the corporate representatives of such shareholders).

Upon successful registration, each such shareholder or its corporate representative will receive a verification email by 12.00 p.m. on 29 July 2021. The email will contain instructions to verify your email address. Each authenticated and verified shareholders or its corporate representative will be able to access the live webcast or live audio feed of the AGM proceedings using the account information created during the registration process on the Registration Link. Shareholders or their corporate representatives must not forward the email to other persons who are not shareholders and who are not entitled to participate in the AGM proceedings. Shareholders or their corporate representatives who register by the Registration Deadline but do not receive an email response by 12.00 p.m. on 29 July 2021 may contact the Company by email at sg.is.enquiry@sg.tricorglobal.com.

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

in either case, by no later than 28 July 2021, 4.00 p.m., being at least 48 hours before the time for holding the AGM.

SPF or SRS investors who wish to vote through relevant intermediaries (as defined under Section 181 of the Companies Act (Chapter 50 of Singapore), should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 11:30 a.m. on 21 July 2021) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.

NOTICE OF ANNUAL GENERAL MEETING

(f) Submission of Questions

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

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

All mails and emails should include the full name and identification number of shareholders for authentication purposes. All questions must be submitted by 4.00 p.m. on 19 July 2021. The Company will endeavour to address the substantial and relevant questions before the AGM. The responses to such questions from shareholders will be posted on the SGXNet and the Company's website by 26 July 2021.

Personal data privacy:

By submitting an instrument appointing the Chairman of the AGM as a proxy to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

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

This Notice has been reviewed by the Company's sponsor SAC Capital Private Ltd (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this Notice, including the correctness of any of the statements or opinions made or reports contained in this Notice.

The contact person for the Sponsor is Ms Tay Sim Yee (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

SUPPLEMENTAL INFORMATION

As at 17 June 2021

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION

Mr Giang Sovann is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 30 July 2021 ("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 to the Catalist Rules:

Giang Sovann

Date of Appointment	22 Jan 2018
Date of last re-appointment	30 July 2018
Age	65
Country of principal residence	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 Giang Sovann for re-appointment as Independent Non-Executive Director of the Company.</p> <p>The Board has reviewed and concluded that Mr Giang Sovann 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
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Interim Chairman, Independent Non-Executive Director, Chairman of Audit Committee and a member of Remuneration and Nominating Committees.
Professional qualifications	<ol style="list-style-type: none"> Bachelor of Administration degree with Great Distinction from the University of Regina, Canada Chartered Professional Accountant of Canada Chartered Accountant of Singapore Member of Singapore Institute of Directors
Working experience and occupation(s) during the past 10 years	<p>2015 to Present: RSM Risk Advisory Pte. Ltd. - Senior Director</p> <p>2013 to 2014: SBI Offshore Ltd. - Executive Director</p> <p>2010 to 2013: Singapore Institute of Directors - Executive Director</p>
Shareholding interest in the listed issuer and its subsidiaries	0.041% or 3,000,000 shares

SUPPLEMENTAL INFORMATION

As at 17 June 2021

Giang Sovann

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 Nil

Conflict of Interest (including any competing business) Nil

Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer Yes

Other Principal Commitments* Including Directorships Yes

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.

Past (for the last 5 years) Resources Prima Group Limited
Epicentre Holdings Limited
GMC Management Pte. Ltd. (struck off on 4 June 2018)

Present Cambodia Post Bank PLC
Silkroad Nickel Limited
Funan Microfinance PLC
Corporate Governance Academy Pte. Ltd.

a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner? No

b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency? No

c) Whether there is any unsatisfied judgment against him? 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

SUPPLEMENTAL INFORMATION

As at 17 June 2021

Giang Sovann

- | | | |
|----|--|----|
| 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 |
| 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 |
| 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 |
| 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 |
| 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 |

SUPPLEMENTAL INFORMATION

As at 17 June 2021

Giang Sovann

- j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: – Yes
- i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or
- Rich Capital Holdings Limited:**
- Mr. Giang Sovann (“Mr. Giang”) is an independent director of Rich Capital Holdings Limited (“RCH”) since January 2018.
 - (i) An independent reviewer was appointed by RCH in August 2019 to carry out an independent review based on scope of work approved by SGX RegCo. The review report was released by RCH on 26 January 2021, and to the best of Mr. Giang’s knowledge, no further investigations or queries have been directed at him.
 - (ii) An independent reviewer was appointed by RCH in February 2021 to carry out an independent review based on scope of work approved by SGX RegCo. As at the date of this annual report, the said independent review is still ongoing.
- SBI Offshore Limited**
- Mr. Giang was a director of SBI Offshore Limited (“SBI”) from September 2009 to October 2014.
 - (i) In May 2018, SBI appointed an independent reviewer in relation to a placement exercise announced by SBI in September 2014. The report was released on 20 June 2019 and to the best of Mr. Giang’s knowledge, no investigations or queries have been directed at him.
 - (ii) In March 2019, pursuant to a Notice of Compliance from SGX RegCo, a special auditor was appointed by SBI to investigate into certain matters. The report was released by SBI on 12 June 2020 and to the best of Mr. Giang’s knowledge, no further investigations or queries have been directed at him.

SUPPLEMENTAL INFORMATION

As at 17 June 2021

Giang Sovann

i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (continued)	<u>Epicentre Holdings Limited</u> Mr. Giang was an independent director of Epicentre Holdings Limited ("EHL") from July 2016 to October 2018. In October 2017, the Board of Directors of EHL initiated the appointment of an independent reviewer to conduct a review into certain matters. The report was released by EHL on 30 May 2019. In January 2020, the Judicial Managers of EHL announced that EHL received notice from the Commercial Affairs Department and the Monetary Authority of Singapore pursuant to Section 20 of the Criminal Procedure Code (Chapter 68, 2012 Revised Edition) and Section 64 of the Police Force Act (Chapter 235) requiring the Company to provide certain information and documents in relation to an offence under the Securities and Futures Act, Chapter 289. To the best of Mr. Giang's knowledge, no investigations or queries have been directed at him.
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	No
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	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
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?	Yes Previously Declared: On 13 July 2014, the Monetary Authority of Singapore issued a supervisory warning to Mr. Giang Sovann in respect of his breach of the Securities and Futures Act in respect of the failure to make timely disclosures of his shareholding interests or changes in interests in SBI Off shore Limited (a company listed on Catalist of the SGX-ST) of which he was a director of. No sanctions or penalties were issued and no further action was taken against Mr. Giang Sovann apart from the supervisory warning.

SUPPLEMENTAL INFORMATION

As at 17 June 2021

Giang Sovann

Disclosure applicable to the appointment of Director only

Any prior experience as a director of a listed company?

Yes

If yes, please provide details of prior experience.

- The Company
- SBI Off shore Limited
- Silkroad Nickel Limited
- Resources Prima Group Limited
- Epicentre Holdings Limited

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

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

Not applicable. This is a re-election of a Director.

RICH CAPITAL HOLDINGS LIMITED

(Incorporated in Singapore)

(Company Registration No: 199801660M)

PROXY FORM

ANNUAL GENERAL MEETING TO BE HELD ON 30 JULY 2021 AT 4.00 P.M.

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. The Annual General Meeting ("AGM") will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"), and the subsequent amendments as well as the Joint Statement of the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation titled "Additional Guidance on the Conduct of General Meetings During Elevated Safe Distancing Period".
2. Pursuant to the Order, the Company will implement alternative arrangements relating to attendance at the AGM by electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or audio-only means), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the AGM as proxy, are set out in the Company's announcement dated 14 July 2021. 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 26 July 2021.
3. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.
4. For investors who have used their CPF monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
5. CPF 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 4.00 p.m. on 21 July 2021.
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 14 July 2021 which may be accessed on the SGX website at <https://www.sgx.com/securities/company-announcements>.
- 7 Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy to vote on his/her/its behalf at the Annual General Meeting.

I/We, _____

of _____

being a member/members of RICH CAPITAL HOLDINGS LIMITED (the "Company"), hereby appoint the Chairman of the Meeting as my/our proxy/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 by way of electronic means on 30 July 2021 at 4.00 p.m. and at any adjournment thereof.

No.	Resolutions relating to:	For*	Against*	Abstain*
1	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 March 2021 together with the Directors' Statement and Auditors' Report.			
2	Approval of Directors' Fees of S\$148,500 for the financial year ending 31 March 2022, to be paid quarterly in arrears.			
3	Re-election of Giang Sovann as an Independent Director.			
4	Re-appointment of Messrs Foo Kon Tan LLP as auditors and to authorise the Directors to fix their remuneration.			
5	Authority to allot and issue shares (General Share Issue Mandate).			
6	Authority to allot and issue shares pursuant to the Rich Capital Performance Share Plan.			
7	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 _____, 2021

Signature(s) of member(s)
or Common Seal of Corporate Shareholder

Name: _____

NRIC/ Passport No.: _____

Total Number of Shares held (see Note 1)

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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 vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 4.00 p.m. on 21 July 2021) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.

3. The Chairman of the Meeting, as proxy, need not be a member of the Company.
4. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company 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 28 July 2021, 4.00 p.m., being at least 48 hours before the time for holding the AGM.

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

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

5. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its authorised officer(s) or its attorney duly authorised.
6. Where an instrument appointing the Chairman of the Meeting as proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) if the instrument appointing the Chairman of the Meeting as proxy is submitted by post, be lodged with the instrument of proxy, if the instrument appointing the Chairman of the Meeting as proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.
7. The Company shall be entitled to reject an instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing Chairman of the Meeting as proxy (including any related attachment). In addition, in the case of members whose shares entered against their names in the Depository Register, the Company may reject an instrument appointing the Chairman of the Meeting as proxy lodged or submitted if such members are not shown to have shares against their names in the Depository Register as at 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.
9. **Personal data privacy:** By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.



RICH CAPITAL

RICH CAPITAL HOLDINGS LIMITED

Company Registration No. 199801660M

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