

Rich Capital Holdings Limited

Condensed interim consolidated financial statements

For the half year ended 30 September 2022

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note F.2	Note E	The Group		Change +/(-) %
			Unaudited First Half 30.09.2022 S\$'000	Unaudited First Half 30.09.2021 S\$'000	
<u>Continuing operations</u>					
Revenue	(a)	4	4,211	284	1,383
Cost of sales	(a)		(4,056)	(261)	1,454
Gross profit	(a)		155	23	574
Other income			6	11	-45
General and administrative expenses			(775)	(773)	N.M
Distribution and marketing expenses	(b)		(290)	-	N.M
Finance cost			-	(1)	N.M
Loss from continuing operations, before tax		6	(904)	(740)	22
Tax expense		7	-	-	-
Loss from continuing operations, net of tax			(904)	(740)	22
Profit/(Loss) from discontinued operation, net of tax	(c)		3,154	(182)	N.M
Profit/(Loss) for the period			2,250	(922)	N.M
<u>Other comprehensive income:</u>					
Items that may be reclassified subsequently to profit or loss:					
Currency translation difference			19	7	171
Other comprehensive income for the period, net of tax			19	7	171
Total comprehensive income/(loss) for the period			2,269	(915)	N.M
Profit /(Loss) attributable to:					
Owners of the Company					
- Loss from continuing operations, net of tax			(903)	(741)	22
- Profit/(Loss) from discontinued operation, net of tax			3,154	(182)	N.M
			2,251	(923)	N.M
Non-controlling interests					
- Profit/(Loss) from continuing operations, net of tax			(1)	1	N.M
			(1)	1	N.M
Profit /(Loss) for the period			2,250	(922)	N.M
Total comprehensive income/(loss) attributable to:					
Owners of the Company			2,270	(916)	N.M
Non-controlling interests			(1)	1	N.M
			2,269	(915)	N.M
Attributable to owners of the Company:					
Total comprehensive loss for the period from continuing operations			(884)	(734)	20
Total comprehensive income/(loss) for the period from discontinued operation			3,154	(182)	N.M
			2,270	(916)	N.M

"N.M" denotes not meaningful.

A. Condensed interim consolidated statement of profit or loss and other comprehensive income (Cont'd)

	The Group	
	Unaudited First Half 30.09.2022	Unaudited First Half 30.09.2021
Profit /(Loss) for the year attributable to the Owner of the Company:		
Basic earnings/(loss) per share (cents)		
- from continuing operations	(0.012)	(0.010)
- from discontinued operation	0.043	(0.003)
Diluted earnings/(loss) per share (cents)		
- from continuing operations	(0.012)	(0.010)
- from discontinued operation	0.043	(0.003)

B. Condensed interim consolidated statement of financial position

	Note F.2	Note E	Group		Company	
			Unaudited	Audited	Unaudited	Audited
			30.09.2022	31.03.2022	30.09.2022	31.03.2022
			S\$'000	S\$'000	S\$'000	S\$'000
ASSETS						
Non-Current Assets						
Right-of-use asset	(d)		-	29	-	29
Plant and equipment		10	4	5	1	2
Investments in subsidiaries			-	-	129	100
Financial asset, at fair value through other comprehensive income ("FVOCI")		11	-	-	-	-
			4	34	130	131
Current Assets						
Contract assets	(e)		1,401	453	-	-
Trade and other receivables	(f)		1,312	522	808	398
Cash and cash equivalents			5,259	1,443	5,211	1,416
			7,972	2,418	6,019	1,814
Assets of disposal group classified as held-for-sale	(i)	12	-	11,322	-	4,121
Total assets			7,976	13,774	6,149	6,066
EQUITY AND LIABILITIES						
Equity attributable to owners of the Company						
Share capital		13	72,569	72,569	72,569	72,569
Reserves			(68,343)	(70,613)	(66,662)	(67,610)
			4,226	1,956	5,907	4,959
Non-controlling interests			1,083	1,084	-	-
Total Equity			5,309	3,040	5,907	4,959
LIABILITIES						
Current Liabilities						
Trade and other payables	(h)		2,667	2,022	242	1,077
Lease liability	(g)		-	30	-	30
			2,667	2,052	242	1,107
Liabilities of disposal group classified as held-for-sale	(i)	12	-	8,682	-	-
Total Liabilities			2,667	10,734	242	1,107
Total Equity and Liabilities			7,976	13,774	6,149	6,066

C. Condensed interim consolidated statement of changes in equity

Group	Share capital S\$'000	Capital reserves S\$'000	Translation reserves S\$'000	Accumulated losses S\$'000	Attributable to owners of the Company S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
2022							
Balance at 1 April 2022	72,569	255	(115)	(70,753)	1,956	1,084	3,040
Profit/(Loss) for the period	-	-	-	2,251	2,251	(1)	2,250
Other comprehensive income	-	-	19	-	19	-	19
Total comprehensive income/(loss) for the period	-	-	19	2,251	2,270	(1)	2,269
Balance at 30 September 2022	72,569	255	(96)	(68,502)	4,226	1,083	5,309
2021							
Balance at 1 April 2021	72,569	446	(117)	(69,041)	3,857	1,086	4,943
Profit/(Loss) for the period	-	-	-	(923)	(923)	1	(922)
Other comprehensive income	-	-	7	-	7	-	7
Total comprehensive income/(loss) for the period	-	-	7	(923)	(916)	1	(915)
Transfer of reserves	-	(191)	-	191	-	-	-
Balance at 30 September 2021	72,569	255	(110)	(69,773)	2,941	1,087	4,028

Company	Share capital S\$'000	Capital Reserves S\$'000	Accumulated losses S\$'000	Total Equity S\$'000
2022				
Balance at 1 April 2022	72,569	255	(67,865)	4,959
Profit for the period	-	-	948	948
Total comprehensive income for the period	-	-	948	948
Balance at 30 September 2022	72,569	255	(66,917)	5,907
2021				
Balance at 1 April 2021	72,569	255	(67,440)	5,384
Loss for the period	-	-	(425)	(425)
Total comprehensive loss for the period	-	-	(425)	(425)
Balance at 30 September 2021	72,569	255	(67,865)	4,959

D. Condensed interim consolidated statement of cash flows

	Note F.2	Note E	The Group	
			Unaudited First Half 30.09.2022 S\$'000	Unaudited First Half 30.09.2021 S\$'000
Cash flows from operating activities				
Profit/(Loss) before taxation				
- Continuing operations			(904)	(740)
- Discontinued operation			3,154	(182)
Profit/(Loss) before taxation, total			2,250	(922)
<u>Adjustments for:</u>				
Depreciation of right-of-use asset		6	29	29
Depreciation of plant and equipment		6, 10	1	5
Finance cost		6	-	112
Interest income		6	(6)	(2)
Gain on disposal of a subsidiary		6	(3,191)	-
Operating loss before changes in working capital			(917)	(778)
<u>Changes in working capital:</u>				
Development property			14,500	(5)
Contract assets			(948)	-
Trade and other receivables			(777)	(41)
Trade and other payables			622	(74)
Cash generated from/(used in) operations			12,480	(898)
Interest received			6	2
Net cash generated from/(used in) operating activities	(j)		12,486	(896)
Cash flows from investing activities				
Purchase of plant and equipment		10	-	(4)
Net cash used in investing activities			-	(4)
Cash flows from financing activities				
Interest paid			-	(112)
Repayment of borrowings			(8,640)	-
Repayment of lease liability			(30)	(30)
Net cash used in financing activities	(k)		(8,670)	(142)
Net increase/(decrease) in cash and cash equivalents			3,816	(1,042)
Cash and cash equivalents at beginning of the financial period			1,443	2,604
Cash and cash equivalents at the end of the financial period			5,259	1,562

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Rich Capital Holdings Limited (the “Company”) is incorporated as a limited liability company and domiciled in Singapore and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). These condensed consolidated financial statements as at and for the half year ended 30 September 2022 comprise the Company and its subsidiaries (collectively, “the Group”). The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are:

- (a) Real estate investment and development;
- (b) Other short-term accommodation activities and building construction; and
- (c) Legal and sole owner of the mining rights to a goldmine.

2. Basis of Preparation

The condensed financial statements for the half year ended 30 September 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the financial year ended 31 March 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed financial statements are presented in Singapore dollar which is the Company’s functional currency.

Based on the Group’s existing financial resources, the 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.

2.1. New and amended standards adopted by the Group

The Group has applied the following amendments to SFRS(I)s which took effect from financial year beginning 1 April 2022:

<u>Reference</u>	<u>Description</u>
Amendments to SFRS(I) 16	COVID-19 Related Rent Concessions beyond 30 June 2021
Amendments to SFRS(I) 3	Reference to the Conceptual Framework
Amendments to SFRS(I) 1-16	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to SFRS(I) 1-37	Onerous Contracts - Cost of Fulfilling a Contract

Annual Improvements to SFRS(I) Standards 2018-2020

The adoption of the above amendments to SFRS(I)s does not result in any significant changes to the Group’s and the Company’s accounting policies and has no material financial effect on the results and financial position of the Group for the financial year ending 31 March 2023.

2.2. Use of judgements and estimates

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment information

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

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

Property development segment relates to revenue generated from property development activities in Singapore.

Mining segment relates to revenue generated from the Mining operations in Australia.

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

4.1. Reportable segments

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

	Continuing Operations			Discontinued operation	
	Property Investment, Development and Construction Services	Mining	Others	First Capital Pte. Ltd.	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
1 April 2022 to 30 September 2022					
Total segment revenue	4,299	-	-	-	4,299
Inter-segment revenue	(88)	-	-	-	(88)
Revenue from external parties*	4,211	-	-	-	4,211
Interest income	-	-	6	-	6
Gain on disposal of a subsidiary	-	-	-	3,191	3,191
Total other income	-	-	6	3,191	3,197
Total revenue and other income	4,211	-	6	3,191	7,408
Cost of sales	(4,056)	-	-	-	(4,056)
Depreciation of plant and equipment	-	-	(1)	-	(1)
Depreciation of right-of-use asset	-	-	(29)	-	(29)
General and administrative expenses (excluding depreciation of plant and equipment and right-of-use asset)	(377)	(22)	(346)	(37)	(782)
Distribution and marketing expense	-	-	(290)	-	(290)
Segment profit/(loss)	(222)	(22)	(660)	3,154	2,250
Profit before taxation					2,250
Tax expense					-
Profit for the period					2,250
Segment assets	2,686	8	5,282	-	7,976
Segment liabilities	(2,425)	-	(242)	-	(2,667)

4.1. Reportable segments (Cont'd)

	Continuing Operations			Discontinued operation	
	Property Development and Construction Services	Mining	Others	First Capital Pte. Ltd.	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
1 April 2021 to 30 September 2021					
Total segment revenue	413	-	-	-	413
Inter-segment revenue	(129)	-	-	-	(129)
Revenue from external parties*	284	-	-	-	284
Rental income	-	-	-	41	41
Interest income	-	-	2	-	2
Job support scheme	-	-	9	-	9
Total other income	-	-	11	41	52
Total revenue and other income	284	-	11	41	336
Cost of sales	(261)	-	-	-	(261)
Depreciation of plant and equipment	-	-	(3)	(2)	(5)
Depreciation of right-of-use asset	-	-	(29)	-	(29)
Finance cost	-	-	(1)	(111)	(112)
General and administrative expenses (excluding depreciation of plant and equipment and right-of-use asset)	(383)	(24)	(334)	(110)	(851)
Segment loss	(360)	(24)	(356)	(182)	(922)
Loss before taxation					(922)
Tax expense					-
Loss for the period					(922)
Segment assets	11,653	5	1,565	-	13,223
Segment liabilities	(8,847)	(5)	(343)	-	(9,195)

* Revenue consists of the following:

	The Group	
	Half year ended 30 September 2022	Half year ended 30 September 2021
	S\$'000	S\$'000
Construction work	4,027	284
Consultancy services	26	-
Worker supply	158	-
Total revenue	4,211	284

4.2. Geographical information (excluding financial assets at fair value through other comprehensive income)

	Revenue	
	Half year ended 30 September 2022	Half year ended 30 September 2021
	S\$'000	S\$'000
Singapore	4,211	284
Australia	-	-
Total	4,211	284

	Non-current assets	
	30 September 2022	31 March 2022
	S\$'000	S\$'000
Singapore	4	34
Australia	-	-
Total	4	34

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and liabilities held by the Group and the Company as at 30 September 2022 and 31 March 2022:

	The Group		The Company	
	30 September 2022	31 March 2022	30 September 2022	31 March 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Financial Assets				
Financial assets, at FVOCI	-	-	-	-
Cash and bank balance	5,259	1,443	5,211	1,416
Contract assets	1,401	453	-	-
Trade and other receivables*	1,312	467	808	357
	7,972	2,363	6,019	1,773
Financial Liabilities				
Lease liabilities*	-	30	-	-
Trade and other payables*	2,667	1,297	242	352
	2,667	1,327	242	352

*The trade and other receivables and financial liabilities are recorded at amortised cost.

6. Profit/(Loss) before taxation

6.1. Significant items

	The Group		
	Half year ended 30.09.2022	Half year ended 30.09.2021	Change
	S\$'000	S\$'000	%
Income			
Rental income			
- Discontinued operation	-	41	N.M
Interest income	6	2	200
Job support scheme	-	9	N.M
Gain on disposal of subsidiary	3,191	-	N.M
Expenses			
Interest paid			
- Continuing operations	-	(1)	N.M
- Discontinued operation	-	(111)	N.M
Depreciation of plant and equipment			
- Continuing operations	(1)	(3)	-67
- Discontinued operation	-	(2)	N.M
Depreciation of right-of-use asset	(29)	(29)	-

"N.M" denotes not meaningful.

6.2. Related party transactions

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

7. Taxation

There is no tax charge notwithstanding the profit for the period as the profit arose from the disposal of a subsidiary.

8. Dividends

There is no dividend paid during current and previous corresponding financial period.

9. Net asset value and earnings/(loss) per share

	The Group		The Company	
	30 September 2022	31 March 2022	30 September 2022	31 March 2022
Net asset value per ordinary share (Singapore cent)	0.06	0.03	0.08	0.07

	The Group	
	Half year ended 30.09.2022	Half year ended 30.09.2021
Earnings/(Loss) per ordinary share		
From continuing and discontinued operations		
- Based on weighted average number of ordinary shares in issue (Singapore cent)	0.031	(0.013)
- Based on fully diluted number of ordinary shares in issue (Singapore cent)	0.031	(0.013)
From continuing operations		
- Based on weighted average number of ordinary shares in issue (Singapore cent)	(0.012)	(0.010)
- Based on fully diluted number of ordinary shares in issue (Singapore cent)	(0.012)	(0.010)

9. Net asset value and earnings/(loss) per share (Cont'd)

The Group's earnings/(loss) per ordinary share is calculated based on the weighted average number of ordinary shares of 7,342,671,467 for the half year ended 30 September 2022 and 30 September 2021 respectively. The basic and dilutive earnings/(loss) per ordinary share are the same as there were no potential dilutive ordinary shares for both the financial periods.

10. Plant and equipment

	The Group	
	30 September 2022	31 March 2022
	S\$'000	S\$'000
Cost		
Balance at beginning of financial period/year	30	38
Additions	-	4
Transfer to disposal group classified as held-for-sale	-	(12)
Balance at end of financial period/year	30	30
Accumulated depreciation		
Balance at beginning of financial period/year	25	30
Depreciation charge		
- Continuing operations	1	5
- Discontinued operation	-	2
Transfer to disposal group classified as held-for-sale	-	(12)
Balance at end of financial period/year	26	25
Net book value		
Balance at end of financial period/year	4	5
Balance at beginning of financial period/year	5	8

11. Financial assets at FVOCI

	The Group	
	30 September 2022	31 March 2022
	S\$'000	S\$'000
Financial asset at FVOCI (unquoted equity shares)	-	-

Equity instrument designated at FVOCI

In previous financial years, the Group determined that it lost joint control over 40%-owned PT Oxley Karya Indo Batam ("PT OKIB"), a property developer of the Oxley Convention Centre in Indonesia. Accordingly, the investment in PT OKIB was reclassified from investment in joint venture to financial assets, at FVOCI 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.

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, and 31 March 2022 and 30 September 2022.

11.1. Fair value measurement

The Group classifies financial assets and liabilities measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities **(Level 1)**;
- b) Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) **(Level 2)**; and
- c) Inputs for the assets or liability which are not based on observable market data (unobservable inputs) **(Level 3)**

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis as at 30 September 2022 and 31 March 2022:

	Level 1	Level 2	Level 3	Total
The Group	S\$'000	S\$'000	S\$'000	S\$'000
At 30 September 2022 and 31 March 2022				
Financial asset, at FVOCI (Unquoted investment)	-	-	-	-

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.

Borrowings

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

12. Disposal group classified as held-for-sale

On 25 November 2021, the Company granted an option to purchase ("Option") to an independent third party, CK Chu Holdings Pte Ltd (the "Purchaser") for the disposal of 100% of the issued and paid-up share capital of First Capital Pte. Ltd. ("First Capital") held by the Company (the "Proposed Disposal"), for an aggregate consideration of \$14.5 million subject to the terms and conditions of the Option. The Purchaser has exercised the Option on 15 December 2021. On 17 February 2022, the Company has executed a Share Sale and Purchase Agreement with the Purchaser for the Proposed Disposal (the "SPA").

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

The assets and liabilities of First Capital had been classified as a disposal group held-for-sale and presented separately in the consolidated statement of financial position as at 31 March 2022 as the sale is expected to be completed within twelve months of the balance sheet date.

On 5 May 2022, the Company has completed the disposal of First Capital in accordance with the terms and conditions of the SPA. Following the completion of the Proposed Disposal, First Capital ceased to be a subsidiary of the Company. As a result, the disposal group classified as held-for-sale has been disposed of upon the completion date.

At 30 September 2022, the assets and liabilities of the disposal group were stated at Nil due to the completion of disposal during current financial period.

The Group	30 September 2022 S\$'000	31 March 2022 S\$'000
Assets and liabilities of disposal group		
<u>Assets</u>		
Development property	-	11,315
Cash and bank balances	-	7
Assets of disposal group	-	11,322
<u>Liabilities</u>		
Other payables	-	(42)
Borrowings	-	(8,640)
Liabilities of disposal group	-	(8,682)
The Company	30 September 2022 S\$'000	31 March 2022 S\$'000
Details of assets in non-current asset classified as held-for-sale were as follows:		
Investment in a subsidiary	-	4,121

12 Disposal group classified as held-for-sale (Cont'd)

The gain on disposal arising from the Proposed Disposal is as follows:

		30 September 2022 S\$'000
The Group		
<i>Carrying amounts of net assets disposed upon completion date</i>		
Development property		11,322
Trade and other payables		(7)
Amount due to purchaser/new shareholder		(8,712)
Net assets derecognized		<u>2,603</u>
<i>Consideration received</i>		
Cash and cash equivalents received in previous year		725
Cash and cash equivalents received in current period		5,072
Less: legal fee		(3)
Total consideration received		<u>5,794</u>
<i>Gain on disposal</i>		
Total consideration received		5,794
Less: Net assets derecognized		(2,603)
Gain on disposal		<u>3,191</u>
<i>Net cash inflows arising on disposal</i>		
Consideration received in cash and cash equivalents		5,794
Less: Option fee received in financial year ended 31 March 2022		(725)
Net cash inflows arising on disposal		<u>5,069</u>

13. Share capital

The Group and the Company			
30 September 2022		31 March 2022	
Number of shares	Amount	Number of shares	Amount
'000	S\$'000	'000	S\$'000
7,342,672	72,569	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.

There were no changes in the share capital of the Company since 31 March 2022, being the end of the previous period reported on. The Company had no outstanding convertibles, treasury shares or subsidiary holdings as at 30 September 2022, 31 March 2022 and 30 September 2021.

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

14. Contingent liabilities

The Company refers to its announcements dated 20 November 2020, 22 July 2022 and 27 September 2022 ("Previous Announcements"). Unless otherwise defined, capitalised terms in this section shall have the same meanings as ascribed to them in the Previous Announcements.

On 20 July 2022, the Group was informed by Indonesian counsel that on 20 July 2022, the Central Jakarta District Court delivered its interlocutory decision on OBPL's Motion of Absolute Competence, which was OBPL's application to make a preliminary objection to the Central Jakarta District Court's jurisdiction to adjudicate on PT KIB's claim in the Jakarta Action.

In its decision on 20 July 2022, the Central Jakarta District Court granted OBPL's Motion of Absolute Competence in its entirety and dismissed the entire proceeding of the Jakarta Action.

The terms of the interlocutory decision were as follows:

- (1) To grant OBPL's Motion;
- (2) To declare that the court is not authorised to adjudicate this case; and
- (3) To order PT KIB to pay the court administrative fee amounting to IDR 13,330,000 (or approximately S\$1,236).

As advised by Indonesian counsel, an appeal petition may be brought against the interlocutory decision by either PT KIB or OBPL within 14 days after the pronouncement date of the interlocutory decision or by the other parties involved in the Jakarta Action within 14 days after the court notification is served on such other parties.

The Group received confirmation from its Indonesian counsel on 26 September 2022 that the deadline for PT KIB to lodge an appeal for Jakarta Action has lapsed, and that PT KIB had not lodged any appeal (whether in whole or in part) against the decision of the Central Jakarta District Court in dismissing the Jakarta Action in its entirety.

15. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

F. Other Information Required by Appendix 7C of the Catalist Rules

OTHER INFORMATION

1. Review

The condensed interim consolidated statement of financial position of Rich Capital Holdings Limited and its subsidiaries as at 30 September 2022 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the half year ended and certain explanatory notes have not been audited or reviewed by the auditors of the Group.

2. Review of performance of the Group

The figures in this section where applicable, have been rounded to the nearest two (2) decimal place.

Notes on Review of Income Statement

- (a) For the first half of the financial year ("1H") 2023, the Group has recorded revenue of \$4.21 million against \$0.28 million in 1H2022 as more construction contracts were secured during the period. Cost of sales and gross profit increased from \$0.26 million and \$0.02 million in 1H2022 to \$4.06 million and \$0.15 million in 1H2023 in tandem with the increase in revenue. The gross profit margin decreased from 8.10% in 1H2022 to 3.68% in 1H2023. In 1H2022, while the Group achieved a higher margin, the contract value for the job that was completed by the Group in 1H2022 was significantly lower as compared to 1H2023.
- (b) The distribution and marketing expense of \$0.29 million in 1H2023 arises from the sales commission paid in relation to disposal of First Capital.
- (c) Profit from discontinued operations in 1H2023 of \$3.15 million compared to a loss of \$0.18 million was due to the gain on disposal of First Capital.

As a result, the Group reported a net profit attributable to equity holders of \$2.25 million in 1H2023 compared to a net loss of \$0.92 million in 1H2022.

Notes on Review of Financial Position

Non-Current Assets

- (d) Right-of-use asset

The right-of-use asset has been fully depreciated during 1H2023. As such, the lease liabilities have correspondingly been fully repaid.

Current Assets

- (e) Contract assets

The contract assets increased by \$0.95 million, from \$0.45 million as at 31 March 2022 to \$1.40 million as at 30 September 2022 mainly due to more construction contracts secured during 1H2023. This is related to the work performed for the month of September 2022 on ongoing construction projects but not yet billed as at 30 September 2022.

- (f) Trade and other receivables

The trade and other receivables increased by \$0.79 million, from approximately \$0.52 million as at 31 March 2022 to approximately \$1.31 million as at 30 September 2022. This is mainly due to increase in business activities in 1H2023 as well as retention sum from a customer as more projects secured during the 1H2023.

Liabilities

- (g) Lease liabilities

The lease liabilities have been fully repaid during 1H2023.

(h) Trade and other payables

The trade and other payables increased by \$0.65 million, from \$2.02 million as at 31 March 2022 to \$2.67 million as at 30 September 2022 mainly due to higher accrued project cost together with vendor retention sum received from a sub-contractor as more projects secured during 1H2023.

(i) Assets and liabilities of disposal group classified as held-for-sale

The assets and liabilities relating to the disposal group classified as held-for-sale have been fully derecognised following the completion of disposal of First Capital on 5 May 2022.

Shareholders' Equity

Shareholders' equity attributable to owners of the Group amounted to \$4.23 million and \$1.96 million as at 30 September 2022 and 31 March 2022 respectively. The increase was mainly due to the profit recorded during 1H2023.

Notes on Review of Cash Flow Statement

- (j) In 1H2023, net cash generated from operating activities was \$12.49 million, comprised cash used in operations before working capital changes of \$0.92 million and the positive changes in working capital of \$13.40 million, resulting in the net working capital inflow of \$12.48 million.
- (k) Net cash used in financing activities of \$8.67 million in 1H2023 was mainly due to repayment of borrowings for Kim Chuan Project owned by First Capital and office rental for 1H2023.

As a result of the above, there was a net increase of \$3.86 million in cash and cash equivalents in 1H2023.

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

Not applicable.

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

The completion of the Proposed Disposal of First Capital has strengthened the Group's financial position and allowed the capital to be recycled for venturing into suitable investment opportunities in the real estate sector. We are closely monitoring several new and growing trends in the real estate sector with a view to reposition our businesses to these changing environments and seize any new opportunities that may arise to enhance the Group profitability and enhance the shareholders' value.

Merco Pte Ltd, a wholly-owned subsidiary of the Group, will continue to identify opportunities to pursue potential construction projects in both the public and private sectors, and will strive to strengthen its order book in the upcoming year to generate stronger and sustainable returns over time. As at the date of this announcement, the Group has ongoing projects with contract value of \$12.84 million of which approximately \$6 million has been completed.

The Management is currently in consultation with its legal advisors in Singapore and in Indonesia to protect the Group's interests by (a) submitting an appeal petition against the court decision in the Batam Action (refer to the Company's announcement dated 28 March 2022); and (b) seeking recovery of its investment, either in Indonesia or in Singapore. The Company will consider such advice carefully and take the appropriate steps so as to best protect the Company's and its shareholders' interests.

The Company has, on 18 July 2022, submitted a proposal with a view to the resumption of trading of its Shares ("Resumption Proposal") to the SGX-ST and will make an announcement as and when there are material developments.

5. Dividend information

5a. Current Financial Year Reported on

Any dividend recommended for the current financial year reported on?

No

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

5c. Date Payable

Not Applicable.

5d. Record Date

Not Applicable.

5e. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision

No dividend has been declared or recommended for 1H2023 in view of the funding needs of the Group for future business development and expansion.

6. Interested person transactions

The Group does not have an IPT general mandate in 1H2023. In 1H2023, the Group did not have any transactions with interested persons.

7. Confirmation pursuant to Rules 705(5) of the Catalist Rules

The Directors of the Company confirm that, to the best of their knowledge nothing has come to their attention which may render the unaudited financial results of the Group for the half year ended 30 September 2022 to be false or misleading in any material aspect.

8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

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

9. Disclosures on incorporation of entities, acquisition and realisation of shares pursuant to Rule 706A of the Catalyst Rules

The Company has completed the Proposed Disposal of 100% of the issued and paid-up share capital of First Capital on 5 May 2022 in accordance with the terms and conditions of the SPA. Following the completion of the Proposed Disposal, First Capital ceased to be a subsidiary of the Company. Please refer to the announcements dated 25 November 2021, 8 December 2021, 15 December 2021, 17 February 2022, 21 March 2022, 6 April 2022, 12 April 2022, 25 April 2022 and 6 May 2022 for further information in relation to the Proposed Disposal.

On behalf of the Board of Directors

Oh Siyang
Director

Chang Chi Hsung
Director

10 November 2022

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

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