



DEVELOPING OPPORTUNITIES

ANNUAL REPORT 2023



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

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

CORPORATE PROFILE



RICH CAPITAL

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

MESSAGE TO SHAREHOLDERS

DEAR SHAREHOLDERS,

On behalf of the Board of Directors of Rich Capital Holdings Limited (“**Rich Capital**” or the “**Group**”), I present to you the annual report for the financial year ended 31 March 2023 (“**FY 2023**”).

FORGING AHEAD WITH RESILIENCE

As we turn the page on the restructuring of our legacy businesses, we are pleased to update the shareholders on some key developments in our transformation journey.

Construction Services

Our wholly-owned subsidiary, Merco Pte. Ltd. (“**Merco**”), has continued to spearhead the Group’s development in providing specialist construction services by securing several contracts to perform construction works and provide project management services in FY 2023. The Group remains focused on executing projects with total contract value of S\$14.1 million of which approximately S\$10.9 million has been completed as at the date of this annual report. Merco will continue to identify opportunities, including acquisition of an existing business in the same industry, to pursue potential construction projects in both the public and private sectors.

Resumption of Trading

Following the satisfaction of the conditions for trading resumption, the Group obtained concurrence from the Singapore Exchange Regulation (“**SGX RegCo**”) to resume trading of the Company’s shares in December 2022. This significant milestone is a testament to the hard work of our management team and the staunch support of our stakeholders.

Updates on Batam Project

The Group is currently in consultation with its legal advisors in Singapore and Indonesia to protect the Group’s interests in respect of the claim against its indirect subsidiary, two former directors of the subsidiary and PT Oxley Karya Indo Batam in relation to the Batam Project. Based on legal advice from the Group’s legal counsel, there is no bilateral or reciprocal enforcement regime between Singapore and Indonesia.

We will consider such advice carefully and take the appropriate steps to protect the interests of the Company and our shareholders. The Company will make further announcements when there are material updates.

FINANCIAL RESULTS UNDER REVIEW

The Group reported sales of S\$12.7 million for the financial year under review mainly due to the revenue recognised from construction contracts. The Group recorded net profit attributable to equity holders of S\$2.1 million in FY 2023 compared to net loss attributable to equity holders of S\$1.9 million in the previous financial year mainly due to the higher revenue contribution of the construction contracts, lower general and administrative expenses and the gain on disposal of the Group’s entire stake in First Capital Pte Ltd (“**First Capital**”).

The Group’s total equity increased from S\$3.0 million to S\$5.1 million as at 31 March 2023, mainly due to the profit recorded during the financial year. Equity attributable to shareholders stood at S\$4.0 million while cash and cash equivalents was S\$3.9 million as at 31 March 2023.

MESSAGE TO SHAREHOLDERS

GREEN SHOOTS OF RECOVERY

The construction sector has continued its resurgence with the uptick in construction activities driven by demand from both the public and private sectors. The Group remains committed to tendering competitively for more projects while ensuring the disciplined execution of the projects on hand with a keen focus on improving operational efficiency and productivity.

LOOKING AHEAD

The Group will continue to monitor closely the new and growing trends in the real estate sector with a view to reposition our businesses to adapt to the changing environment and to seize any new opportunities that may arise to improve shareholder value.

Construction demand is expected to remain firm, underpinned by the anticipated slew of upcoming public sector projects in the pipeline. Nevertheless, rising business costs may dampen the pace of recovery in the sector.

Notwithstanding the headwinds, the Group will continue to identify and seize suitable acquisition opportunities to strengthen our capabilities as well as to augment our order book in the upcoming year to deliver sustainable returns over time.

IN APPRECIATION

Finally, I would like to thank our shareholders, sponsors and business partners for their continuous support and confidence in the Group. I am also equally grateful to our management team and employees for their dedication and contribution to drive the growth of the business.

While I am excited about the opportunities that lie ahead, we will continue to remain cautious and exercise prudence in executing our business strategy to enhance shareholder value. We thank you and look forward to your continued support.

Thank you.

Chang Chi Hsung

Independent Non-Executive Director

BOARD OF DIRECTORS

CHANG CHI HSUNG

Independent Non-Executive Director

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

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

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

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

JAMES KHO CHUNG WAH

Independent Non-Executive Director

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

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

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

CHONG SOO HOON SEAN

Independent Non-Executive Director

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

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

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

BOARD OF DIRECTORS

OH SIYANG

Executive Director

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

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

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

EXECUTIVE OFFICER

SIMON ONG ENG HOCK

Chief Financial Officer

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

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

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

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

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

OPERATING & FINANCIAL REVIEW

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

FINANCIAL PERFORMANCE

The Group registered revenue of S\$12.7 million for the financial year under review. This was mainly due to higher revenue recognised from construction contracts. Accordingly, cost of sales of S\$12.0 million and gross profit of S\$0.7 million was recognised in the financial year ended 31 March 2023.

Other income decreased mainly due to the absence of wage subsidies from the Jobs Support Scheme.

The decrease in general and administrative expenses of S\$0.3 million was mainly due to lower legal fees incurred as well as lower staff costs. Meanwhile, the Group incurred distribution and marketing expenses arising from the sales commission paid in relation to the disposal of First Capital.

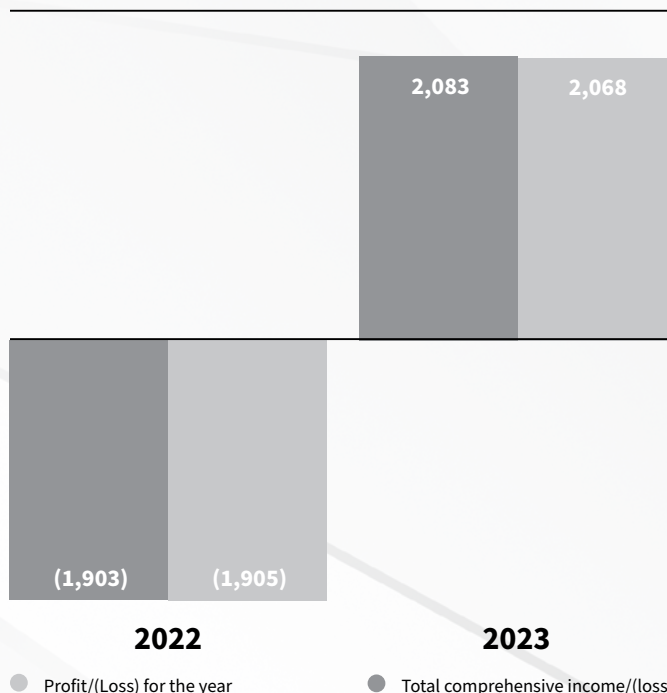
The Group recorded a profit from discontinued operations of S\$3.2 million due to the gain on disposal of First Capital in FY 2023.

As a result, the Group recorded net profit attributable to equity holders of S\$2.1 million in FY 2023 compared to a net loss attributable to equity holders of S\$1.9 million in the previous financial year.

FINANCIAL POSITION

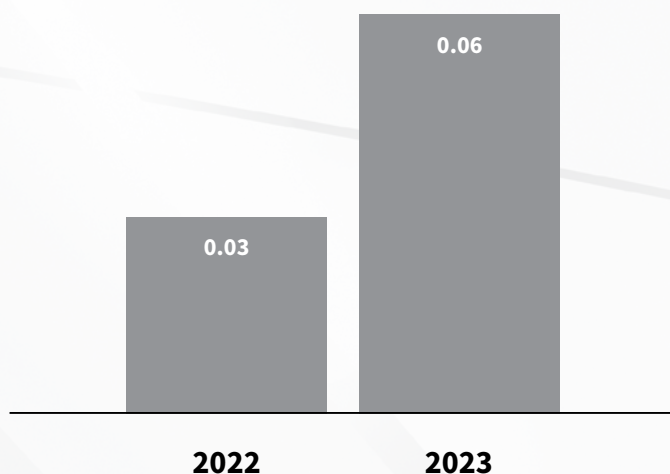
The Group’s net asset value per share improved from 0.03 cents per share in the prior corresponding year end to 0.06 cents per share as at 31 March 2023. Total net assets increased from S\$3.0 million as at 31 March 2022 to S\$5.1 million as at the end of the financial year under review. Equity attributable to shareholders rose correspondingly from S\$2.0 million as at 31 March 2022 to S\$4.0 million as at 31 March 2023.

NET PROFIT/(LOSS) (\$'000)



OPERATING & FINANCIAL REVIEW

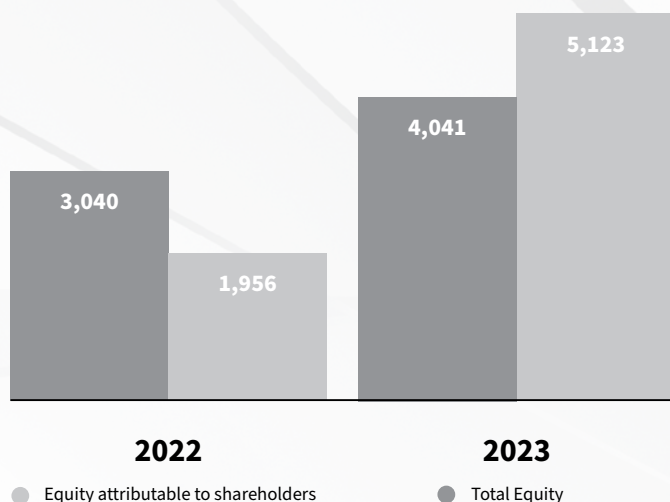
NET ASSET VALUE PER ORDINARY SHARE (CENTS)



The Group had reclassified the assets and liabilities of First Capital Pte Ltd (“First Capital”) as a disposal group held for sale of S\$11.3 million as it had entered into a sale and purchase agreement to divest its entire stake in First Capital in FY 2022. Following the completion of the disposal of First Capital in May 2022, the assets and liabilities of the disposal group were stated at \$Nil as at 31 March 2023.

The increase in contract assets is related to work performed on several ongoing construction projects but not yet billed as at 31 March 2023. The increase in trade and other receivables was attributable mainly to an increase in trade receivables and retention sum as more construction contracts were secured during the financial year under review. Trade and other payables increased mainly due to higher accrued project costs and vendor retention sum from a subcontractor as a result of the increase in revenue during the financial year.

EQUITY (\$'000)



CASH FLOW

Net cash used in operating activities of S\$0.1 million was mainly due to cash used in operations before working capital changes of S\$2.1 million offset by net working capital inflow of S\$2.2 million, primarily attributable to the sales proceeds from the development property.

Net cash from investing activities was mainly attributable to the proceeds from sale of a disposal group.

Net cash outflows from financing activities of S\$0.1 million in FY 2023 was mainly due to the repayment of lease liabilities.

OUTLOOK

Looking ahead, the recovery of various sectors in Singapore is expected to remain uneven in light of the challenging business environment amid heightened global economic and financial uncertainties. Nevertheless, we believe that the Group is well positioned to capitalise on any suitable investment opportunities in the real estate and construction sectors. We will continue to bid for construction projects in the public and private sectors to bolster our order book to enhance the Group’s profitability and generate sustainable shareholder value in the years to come.

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Chang Chi Hsung

Independent Non-Executive Director

James Kho Chung Wah

Independent Non-Executive Director

Chong Soo Hoon Sean

Independent Non-Executive Director

Oh Siyang

Executive Director

AUDIT COMMITTEE

Chang Chi Hsung

Chairman

James Kho Chung Wah

Member

Chong Soo Hoon Sean

Member

NOMINATING COMMITTEE

James Kho Chung Wah

Chairman

Chang Chi Hsung

Member

Chong Soo Hoon Sean

Member

REMUNERATION COMMITTEE

James Kho Chung Wah

Chairman

Chang Chi Hsung

Member

Chong Soo Hoon Sean

Member

COMPANY SECRETARY

Lee Bee Fong

REGISTERED OFFICE

80 Robinson Road #02-00

Singapore 068898

T: +65 6236 3333

F: +65 6236 4399

PRINCIPAL PLACE OF BUSINESS

140 Paya Lebar Road,

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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

1 Raffles Place

#04-61/62 One Raffles Place Tower 2

Singapore 048616

Partner-in-charge: Raymond Kong Chih Hsiang

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

PRINCIPAL BANKER

United Overseas Bank Limited

Maybank Singapore Limited

SPONSOR

SAC Capital Private Ltd

1 Robinson Road, #21-00 AIA Tower

Singapore 048542

CORPORATE GOVERNANCE

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

Outlined below are the policies, processes and practices adopted by the Company in compliance with the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) and the accompanying Practice Guidance for the financial year ended 31 March 2023 (“**FY 2023**”).

Pursuant to Rule 710 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (“**Catalist Rules**”), the Board confirms that the Company and Group have for FY 2023, complied with and observed the Principles as set out in the Code. Where there is any deviation from the Code, appropriate explanations are provided in this report on each area of non-compliance and how the Company’s practices are consistent with the aim and philosophy of the principle in question.

THE BOARD’S CONDUCT OF AFFAIRS

Principle 1:

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

Provision 1.1

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

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

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

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

The Board recognises that principal duties of each Director include:

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

CORPORATE GOVERNANCE

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

Provision 1.2

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

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

The Directors have been keeping themselves abreast with the latest rules, regulations and accounting standards applicable to the Group during the course of their principal commitments, in addition to the regular digest provided by the Company Secretaries and external auditors. During FY 2023, the external auditor briefed the AC on changes and/or amendments to financial reporting standards.

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

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

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

CORPORATE GOVERNANCE

Provision 1.3

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

Executive Director

Mr Oh Siyang

Non-Executive and Independent Directors

Mr James Kho Chung Wah

Mr Chang Chi Hsung

Mr Chong Soo Hoon Sean

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

- (1) Approving the Group's goals, strategies and objectives, policies and procedures, delegation of authority matrix, code of conduct and business ethics;
- (2) Monitoring the performance of Management;
- (3) Overseeing the processes for evaluating the adequacy and effectiveness of internal controls, risk management systems, financial reporting and compliance of the Group;
- (4) Approving the appointment of Directors of the Company and Key Management Personnel of the Group;
- (5) Approving material acquisitions and disposal of assets and capital matters including corporate or financial restructuring, investment or expenditure exceeding certain threshold limits;
- (6) Approving share issuance and interim dividend;
- (7) Approving the announcement of unaudited half year financial results, unaudited full-year financial results and audited financial statements;
- (8) Endorsing remuneration framework and key human resource matters of the Group;
- (9) Approving annual budgets, major funding proposals, major acquisitions and major disposal of investments according to the Catalist Rules of the SGX-ST;
- (10) Approving interested person transactions; and
- (11) Assuming responsibility for corporate governance and compliance with the Companies Act 1967, 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 regularly and more frequently as and when required, to review and evaluate the Group’s operations and performance and to address key policy matters of the Group, where necessary.

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

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

The number of Board and Board Committee meetings held during FY 2023 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	2	1	1
	No. of Meetings Attended			
Oh Siyang	4	-	-	-
James Kho Chung Wah	4	2	1	1
Chang Chi Hsung	4	2	1	1
Chong Soo Hoon Sean	4	2	1	1

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

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

CORPORATE GOVERNANCE

Provision 1.6

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

Provision 1.7

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

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

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

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

BOARD COMPOSITION AND GUIDANCE

Principle 2:

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

Provision 2.1, 2.2 and 2.3

As at the date of this report, the Board comprises three (3) Non-Executive and Independent Directors and one (1) Executive Director, where Non-Executive Directors make up a majority of the Board. As at 31 March 2023, 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
Chang Chi Hsung	Non-Executive Independent Director	AC (Chairman) NC RC
James Kho Chung Wah	Non-Executive Independent Director	AC NC (Chairman) RC (Chairman)
Chong Soo Hoon Sean	Non-Executive Independent Director	AC NC RC
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 the majority of the Board. The Board exercises objective and independent judgement on the Group’s corporate affairs. No individual or group of individuals dominates the Board’s decision-making.

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

Provision 2.4

Board Diversity Policy

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

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

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

CORPORATE GOVERNANCE

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

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

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

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

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

Provision 2.5

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

The Non-Executive and Independent Directors met regularly in FY 2023 without the presence of Management. The Chairman of such meetings provides feedback to the Board where necessary.

Chairman and Executive Director

Principle 3:

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

Provision 3.1 and 3.2

As at 31 March 2023 and the date of this report, the Company did not have a Chairman of the Board while Mr Oh Siyang is the Executive Director ("ED"). The ED and the Management team translate the Board's decisions into executive action.

CORPORATE GOVERNANCE

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

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

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

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

Provision 3.3

As at the date of this report and for FY 2023, the Company does not have a Lead Independent Director as Independent and Non-Executive Directors make up a majority of the Board and the company does not have a Chairman of the Board at the moment.

Nonetheless, if shareholders have any concerns, they are still able to contact the independent directors of the Company through whistleblow@richcapital.com.sg if they feel normal channels of communication with the management are inappropriate or inadequate.

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) To make recommendations to the Board relating to the process and criteria for evaluation of the performance of the Board, its Board committees and directors;

CORPORATE GOVERNANCE

- (5) To review the 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 concerning him/her, if any.

Provision 4.2

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

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

All 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 James Kho Chung Wah and Mr Alan Chang Chi Hsung who will be retiring by rotation in accordance with Regulation 107 of the Constitution of the Company, for re-election as Directors of the Company at the forthcoming Annual General Meeting of the Company scheduled for 28 July 2023.

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.

CORPORATE GOVERNANCE

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 FY 2023. Together with the NC, the Board affirmed that Mr James Kho Chung Wah, Mr Chang Chi Hsung and Mr Chong Soo Hoon Sean continue to be independent pursuant to the definition of Independence under the Provision 2.1 of the Code.

Provision 4.5

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

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

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

Notwithstanding the foregoing, each of them had contributed sufficient time, resources and commitment to the Group in FY 2023.

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 FY 2023, 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	22 July 2022	–	–	–
James Kho Chung Wah	Non-Executive Independent Director	5 January 2018	9 October 2020	SBI Offshore Ltd	Pollux Properties Ltd Serrano Holdings Limited China Environment Ltd	Chief Executive Officer (Willan Capital Pte Ltd)
Chang Chi Hsung	Non-Executive Independent Director	23 June 2020	9 October 2020	Reclaims Global Limited (SGX) Haina Intelligent Equipment International Holdings Limited (HKSE)	Alpha DX Group Limited	Managing Director (OA Group of companies)
Chong Soo Hoon Sean	Non-Executive Independent Director	1 October 2021	22 July 2022	China Yuanbang Property Holdings Ltd	–	Executive Director (TNT Global Capital Pte Ltd) Non-Executive Director (Anda Capital Solutions Pte Ltd and Omnisense Systems Pte Ltd)

None of the Independent Directors have 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 and thereafter presented to the NC for discussion. The NC will then present the findings of the evaluation questionnaire and make its recommendations on whether the board and its Board Committees are effective and whether the directors have effectively discharged their duties to the Board.

Provision 5.2

For FY 2023, 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 FY 2023 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 FY 2023 were satisfactory.

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

- (1) Board/Board Committees composition;
- (2) Information to the Board/Board Committees;
- (3) Board/Board Committees procedures;
- (4) Board accountability;

CORPORATE GOVERNANCE

- (5) Interactions with Management; and
- (6) Standards of conduct by the Board/Board Committees

For FY 2023, 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 shareholders of the Group, if any, which include a performance-related variable bonus component;
- (3) To review and recommend the remuneration of the Non-Executive Directors, taking into account factors such as their effort, time spent and responsibilities;
- (4) To review and recommend to the Board the benefits under any long-term incentive schemes, if any, for Executive Directors and Key Management Personnel of the Group;
- (5) To review and recommend the remuneration package of employees related to Directors or controlling shareholder of the Group, if any; and
- (6) To review the contracts of service of the Executive Directors and Key Management Personnel of the Group.

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

CORPORATE GOVERNANCE

Provision 6.2

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

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

The RC as at 31 March 2023 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 and as well as comparison with the industry standards and norms.

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 FY 2023.

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 Rich Capital Employee Share Option Scheme (the "Scheme") and the Rich Capital Performance Share Plan (the "Plan") were implemented on 30 July 2018 and will expire on 29 July 2028. The Scheme and the Plan are currently administered by the RC in accordance with the rules of the Scheme and the Plan respectively. The information on the Scheme and the Plan are disclosed in the Directors' Statement to the Financial Statements as set out in this Annual Report.

Provision 7.2

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

Based on the remuneration framework, the RC has recommended that Directors' fees of S\$148,500 for the financial year ending 31 March 2024, 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.

CORPORATE GOVERNANCE

Disclosure on Remuneration

Principle 8:

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

Provision 8.1

Details on the remuneration of Directors and key management personnel for the financial year under review are reported below. There are no terminations, retirement and post-employment benefits granted to the Directors and key management personnel for FY 2023.

The remuneration bands of the Directors for FY 2023 are as follows:

Name of Directors	Salary (%)	Fees ⁽¹⁾ (%)	Total (%)
Below S\$180,000 per annum			
James Kho Chung Wah	-	100	100
Chang Chi Hsiung	-	100	100
Chong Soo Hoon Sean	-	100	100
Oh Siyang	100	-	100

Notes:

(1) Comprised solely of Directors' fee which was approved by shareholders at the last annual general meeting held on 22 July 2022.

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\$180,000 to reflect a closer estimate of the highest fees paid to director.

Other than Mr Oh Siyang, the Group has only one Key Management Personnel for FY 2023. The breakdown (in percentage terms) of the remuneration of the only Key Management Personnel of the Group for FY 2023 are set out as below:

Name of Key Management Personnel	Designation	Salary ⁽¹⁾ (%)	Allowances (%)	Bonus ⁽²⁾ (%)	Total (%)
Below S\$180,000 per annum					
Simon Ong Eng Hock	Chief Financial Officer	100	-	-	100

Notes:

(1) Salary refers to basic salary and employer's provident fund or equivalent contributions thereof.

(2) Bonus refers to variable bonus and employer's provident fund or equivalent contributions thereof.

In view of the confidentiality and sensitivity attached to remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose exact remuneration and the breakdown of remuneration in the forms of salary, bonus or other benefits received by the Key Management Personnel of the Group during FY 2023. Accordingly, the aggregate remuneration paid to the Key Management Personnel for FY 2023 will also not be provided in the Annual Report. Refer to Note 19 of the Financial Statement.

CORPORATE GOVERNANCE

Provision 8.2

For FY 2023, there are no 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.

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 FY 2023. 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 24 to the Financial Statements as set out in this Annual Report.

The Board reviews, at least annually, the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls. Based on the internal controls established and maintained by the Group, work performed by internal and external auditors, reviews performed by Management and various Board Committees as well as the assurances received, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls of risk management systems were adequate and effective as at 31 March 2023 to address the financial, operational, compliance risks and information technology risk which the Group considers relevant and material to its operations.

CORPORATE GOVERNANCE

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

Provision 9.2

The Company's Executive Director, Oh Siyang, and the Chief Financial Officer, 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, have provided the Board the assurance that:

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

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 half year and 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 in which he is interested in.

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

The AC has also considered the performance of FKT based on factors such as performance, adequacy of resources and experience of the audit engagement partner and audit team assigned to the Company's and the Group's audit as well as the size and complexity of the Company and of the Group. Accordingly, the AC has recommended the re-appointment of FKT as external auditor of the Company for the ensuing year. The aggregate amount of fees paid to external auditor, as well as its fees for non-audit services is disclosed in page 87 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 Company has put into place a whistle-blowing policy, endorsed by the AC. This policy provides well-defined and accessible channels in the Company where the employees of the Company may, raise concerns on any possible improprieties, misconduct or wrongdoing relating to the Company in matters of financial reporting or other matters such as possible corruption, suspected fraud and other non-compliance issues, in confidence and good faith, without fear or reprisal to Management and/or the AC. All information received will be treated confidentially and the identity of whistle-blowers will be protected. The Whistleblowing Policy is communicated to all our employees and available on the Company's portal. The Company has also publicly disclosed the purpose, scope, reporting and communication channels of the Policy on its website.

The whistle-blowing policy was reviewed by the AC to ensure that the Group's whistle-blowing policy remains relevant and reaches the Group's employees in Singapore and overseas.

CORPORATE GOVERNANCE

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

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

As at the date of this Annual Report and during FY 2023, there were no whistle blowing reports received by the Company.

During FY 2023, the key activities carried out by AC included but is not limited to:

- (1) Reviewed and recommended the Company's unaudited half-year and 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 determined its independence before making a recommendation for Board's approval;
- (5) Reviewed and reported to the Board on the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management system;
- (6) Reviewed interested person transactions in accordance with the requirements of the Catalist Rules of the SGX-ST; and
- (7) Reviewed the Group's audited financial statements with Management and external auditor of the Company. Accordingly, the AC is of the view that the Group's financial statements for FY 2023 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.

CORPORATE GOVERNANCE

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 FY 2023, the AC has discussed with the Management on the accounting principles that were applied as well as their judgment on items that might affect the integrity of the financial statements. The following matters requiring attention were highlighted by the external auditors were as follows:

Key Audit Matters

- Accuracy and presentation of the gain on disposal of First Capital Pte Ltd
- Recoverability of trade receivables and contract assets

Significant Areas

- Revenue recognition
- Impairment assessment on the Company's non-financial and financial assets
- Appropriateness of the going concern assumption
- Risk of management override of control

Other Audit Area

- Completeness of liabilities
- Litigation, claims and contingencies

Please refer to the Independent Auditors Report for further details.

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

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

Provision 10.2

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

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

As at 31 March 2023 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.

CORPORATE GOVERNANCE

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 FY 2023, the Group has outsourced its internal audit function to Baker Tilly Consultancy (Singapore) Pte. Ltd., 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. There were no new findings of material internal control weaknesses by the Internal Auditors and that Management has substantially implemented the recommendations of the 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 FY 2023, the AC also reviewed and approved the internal auditor's plan during the AC meetings to ensure that the scope of the internal auditor's plan is adequate and covers the reviewing of the significant internal controls of the Group, including financial, operational, compliance and information technology controls, and risk management systems. Audits were carried out on all significant business functions of the Group and all internal audit findings and reports are submitted to the AC for deliberation with copies of these reports extended to the members of the Board and the relevant key management executives. The internal auditor's summary of findings and recommendations are discussed at the AC meetings. The AC approves the hiring, removal, evaluation, and compensation of the internal auditors.

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

Provision 10.5

During FY 2023, the Company's internal and external auditors were invited to attend the AC meetings and make presentations as appropriate. They also met separately with the AC without the presence of the Management. The external auditors have unrestricted access to the AC.

CORPORATE GOVERNANCE

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11:

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

Provision 11.1

The Group recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all the Company's shareholders are treated equitably and the rights of all investors, including non-controlling shareholders are protected. In line with the continuing disclosure obligations of the Company pursuant to the Catalist Rules and the Companies Act 1967 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 1967. 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 1967 and the Catalist Rules in respect of the requisite notice periods for convening general meetings. The notice of an AGM is accompanied by the Company's annual report and will be released to shareholders on SGXNet at least 14 days before the date of the AGM. Any notice of an extraordinary general meeting will also be accompanied by a circular or letter to shareholders, providing sufficient detail on the proposals to be considered at the meeting. Circulars sent to shareholders also contain a notice on their cover page that if shareholders are in any doubt about the action they should take, they should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately. All notices of all general meetings will be 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.

Provision 11.2

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

CORPORATE GOVERNANCE

Provision 11.3

The members of the Board and its committees are required to attend all general meetings to address issues raised by shareholders. The Company's external auditors and its legal advisers are also present to address any relevant queries from shareholders. All the Directors were present at the last AGM held on 22 July 2022.

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.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967. 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 physically, investors are to contact their relevant intermediaries to specify voting instructions.

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

Provision 11.5

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

Provision 11.6

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

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

The Board did not recommend the payment of a dividend for FY 2023 as the Group intends to conserve cash resources to finance its operations and the future business development of the Group's business.

CORPORATE GOVERNANCE

Engagement with Shareholders

Principle 12:

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

Provision 12.1

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

Provisions 12.2 and 12.3

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

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

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

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

MANAGING STAKEHOLDERS RELATIONSHIP

Engagement with Stakeholders

Principle 13:

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

Provision 13.1, 13.2 and 13.3

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

The Company's engagement with all stakeholders is set out in detail in the Sustainability Report for FY 2023 which will be published as a standalone report via the SGXNet on or before 31 July 2023. The Company ensures that the financial results and annual reports are announced or issued within the mandatory periods as prescribed by the Catalist Rules.

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

CORPORATE GOVERNANCE

Dealings In Securities

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

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

Additionally, the Company also reminds all the Directors and Management to observe the insider-trading laws at all times even when dealing with securities within the permitted trading period. The Company, Directors and employees are also required to adhere to the provisions of the Securities and Futures Act (Chapter 289) of Singapore, Companies Act 1967 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 FY 2023.

NON-SPONSOR FEES

No non-sponsorship fees were paid to the Company's Sponsor, SAC Capital Private Ltd, during FY 2023.

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 FY 2023.

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 FY 2023. In FY 2023, the Group did not have any IPT.

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DIRECTORS' STATEMENT

For the financial year ended 31 March 2023

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 2023.

In our opinion,

- (a) the accompanying financial statements of the Group and statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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

NAMES OF DIRECTORS

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

Oh Siyang (Executive Director)
James Kho Chung Wah (Independent Non-Executive Director)
Chang Chi Hsung (Independent Non-Executive Director)
Chong Soo Hoon, Sean (Zhang Shiyun) (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 Act, none of the directors who held office at the end of the financial year had any interest in shares, debentures, warrants or options of the Company or its related corporations.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2023

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 2023

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:

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

The Audit Committee performs the functions set out in Section 201B (5) of the Act, 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 2023.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2023

AUDIT COMMITTEE (CONT'D)

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.

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

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

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

INDEPENDENT AUDITOR

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

On behalf of the Directors

.....
OH SIYANG

.....
CHANG CHI HSUNG

Dated:

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Rich Capital Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and the Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

Key Audit Matters (Cont'd)

1. Accuracy and presentation of the gain on disposal of First Capital Pte. Ltd. ("First Capital") (Note 12)

On 25 November 2021, the Company granted an option to CK Chu Holdings Pte Ltd (the "Purchaser") to acquire 100% equity interest in First Capital for an aggregate consideration of \$14.5 million (the "Consideration") subject to the terms and conditions of the option (the "Disposal"). The Disposal is classified as a major transaction as set out in Rule 1006 of the Catalist Rules. First Capital owns a freehold proposed single-use light industrial development located at No. 6 Kim Chuan Terrace (the "Property").

On 15 December 2021, the Purchaser exercised the option and paid 5% of the Consideration in accordance with the terms of the option. The remaining 95% of the Consideration is expected to take place within 16 weeks from the date of the exercise of the option. On 17 February 2022, a share sales and purchase agreement ("SPA") was signed with the Purchaser. Management subsequently convened an Extraordinary General Meeting ("EGM") on 12 April 2022 and obtained the approval of the shareholders of the Company to approve the sale of First Capital. The disposal was completed on 5 May 2022 and First Capital ceased to be the Company's subsidiary. The loan associated with the Property amounting to \$8.7 million was also repaid upon the sale of the Property.

As at 31 March 2022, the Group and the Company had presented the assets and associated liabilities of First Capital and its investment in First Capital as "held for sale" in the consolidated and separate statement of financial position in accordance with the provisions of SFRS (I) 5: *Non-current Assets Held for Sale and Discontinued Operations*. During the financial year ended 31 March 2023, the Group recorded the gain on disposal of \$3.19 million in the consolidated statement of comprehensive income.

Our response and work performed:

We obtained and read the SPA dated 17 February 2022 in respect of the Disposal and noted that the shareholders of the Company have given their approval at the EGM held on 12 April 2022 in respect of the disposal of all of the Company's shares held in the share capital of First Capital at a sale consideration of \$14.5 million.

We vouched to bank statement to ascertain the receipt of the sale proceeds and other documents to ascertain the transfer of the ownership of First Capital to the Purchaser.

We also sighted to the discharge letter issued by the financial institution in respect of the related loan associated with the Property, following the disposal of First Capital.

We have obtained management's workings used in computing the gain on disposal of First Capital and ascertained that the business of First Capital has been separately disclosed as Profit/(Loss) from Discontinued Operations in the consolidated statement of comprehensive income.

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

Key Audit Matters (Cont'd)

2. Recoverability of trade receivables and contract assets

As of 31 March 2023, the Group's contract assets and trade receivables amounted to \$3.2 million (Note 9) and \$2.4 million (Note 10) respectively. The Group has concentration of credit risk on the outstanding trade receivable and contract assets from a customer amounting to \$4.2 million arising from various construction contracts involving the provision of labor to the customer, which represented 43% of the Group's total assets. The Group's financial position and profitability are dependent on the creditworthiness of its customers and their ability to settle payment in a timely manner. The economic slowdown and uncertainty in the global economic environment, have resulted in higher inherent risk relating to credit default and adequacy of provision for doubtful debts. The determination of the loss allowances requires significant judgement and estimates to determine whether the financial asset is credit impaired.

Based on management assessment, no impairment loss on the Group's trade receivables and contract assets has been recognised.

Our response and work performed:

As part of our audit, we assessed the Group's processes and key controls relating to the monitoring of trade receivables and contract assets including the process in determining whether a debtor is credit-impaired and the Group's processes in collating the key data sources and assumptions for data used in the ECL model.

We reviewed the key data sources and assumptions for data used in the determination of default rate and the correlation between the default rate and the current and forward-looking adjustment factor.

We considered the age of the debts as well as the trend of collections to identify the collection risks.

We obtained trade receivable confirmations and reviewed for collectability by way of obtaining evidence of receipts from the debtors on a sampling basis subsequent to the balance sheet date.

We also considered the disclosures in the financial statements about the extent of estimation and judgement involved in determining allowance for doubtful debts.

Disclosure of the pertinent information has also been set out in Notes 9, 10 and 24 to the financial statements respectively.

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

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

RESPONSIBILITIES OF MANAGEMENT AND DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

INDEPENDENT AUDITOR'S REPORT

to the members of Rich Capital Holdings Limited

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Raymond Kong Chih Hsiang.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore,

STATEMENTS OF FINANCIAL POSITION

as at 31 March 2023

	Note	The Group		The Company	
		31 March	31 March	31 March	31 March
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Non-Current Assets					
Plant and equipment	4	6	5	1	2
Right-of-use asset	5	96	29	-	29
Mining rights	6	-	-	-	-
Investments in subsidiaries	7	-	-	416	100
Financial asset, at fair value through other comprehensive income ("FVOCI")	8	-	-	-	-
		102	34	417	131
Current Assets					
Contract assets	9	3,232	453	-	-
Trade and other receivables	10	2,457	522	1,136	398
Cash and bank balances	11	3,926	1,443	3,839	1,416
		9,615	2,418	4,975	1,814
Assets of disposal group classified as held-for-sale	12	-	11,322	-	4,121
		9,615	13,740	4,975	5,935
Total Assets		9,717	13,774	5,392	6,066
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	13	72,569	72,569	72,569	72,569
Reserves	14	(68,528)	(70,613)	(67,441)	(67,610)
		4,041	1,956	5,128	4,959
Non-controlling interests	7(c)	1,082	1,084	-	-
Total Equity		5,123	3,040	5,128	4,959
LIABILITIES					
Non-Current Liabilities					
Lease liability	15	33	-	-	-
Current Liabilities					
Trade and other payables	16	4,497	2,022	264	1,077
Lease liability	15	64	30	-	30
		4,561	2,052	264	1,107
Liabilities of disposal group classified as held-for-sale	12	-	8,682	-	-
		4,561	10,734	264	1,107
Total Liabilities		4,594	10,734	264	1,107
Total Equity and Liabilities		9,717	13,774	5,392	6,066

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 2023

	Year ended 31 March 2023	Year ended 31 March 2022	
Note	\$'000	\$'000	
Continuing operations			
Revenue	17	12,689	2,157
Cost of sales		(11,987)	(2,037)
Gross profit		702	120
Other income	18	19	77
General and administrative expenses		(1,516)	(1,780)
Distribution and marketing expenses		(290)	-
Finance cost		(1)	(1)
Loss from continuing operations, before tax	19	(1,086)	(1,584)
Tax expense	20	-	(1)
Loss from continuing operations, net of tax		(1,086)	(1,585)
Profit/(Loss) from discontinued operations, net of tax	12(c)	3,154	(320)
Profit/(Loss) for the year		2,068	(1,905)
Other comprehensive income, net of tax			
Item that will be reclassified subsequently to profit or loss			
Currency translation differences (Nil tax)		15	2
Other comprehensive income for the year		15	2
Total comprehensive income/(loss) for the year		2,083	(1,903)
Profit/(Loss) attributable to:			
Owners of the Company			
- Loss from continuing operations, net of tax		(1,084)	(1,583)
- Profit/(Loss) from discontinued operations, net of tax		3,154	(320)
		2,070	(1,903)
Non-controlling interests			
- Loss from continuing operations, net of tax		(2)	(2)
Profit/(Loss) for the year		2,068	(1,905)
Total comprehensive income/(loss) attributable to:			
Owners of the Company		2,085	(1,901)
Non-controlling interests		(2)	(2)
		2,083	(1,903)
Earnings/(Loss) per share (cents)			
	21		
From continuing operations			
- Basic		(0.015)	(0.022)
- Diluted		(0.015)	(0.022)
From discontinued operations			
- Basic		0.043	(0.004)
- Diluted		0.043	(0.004)
From continuing and discontinued operations			
- Basic		0.028	(0.026)
- Diluted		0.028	(0.026)

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 2023

	Share capital	Capital reserve	Translation reserve	Accumulated losses	Attributable to owners of the Company	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2021	72,569	446	(117)	(69,041)	3,857	1,086	4,943
Loss for the year	-	-	-	(1,903)	(1,903)	(2)	(1,905)
Other comprehensive income	-	-	2	-	2	-	2
Total comprehensive loss for the year	-	-	2	(1,903)	(1,901)	(2)	(1,903)
Transfer of reserve	-	(191)	-	191	-	-	-
Balance at 31 March 2022	72,569	255	(115)	(70,753)	1,956	1,084	3,040
Profit for the year	-	-	-	2,070	2,070	(2)	2,068
Other comprehensive income	-	-	15	-	15	-	15
Total comprehensive income/(loss) for the year	-	-	15	2,070	2,085	(2)	2,083
Balance at 31 March 2023	72,569	255	(100)	(68,683)	4,041	1,082	5,123

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 2023

		Year ended 31 March 2023	Year ended 31 March 2022
	Note	\$'000	\$'000
Cash Flows from Operating Activities			
Profit/(Loss) before taxation			
- continuing operations		(1,086)	(1,585)
- discontinued operations	12(c)	3,154	(320)
Profit/(Loss) before taxation, total		2,068	(1,905)
Adjustments for:			
Depreciation of plant and equipment	4, 19	3	7
Depreciation of right-of-use asset	5, 19	62	59
Finance cost	19	1	217
Interest income	18	(13)	(4)
Impairment loss on other receivables		-	11
Operating profit/(loss) before working capital changes		2,121	(1,615)
Changes in development property		-	(10)
Changes in contract assets		(2,779)	(453)
Changes in trade and other receivables		(1,942)	(289)
Changes in trade and other payables		2,490	765
Cash used in operations		(110)	(1,602)
Option fee received		-	725
Interest received		13	4
Tax paid		-	(1)
Net cash used in operating activities		(97)	(874)
Cash Flows from Investing Activities			
Purchase of plant and equipment	4	(4)	(4)
Proceeds from sale of a disposal group classified as held-for-sale, net of cash disposed of	12(b)	2,640	-
Net cash used in investing activities		2,636	(4)
Cash Flows from Financing Activities			
Repayment of bank borrowings		-	(216)
Repayment of lease liabilities		(63)	(60)
Net cash used in financing activities		(63)	(276)
Net increase/(decrease) in cash and cash equivalents		2,476	(1,154)
Cash and cash equivalents at the beginning of the year		1,450	2,604
Cash and cash equivalents at the end of the year		3,926	1,450
Cash and bank balances in statement of financial position (Note 11)		3,926	1,443
Add: Cash and bank balance under disposal group classified as held-for-sale (Note 12a)		-	7
Cash and cash equivalents at the end of the year		3,926	1,450

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

for the financial year ended 31 March 2023

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 2022 \$'000	Cash flows		Non-cash items		At 31 March 2023 \$'000
		Repayment	New lease	Interest expense		
		\$'000	\$'000	\$'000	\$'000	
Lease liability (Note 15)	30	(63)	129	1	97	

	At 1 April 2021 \$'000	Cash flows		Non-cash items		At 31 March 2022 \$'000
		Repayment	Transfer to held- for-sale (Note 12)	New lease	Interest expense	
		\$'000	\$'000	\$'000	\$'000	
Lease liability (Note 15)	89	(60)	-	-	1	30
Bank borrowing	8,640	(216)	(8,640)	-	216	-

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

1 GENERAL INFORMATION

The financial statements of the Group and of the Company for the year ended 31 March 2023 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.

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

2(A) BASIS OF PREPARATION

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

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

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

Significant accounting estimates and judgements

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

Significant judgements in applying accounting policies

(i) Determination of operating segments

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

(ii) Income taxes (Note 20)

Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax exposures based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

Significant accounting estimates and judgements (Cont'd)

Significant estimates in applying accounting policies

(i) Impairment of non-financial assets

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

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

- Plant and equipment (Note 4)
- Right-of-use asset (Note 5)
- Mining rights (Note 6)
- Subsidiaries (Note 7)

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

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

Management is of the view that the recoverable amount of the Group's investment in PT OKIB remained as \$Nil as at 31 March 2023 on the basis that the Group will not be able to derive any return from the investment in PT OKIB as PT Wiwoa Miti Karya Batam ("PT Wiwoa") has taken over the construction and marketing of the Batam Project from the Group and has renamed it as the "One Avenue Batam" Project and this new property development project is currently undertaken by PT Wiwoa and PT Batam Citi Moto Karya on the land previously designated for the development for the Group's investment in the Batam Project. A reasonable change in the estimates will not impact the Group's FVOCI as the amount has been fully impaired.

(iii) Expected credit losses ("ECL") on contract assets and trade receivables (Notes 9 and 10)

As at 31 March 2023, the Group's contract assets and trade receivables amounted to \$3.2 million (2022 - \$0.5 million) (Note 9) and \$2.4 million (2022 - \$0.5 million) (Note 10) respectively arose from building construction contracts entered with a customer.

Based on the past collections trend with this customer, management was of the view that there was no increase in credit risk from this customer and accordingly, no loss allowance was provided for trade receivables and contract assets as at the balance sheet date. The Group's credit risk exposure for trade receivables and contract assets are set out in Note 24. A reasonable change in the estimates will not result in a significant impact to the Group's ECL.

(iv) Contingent liabilities

Recognition and measurement for contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts. Details of the Group's contingent liabilities are presented in Note 28 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

The Group and the Company have applied all the new and revised SFRS(I), SFRS(I) interpretations (“INT SFRS(I)”) 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 did not result in significant changes to the Group and the Company’s accounting policies and have no material effect on the amounts or the disclosures reported for the current or prior reporting periods.

3(B) 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), INT SFRS(I) and amendments to SFRS(I) that have been issued but are not yet effective.

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

3(C) 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.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

I. Consolidation (Cont'd)

(i) Basis of consolidation (Cont'd)

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

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

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

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

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

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

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

II. Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether it includes, at a minimum, an input and substantive process, and whether the acquired set has the ability to produce outputs.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

II. Business combinations (Cont'd)

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional 'concentration test' is met, and 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 identifiable assets.

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

II. Business combinations (Cont'd)

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

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

Goodwill

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

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

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

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

III. Plant and equipment, and depreciation

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

III. Plant and equipment, and depreciation (Cont'd)

When significant parts of plant and equipment are required to be replaced in intervals, the Group and the Company recognise 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.

IV. Leases

The Group and the Company as a lessee

The Group and the Company assess whether a contract is or contains a lease at inception of the contract. The Group and the Company recognise 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 and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

(a) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use 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.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

IV. Leases (Cont'd)

The Group and the Company as a lessee (Cont'd)

(a) Lease liability (Cont'd)

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 and the Company recognise those lease payments in the statement of comprehensive income in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group and the Company have 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 and the Company remeasure 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;
- 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.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

IV. Leases (Cont'd)

The Group and the Company as a lessee (Cont'd)

(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 and the Company incur 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 premise 2 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and the Company expect 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 and the Company apply SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

V. Financial instruments

Financial instruments carried on the statement of financial position include financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These are recognised on the Group's statement of financial position when the Group become a party to the contractual provision of the instrument. Disclosures of the Group's financial risk management objectives and policies are provided in Note 24.

Financial assets and financial liabilities are offset and the net amount presented on the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

V. Financial instruments (Cont'd)

(a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), and fair value through profit or loss ("FVTPL").

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 FVOCI, 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.

Subsequent measurement

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

- Financial assets at amortised cost (debt instruments);
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); or
- Financial assets at FVTPL.

Financial assets at amortised cost (debt instruments)

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

V. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Subsequent measurement (Cont'd)

Fair value through other comprehensive income (debt instruments)

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

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

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

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

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

Financial assets at fair value through profit and loss

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

V. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Subsequent measurement (Cont'd)

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

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

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

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

Derecognition

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

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

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

Continuing involvement that takes 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 debt instrument assets carried at amortised cost and FVOCI. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

V. Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

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 ECLs). 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 ECLs).

For trade and other receivables and contract assets, the Group measures the loss allowance at an amount that results from default events that are possible within the next 12-months (a 12-month ECLs). The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers 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.

At the end of each reporting period, the Group assess 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.

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

- significant financial difficulty of the issuer or borrower;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security 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 the statement of comprehensive income.

(b) Financial liabilities

Initial recognition and measurement

The Group determines the classification of its financial liabilities at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

V. Financial instruments (Cont'd)

(b) Financial liabilities

Initial recognition and measurement (Cont'd)

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVTPL, directly attributable transaction costs. The Company's and the Group's financial liabilities include trade and other payables and lease liabilities.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVTPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

VI. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank with financial institutions which are subject to an insignificant risk of changes in value and are used by the Group in the management of its short-term commitments.

VII. Non-current assets held for sale and discontinued operations

Non-current assets (and disposal groups) 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.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held-for-sale, and:

- (a) represents a separate major line of business or geographical area of operations;
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations;
or
- (c) is a subsidiary acquired exclusively with a view to resale.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

VIII. 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.

IX. 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 year.

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

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

Deferred income tax is measured:

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

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

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

X. Employee benefits

Short-term employee benefits

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

X. Employee benefits (Cont'd)

Pension obligations

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

Key management personnel

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

XI. 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 Group and Company;
 - (ii) has significant influence over the Group and Company; or
 - (iii) is a member of the key management personnel of the Group or 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 an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) the entity or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

XII. Impairment of non-financial assets

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

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

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

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

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

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

With the exception of goodwill,

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

XIII. 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 dollar, which is also the functional currency of the Company.

XIV. 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.

XV. 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.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

XV. Earnings per share (Cont'd)

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.

XVI. 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 23 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

XVII. Revenue

Revenue from construction contract with customers

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

XVII. Revenue (Cont'd)

Revenue from consultancy service

Revenue from consultancy service is recognised when the services are rendered over a period of time.

Revenue from subcontracting services

Revenue from subcontracting services is recognised when the services are rendered over a period of time.

XVIII. Contract assets

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

XIX. Contract liabilities

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

XX. Government grants

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

4 PLANT AND EQUIPMENT

The Group	Furniture and fittings \$'000	Equipment \$'000	Total \$'000
<u>Cost</u>			
At 1 April 2021	2	36	38
Additions	–	4	4
Written-off	–	(12)	(12)
At 31 March 2022	2	28	30
Additions	–	4	4
At 31 March 2023	2	32	34
<u>Accumulated depreciation</u>			
At 1 April 2021	1	29	30
Depreciation (Note 19)			
- Continuing operations	–	5	5
- Discontinued operation	–	2	2
Written-off	–	(12)	(12)
At 31 March 2022	1	24	25
Depreciation (Note 19)			
- Continuing operations	1	2	3
At 31 March 2023	2	26	28
<u>Net carrying amount</u>			
At 31 March 2023	–	6	6
At 31 March 2022	1	4	5
<hr/>			
The Company	Furniture and fittings \$'000	Equipment \$'000	Total \$'000
<u>Cost</u>			
At 1 April 2021, 31 March 2022 and 31 March 2023	2	23	25
<u>Accumulated depreciation</u>			
At 1 April 2021	1	18	19
Depreciation	–	4	4
At 31 March 2022	1	22	23
Depreciation	1	–	1
At 31 March 2023	2	22	24
<u>Net carrying amount</u>			
At 31 March 2023	–	1	1
At 31 March 2022	1	1	2

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

5 RIGHT-OF-USE ASSET

The Group	Office premise \$'000	Total \$'000
<u>Cost</u>		
At 1 April 2021	-	-
Addition	117	117
At 31 March 2022	117	117
Addition	129	129
Derecognition	(117)	(117)
At 31 March 2023	129	129
<u>Accumulated depreciation</u>		
At 1 April 2021	29	29
Depreciation (Note 19)	59	59
At 31 March 2022	88	88
Depreciation (Note 19)	62	62
Derecognition	(117)	(117)
At 31 March 2023	33	33
<u>Net carrying amount</u>		
At 31 March 2023	96	96
At 31 March 2022	29	29
The Company		
	Office premise \$'000	Total \$'000
<u>Cost</u>		
At 1 April 2021	-	-
Addition	117	117
At 31 March 2022	117	117
Derecognition	(117)	(117)
At 31 March 2023	-	-
<u>Accumulated depreciation</u>		
At 1 April 2021	29	29
Depreciation	59	59
At 31 March 2022	88	88
Depreciation	29	29
Derecognition	(117)	(117)
At 31 March 2023	-	-
<u>Net carrying amount</u>		
At 31 March 2023	-	-
At 31 March 2022	29	29

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

5 RIGHT-OF-USE ASSET (CONT'D)

Right-of-use asset represents the lease of the current office space by the Company that commenced on 1 October 2020 and expired on 30 September 2022. The lease was renewed and novated to a subsidiary for a further 2 years commencing on 1 October 2022.

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

6 MINING RIGHTS

	2023	2022
The Group	\$'000	\$'000
Cost	–	6,483
Accumulated amortisation and impairment losses	–	6,483
Net carrying amount	–	–

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

During the year, the Group entered into a Deed of Compromise and Release, and Sale and Purchase of the Mining Rights (the “DCR-S&P”). Under the DCR-S&P, the Group has on 1 July 2022: (a) settled the Forfeiture Application with the Forfeiture Applicants on the basis of no orders as to costs; and (b) sold the Mining Rights to the Forfeiture Applicants for nominal consideration, in consideration of the settlement of the Forfeiture Applications.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

7 INVESTMENTS IN SUBSIDIARIES

The Company	2023	2022
	\$'000	\$'000
Unquoted equity investment, at cost	7,389	10,920
Loans to subsidiaries	10,698	10,668
Subsidiary struck off	–	(10)
Cost of investment in subsidiaries	18,087	21,578
Reclassification to “Assets Held-for-Sale” (Note 12)	–	(4,121)
	18,087	17,457
Impairment losses:		
- At the beginning of the year	17,357	18,027
- Impairment loss recognised in the statement of comprehensive income (See Note (b) below)	314	38
- Reversal of impairment loss previously recognised (See Note (b) below)	–	(698)
- Impairment loss utilised on striking off subsidiary	–	(10)
	17,671	17,357
Net carrying amount	416	100

Loans to subsidiaries amounting to \$10.70 million (2022 - \$10.67 million) represent an extension of the Company’s net investment in the subsidiaries. These amounts are unsecured and interest-free with repayment terms at the discretion of the subsidiaries.

Name	Country of incorporation/ principal place of business	Cost of investment		Percentage of equity interest held		Principal activities
		31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022	
		S\$'000	S\$'000	%	%	
Held by the Company						
First Capital Pte. Ltd. ⁽⁴⁾ (“First Capital”)	Singapore	–	4,121	–	100	Real estate development
Merco Pte. Ltd. ⁽¹⁾ (“Merco”)	Singapore	700	100	100	100	Other short-term accommodation activities and building construction
Rich Batam Private Limited ⁽¹⁾ (“Rich Batam”)	Singapore	10,555	10,550	100	100	Real estate development
Summit Light Ventures Ltd. ⁽²⁾ (“Summit Light”)	British Virgin Islands	6,568	6,543	100	100	Legal and sole owner of the mining rights
Infinio Korea Co. Ltd. ⁽²⁾	South Korea	264	264	100	100	Dormant
Held by Rich Batam						
Oxley Batam Pte. Ltd. ⁽¹⁾⁽³⁾	Singapore	–	–	80	80	Real estate development
		18,087	21,578			

(1) Audited by Foo Kon Tan LLP.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

7 INVESTMENTS IN SUBSIDIARIES (CONT'D)

7(a) Investment in Summit Light

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

7(b) Impairment testing of investment in subsidiaries

As at 31 March 2023, management carried out an impairment assessment over the investments in subsidiaries and identified the significant cash generating units ("CGUs"). These were considered to have indications of possible impairment at 31 March 2023 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 2023, the carrying amount of the investment in subsidiaries amounted to \$416,000 (2022 - \$100,000).

The fair value less cost to sell was determined based on the financials of the subsidiaries which comprised mainly cash balances, trade and other receivables, contract assets, trade and other payables for Merco, Rich Batam, Summit Light and Infinio Korea Co. Ltd. which were current and approximated fair value at year end. Based on the impairment testing, an impairment loss of \$314,000 (2022 - \$38,000) relating to the cost of investment in the subsidiaries is recognised under general and administrative expenses in the statement of comprehensive income for the financial year ended 31 March 2023, being the shortfall between the carrying amount and the recoverable amount.

In November 2021, the Company granted an option to an unrelated third party to acquire 100% equity interest in First Capital for an aggregate consideration of \$14.5 million subject to terms and conditions of the option. Accordingly, management has reclassified the cost of investment in First Capital as part of disposal group held-for-sale and measured the investment at the lower of cost and fair value less costs to sell (See Note 12). Accordingly, there was a reversal of impairment loss of \$698,000 recognised in Company's statement of comprehensive income in FY 2022.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

7 INVESTMENTS IN SUBSIDIARIES (CONT'D)

7(c) Non-wholly-owned subsidiaries

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

Name of subsidiary	Principal place of business	Effective interest held by NCI	
		31 March 2023	31 March 2022
Oxley Batam Pte. Ltd.	Singapore, Indonesia	20%	20%
		Oxley Batam Group	
		2023	2022
The Group		\$'000	\$'000
<u>Cumulative non-controlling interests:</u>			
- Net liabilities attributable to NCI		(2,904)	(2,902)
- Shareholders' loan contributed by NCI [#]		3,986	3,986
		1,082	1,084
<u>Allocated to non-controlling interests during the year:</u>			
- Loss attributable to NCI		(2)	(2)
- Total comprehensive loss attributable to NCI		(2)	(2)

[#] As at 31 March 2023, an amount of \$1,300,000 relates to fee payable to Oxley Holdings Limited under the management fee agreement dated 18 May 2018. The remaining amount forms part of the non-controlling interests' equity contribution in the entity.

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	Oxley Batam Group	
	2023	2022
	\$'000	\$'000
<u>Summarised statement of financial position</u>		
Non-current liabilities	(14,514)	(14,466)
Current liabilities	(5)	(43)
Net liabilities	(14,519)	(14,509)
<u>Summarised statement of comprehensive income</u>		
Revenue	-	-
Loss for the year from continuing operations	(9)	(10)
Other comprehensive loss	-	-
Total comprehensive loss	(9)	(10)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

	2023	2022
The Group	\$'000	\$'000
Financial asset at FVOCI (unquoted equity shares)	-	-

Equity instrument designated at FVOCI

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

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

Determination of fair value

As the unquoted shares are not publicly traded, the fair value is determined based on the adjusted net liability, which resulted in a \$Nil value for the carrying value of the financial asset, at FVOCI as at 31 March 2023 and 31 March 2022.

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

Name of Company	Nature of relationship with the Group	Principal place of business	Group's effective interest	
			2023	2022
PT Oxley Karya Indo Batam (“PT OKIB”) ⁽¹⁾	Property developer of the Oxley Convention Centre (“OCC”)	Indonesia	40%	40%

(1) The financial statements are not audited.

Details of OCC project:

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

9 CONTRACT ASSETS

The Group	2023	2022
	\$'000	\$'000
Revenue contracts from construction projects	3,133	451
Revenue from subcontracting services	99	-
Services contract from project management service	-	2
Total contract assets	3,232	453

Contract assets of \$3.2 million comprised of five ongoing construction projects, subcontracting services and one project management service performed in the month of December 2022 to March 2023 (2022 - \$0.45 million comprised of three ongoing construction projects and one project management service performed in the month of March 2022) which have not been invoiced as at the financial year end.

Contract assets are transferred to receivables when the rights to consideration become unconditional.

Significant changes in contract assets are explained as follows:

	31 March 2023	31 March 2022
	\$'000	\$'000
Contract assets reclassified to trade receivables	(453)	-
Revenue recognised not yet billed	3,232	453
	2,779	453

Contract assets are denominated in Singapore dollar.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

10 TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Trade receivables	2,357	436	-	-
Amount due from subsidiaries (non-trade)	-	-	1,225	449
Allowance for impairment loss	-	-	(135)	(123)
Net amounts due from subsidiaries	-	-	1,090	326
Deposits	66	31	23	31
Amount due from a joint venture (non-trade)	-	-	39	39
Allowance for impairment loss	-	-	(39)	(39)
Net amount due from a joint venture (non-trade)	-	-	-	-
Other receivables	5	11	5	11
Allowance for impairment loss	(5)	(11)	(5)	(11)
Other receivables, net	-	-	-	-
Loans and receivables measured at amortised cost	2,423	467	1,113	357
Input GST recoverable, net	7	33	7	26
Prepayments	27	22	16	15
	2,457	522	1,136	398

Impairment losses

The following is an ageing analysis of loans and receivables:

The Group	Gross	Impairment losses	Net
	\$'000	\$'000	\$'000
As at 31 March 2023			
0 to 30 days	1,810	-	1,810
No credit terms (repayable on demand)	618	(5)	613
	2,428	(5)	2,423
As at 31 March 2022			
0 to 30 days	300	-	300
No credit terms (repayable on demand)	178	(11)	167
	478	(11)	467

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

10 TRADE AND OTHER RECEIVABLES (CONT'D)

Impairment losses (Cont'd)

The Company	Gross	Impairment	Net
	\$'000	losses	\$'000
		\$'000	\$'000
As at 31 March 2023			
No credit terms (repayable on demand)	1,292	(179)	1,113
As at 31 March 2022			
No credit terms (repayable on demand)	530	(173)	357

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

The Group	2023	2022
	\$'000	\$'000
At the beginning of the year	11	-
Reversal of allowance	(6)	-
Allowance made during the financial year	-	11
At the end of the year	5	11
The Company	2023	2022
	\$'000	\$'000
At the beginning of the year	173	126
Reversal of allowance	(6)	-
Allowance made during the financial year	12	47
At the end of the year	179	173

The Company recognised a net impairment loss on other receivables of \$6,000 (2022 - \$47,000) for the financial year ended 31 March 2023 as the balances are assessed as not recoverable as the debtors do not have liquid assets to repay, based on the debtor's financial information.

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

10 TRADE AND OTHER RECEIVABLES (CONT'D)

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

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Singapore dollar	2,400	440	1,090	337
United States dollar	23	20	23	20
Australian dollar	-	7	-	-
	2,423	467	1,113	357

11 CASH AND BANK BALANCES

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cash at bank	3,926	1,443	3,839	1,416
Add:				
Cash and bank balance in disposal group classified as held-for-sale (Note 12)	-	7		
Cash and cash equivalents in the statement of cashflows	3,926	1,450		

Cash and bank balances are denominated in Singapore dollar.

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

In November 2021, the Company granted an option to an unrelated third party (the "Purchaser") to acquire 100% equity interest in First Capital for an aggregate consideration of \$14.5 million (the "Consideration") subject to terms and conditions of the option (the "Disposal"). 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 Disposal (the "SPA").

The Company convened an Extraordinary General Meeting ("EGM") to seek 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 Catalyst Rules have been duly approved by the shareholders of the Company at EGM held on 12 April 2022.

As the transaction was expected to complete within the next twelve months, the assets and liabilities of First Capital had been classified as a disposal group held-for-sale and had been presented separately in the consolidated statement of financial position during the financial year ended 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

The disposal was completed on 5 May 2022 and First Capital ceased to be the Company's subsidiary. The loan associated with the Property amounting to \$8.7 million was also discharged upon the sale of the Property.

During the financial year ended 31 March 2023, the Group recorded the gain on disposal of \$3.19 million in the consolidated statement of comprehensive income.

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

The Group	2022
	\$'000
<hr/>	
Assets and liabilities of disposal group	
<u>Assets</u>	
Development property	11,315
Cash and bank balances (Note 11)	7
Assets of disposal group	<u>11,322</u>
<u>Liabilities</u>	
Other payables (Note 16)	(42)
Borrowings	(8,640)
Liabilities of disposal group	<u>(8,682)</u>
Net assets of disposal group	<u>2,640</u>

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

- (b) Disposal of a subsidiary:

The Group	2023
	\$'000
<hr/>	
Consideration received in cash and cash equivalents	2,647
Less: Cash and cash equivalents disposed	(7)
Net cash inflows arising on disposal	<u>2,640</u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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

(c) The results of discontinued operations are as follows:

	2023	2022
The Group	\$'000	\$'000
Revenue	–	–
Other income (Note 18)	–	48
General and administrative expenses	(37)	(152)
Finance cost	–	(216)
Loss before tax of disposal group	(37)	(320)
Tax	–	–
Loss from discontinued operations, net of tax	(37)	(320)
Gain on disposal of a subsidiary	3,191	–
Profit/(Loss) for the year from discontinued operations	3,154	(320)

(d) Earnings per share from discontinued operations is disclosed in Note 21.

(e) The impact of the discontinued operations on the cash flows of the Group for the financial year ended 31 March 2023 are as follows:

	2023	2022
The Group	\$'000	\$'000
Operating cash outflows	–	(140)
Financing cash flows	–	67
Net decrease in cash and cash equivalents	–	(73)

The disposal was completed during the financial year ended 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

13 SHARE CAPITAL

The Company	No. of ordinary shares	Amount
	'000	\$'000
At 31 March 2022 and 31 March 2023	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.

14 RESERVES

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Capital reserve	255	255	255	255
Translation reserve	(100)	(115)	-	-
Accumulated losses	(68,683)	(70,753)	(67,696)	(67,865)
	(68,528)	(70,613)	(67,441)	(67,610)

Capital reserve

As at 31 March 2023 and 31 March 2022, the capital reserve represents the difference between the carrying amount of the liabilities owing to existing shareholders of the Company and the fair value of the debt conversion shares issued.

Translation reserve

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

15 LEASE LIABILITY

	2023	2022
The Group	\$'000	\$'000
Undiscounted lease payments due:		
- Year 1	66	30
- Year 2	33	-
Less: Future interest cost	(2)	-
	97	30
Presented as:		
- Non-current	33	-
- Current	64	30
	97	30

	2023	2022
The Company	\$'000	\$'000
Undiscounted lease payments due:		
- Year 1	-	30
	-	30
Presented as:		
- Current	-	30
	-	30

Interest expense on lease liability of \$1,000 (2022 - \$1,000) is recognised within “finance costs - continuing operations” in the statement of comprehensive income (Note 19).

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 22.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

16 TRADE AND OTHER PAYABLES

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Trade payables	603	129	-	-
Other payables	137	205	73	120
Accrued expenses	3,720	968	154	195
Amount due to directors/ex-directors	37	37	37	37
Transfer to liabilities directly associated with disposal group classified as held-for-sale (Note 12)	-	(42)	-	-
Financial liabilities at amortised cost	4,497	1,297	264	352
Deposits received	-	725	-	725
Total trade and other payables	4,497	2,022	264	1,077

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

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

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Singapore dollar	4,383	1,167	154	242
Australian dollar	5	20	-	-
United States dollar	109	110	110	110
	4,497	1,297	264	352

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

17 REVENUE

	2023	2022
The Group	\$'000	\$'000
Revenue from construction contracts	11,805	2,155
Revenue from consultancy services	61	2
Revenue from subcontracting services	823	-
Revenue recognised overtime	12,689	2,157

18 OTHER INCOME

	2023	2022
The Group	\$'000	\$'000
<u>From continuing operations</u>		
Interest income	13	4
Writeback of payables	-	41
Job support scheme grant	-	32
Reversal of impairment	6	-
	19	77
<u>From discontinued operations (Note 12)</u>		
Rental income	-	48
	-	48

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

19 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	2023 \$'000	2022 \$'000
From continuing operations			
Included in "general and administrative expenses"			
Depreciation of plant and equipment	4	3	5
Depreciation of right-of-use asset	5	62	59
Audit fees - auditors of the Company		86	83
Non-audit fees - auditors of the Company		–	10
Directors' fee		149	140
Employee compensation (See below)		616	711
Legal and professional fees		494	681
(Reversal of impairment)/Impairment loss for other receivables		(6)	11
Included in "cost of sales"			
Employee compensation (See below)		772	–
Included in "finance cost"			
Interest expense on lease liability		1	1
Breakdown of employee compensation:			
Directors' remuneration other than fee:			
- Salaries and allowances		155	155
- Defined contribution plan		12	12
		167	167
Key management personnel other than directors:			
- Salaries and allowances		145	135
- Defined contribution plan		11	10
		156	145
Other than directors and key management personnel			
- Salaries and allowances		1,027	356
- Defined contribution plan		38	43
		1,065	399
		1,388	711
From discontinued operations			
Included in "general and administrative expenses"			
Depreciation of plant and equipment	4	–	2
Audit fees - auditors of the Company		–	6
Legal and professional fees		–	13
Extension fee of property loan		–	129
Included in "finance cost"			
Interest expense on borrowings		–	216

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

20 INCOME TAX EXPENSE

	2023	2022
The Group	\$'000	\$'000
Current year taxation	–	1

The tax expense on the results of the financial years ended 31 March 2023 and 2022 varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on losses as a result of the following:

	2023	2022
The Group	\$'000	\$'000
Loss before taxation	(1,086)	(1,905)
Tax at statutory rate of 17% (2022 - 17%)	(185)	(324)
Tax effect on non-deductible expenses	212*	325*
Utilisation of tax losses previously not recognised	(26)	–
Non-taxable income	(1)	–
	–	1

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

21 EARNINGS PER SHARE

The basic loss per share is calculated by dividing the profit/(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 2023 and 2022.

	2023	2022
The Group	\$'000	\$'000
Profit/(Loss) for the year attributable to owners of the Company		
From continuing operations	(1,084)	(1,583)
From discontinued operations	3,154	(320)
From continuing and discontinued operations	2,070	(1,903)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

21 EARNINGS PER SHARE (CONT'D)

	Number of shares ('000)	
	2023	2022
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
Earnings/(Loss) per share (cents):		
- Basic and Diluted		
From continuing operations	(0.015)	(0.022)
From discontinued operations	0.043	(0.004)
From continuing and discontinued operations	0.028	(0.026)

22 LEASES

The Group as lessee

Office premise

The Group leases office premise for operation purposes. The office premise is recognised within the Group's right-of-use asset and lease liability as disclosed under Note 5 and Note 15.

The Group makes monthly lease payment for the use of the office premise. Total cash outflows for the lease during the financial year amounted to \$63,000 (2022 - \$60,000).

23 OPERATING SEGMENTS

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

23 OPERATING SEGMENTS (CONT'D)

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

	Continuing Operations						Discontinued Operation			
	Property investment, development and construction service		Mining		Others		Property development		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	12,689	2,157	-	-	-	-	-	-	12,689	2,157
Cost of sales	(11,987)	(2,037)	-	-	-	-	-	-	(11,987)	(2,037)
Gross profit	702	120	-	-	-	-	-	-	702	120
Other income	-	20	-	-	19	57	-	48	19	125
General and administrative expenses (Including depreciation of right-of-use asset and depreciation of plant and equipment)	(733)	(777)	(22)	(44)	(761)	(948)	(37)	(152)	(1,553)	(1,921)
Distribution and marketing expenses	-	-	-	-	(290)	-	-	-	(290)	-
Finance costs	(1)	-	-	-	-	(1)	-	(216)	(1)	(217)
Impairment loss on other receivables	-	-	-	-	-	(11)	-	-	-	(11)
Gain on disposal of subsidiary	-	-	-	-	-	-	3,191	-	3,191	-
Profit/(Loss) before taxation	(32)	(637)	(22)	(44)	(1,032)	(903)	3,154	(320)	2,068	(1,904)
Income tax expense	-	-	-	-	-	(1)	-	-	-	(1)
Profit/(Loss) for the year	(32)	(637)	(22)	(44)	(1,032)	(904)	3,154	(320)	2,068	(1,905)
Reportable segment assets	5,822	925	9	8	3,886	1,519	-	11,322	9,717	13,774
Reportable segment liabilities	(4,325)	(925)	(5)	(20)	(264)	(1,107)	-	(8,682)	(4,594)	(10,734)
Other information:										
Depreciation of right-of-use asset	(32)	-	-	-	(30)	(59)	-	-	(62)	(59)
Depreciation of plant and equipment	(2)	(1)	-	-	(1)	(4)	-	(2)	(3)	(7)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

23 OPERATING SEGMENTS (CONT'D)

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

The Group	2023	2022
	\$'000	\$'000
<u>Non-current assets</u>		
Singapore	102	34
<u>Segment assets</u>		
Total assets for reportable segments	9,717	13,774
Consolidated total assets	9,717	13,774
<u>Segment liabilities</u>		
Total liabilities for reportable segments	4,594	10,735
Consolidated total liabilities	4,594	10,735

The Group's revenue is mainly contributed by a customer amounted to \$11.8 million (2022 – a customer amounted to \$2.2 million).

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

24 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, trade and other receivables, cash and cash equivalents, trade and other payables, lease liability. The Group has various other financial assets and liabilities such as other receivables, which arise directly from its operations.

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

24 FINANCIAL RISK MANAGEMENT (CONT'D)

Accounting classifications of financial assets and financial liabilities

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

	The Group \$'000	The Company \$'000
31 March 2023		
Financial assets, at fair value through other comprehensive income	–	–
Financial assets at amortised cost		
Trade and other receivables (Note 10)	2,423	1,113
Cash and bank balances (Note 11)	3,926	3,839
	6,349	4,952
Financial liabilities at amortised cost		
Lease liability (Note 15)	97	–
Trade payables and other payables (Note 16)	4,497	264
	4,594	264
31 March 2022		
Financial assets, at fair value through other comprehensive income	–	–
Financial assets at amortised cost		
Trade and other receivables (Note 10)	467	357
Cash and bank balances (Note 11)	1,443	1,416
	1,910	1,773
Financial liabilities at amortised cost		
Lease liability (Note 15)	30	–
Trade payables and other payables (Note 16)	1,297	352
	1,327	352

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

24 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 trade and other receivables (including related party balances) and cash and bank balances represent the Group 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:

	2023	2022
	\$'000	\$'000
The Group		
Financial assets measured at amortised cost		
Trade and other receivables (Note 10)	2,423	467
Cash and bank balances (Note 11)	3,926	1,443
	6,349	1,910
The Company		
Financial assets measured at amortised cost		
Trade and other receivables (Note 10)	1,113	357
Cash and bank balances (Note 11)	3,839	1,416
	4,952	1,773

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

24 FINANCIAL RISK MANAGEMENT (CONT'D)

Credit risk (Cont'd)

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

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

	12-month/ Lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
The Group				
At 31 March 2023				
Trade receivables	12-month	2,357	-	2,357
Other receivables	12-month	71	(5)	66
At 31 March 2022				
Trade receivables	12-month	436	-	436
Other receivables	12-month	42	(11)	31
The Company				
At 31 March 2023				
Other receivables	12-month	1,292	(179)	1,113
At 31 March 2022				
Other receivables	12-month	530	(173)	357

Trade receivables

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

As of 31 March 2023, the Group has concentration of credit risk on the outstanding trade receivable from a customer amounting to \$4.2 million arising from various construction contracts involving the provision of labor to the customer, which represented 43% of the Group's total assets.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

24 FINANCIAL RISK MANAGEMENT (CONT'D)

Credit risk (Cont'd)

Other receivables

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

Financial assets that are neither past due nor impaired

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

Financial assets that are past due but not impaired

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

Cash and bank balances

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

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 2023 and 2022, the Group's currency exposures to United States dollar and Australian dollar are insignificant.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

24 FINANCIAL RISK MANAGEMENT (CONT'D)

Interest rate risk

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

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

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

The Group	Loss before tax increase/(decrease)		Equity increase/(decrease)	
	(10 bp increase)	(10 bp decrease)	(10 bp increase)	(10 bp decrease)
	\$'000	\$'000	\$'000	\$'000
At 31 March 2023				
Borrowing under Liabilities of disposal group classified as held-for-sale (Note 12)	-	-	-	-
At 31 March 2022				
Borrowing under Liabilities of disposal group classified as held-for-sale (Note 12)	(9)	9	(9)	9

Liquidity risk

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

24 FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group 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 2023					
Lease liability	97	99	66	33	-
Trade and other payables	4,497	4,497	4,497	-	-
	4,594	4,596	4,563	33	-
31 March 2022					
Lease liability	30	30	30	-	-
Trade and other payables	1,297	1,297	1,297	-	-
	1,327	1,327	1,327	-	-
Borrowing under Liabilities of disposal group classified as held-for-sale (Note 12)	8,640	8,706	8,706	-	-
The Company					
31 March 2023					
Lease liability	-	-	-	-	-
Trade and other payables	264	264	264	-	-
	264	264	264	-	-
31 March 2022					
Lease liability	30	30	30	-	-
Trade and other payables	352	352	352	-	-
	382	382	382	-	-

Market price risk

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

25 FAIR VALUE MEASUREMENT

Definition of fair value

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

Fair value hierarchy

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

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

Determining of fair values – FVOCI (Level 3)

The fair value of financial instruments that is 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 amount of bank borrowings classified as held-for-sale whose interest rate is re-priced within 12 months approximates its fair value.

Categories of other financial assets and liabilities not at fair value but approximate fair value

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

26 CAPITAL MANAGEMENT

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

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

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

There were no changes in the Group and the Company's approach to capital management during the year. The Company and its subsidiaries are not subject to externally imposed capital requirements.

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

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Lease liability (Note 15)	97	30	-	30
Trade and other payables (Note 16)	4,497	2,022	264	1,077
Liabilities of disposal group classified as held-for-sale (Note 12)	-	8,682	-	-
Less: Cash and cash equivalents (including cash and bank balances in a disposal group classified as held-for-sale (Note 11))	(3,926)	(1,450)	(3,839)	(1,416)
Net debt	668	9,284	(3,575)	(309)
Total equity attributable to owners of the Company	4,041	1,956	5,128	4,959
Net debt to total equity ratio	17%	475%	N.A	N.A

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

27 RELATED PARTY TRANSACTIONS

Except for key management personnel compensation disclosed in Note 19, there are no material related party transactions.

28 CONTINGENT LIABILITIES

PT Batam Citi Moto Karya (PT BCMK) has commenced a claim Case No. 572/Pdt.G/2022/PN. Jkt Pst in Indonesia in relation to the Batam Project against Oxley Batam Pte. Ltd. (“OBPL”) and two former directors of OBPL and PT Oxley Karya Indo Batam (“PT OKIB”) (collectively, the “Defendants”). PT BCMK is claiming for declaratory relief that the Defendants in Case 572 have committed “unlawful acts”, and that the Defendants are liable for losses arising. The losses, as claimed by PT BCMK are: (a) “material damages” in the sum of IDR 47,569,542,125; and (b) “immaterial damages” in the sum of IDR 32,268,625,000, and (c) a fine/penalty of 10,000,000 for each day of delay in compensating PT BCMK, plus legal costs.

Based on legal advice from the Group’s legal counsel, there is no bilateral or reciprocal enforcement regime between Singapore and Indonesia, PT BCMK has to commence fresh court proceedings in Singapore to enforce any judgements obtained in Indonesia. Accordingly, the Group has not made any provision for the amount claimed.

29 SUBSEQUENT EVENT

On 8 June 2023, the Group was informed by its Indonesian counsel that the Batam District Court had on the same day granted an application made by PT BCMK under Case No. 131/Pdt.P/2023/PN Btm for the dissolution of PT OKIB (the “Dissolution Application”).

On 21 June 2023, the Group’s lawyers have submitted at the Batam District Court a Memorandum of Cassation to appeal the Court’s decision to grant PT BCMKs application for the dissolution of PT OKIB.

The Group has assessed the recoverable amount of the Group’s investment in PT OKIB remained as \$Nil as at 31 March 2023 as disclosed in Note 2(a)(iii). The dissolution of PT OKIB will have no impact on the earnings or net tangible assets of the Group for the year ended 31 March 2023.

STATISTICS OF SHAREHOLDINGS

As at 21 June 2023

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 21 JUNE 2023

SIZE OF SHAREHOLDINGS	SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	22	0.76	617	0.00
100 - 1,000	417	14.37	273,452	0.00
1,001 - 10,000	1,012	34.87	5,005,258	0.07
10,001 - 1,000,000	1,253	43.18	208,014,558	2.83
1,000,001 AND ABOVE	198	6.82	7,129,377,582	97.10
TOTAL	2,902	100.00	7,342,671,467	100.00

TWENTY LARGEST SHAREHOLDERS AS AT 21 JUNE 2023

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1	BAI FENGMEI	2,168,657,900	29.54
2	MAYBANK SECURITIES PTE. LTD.	960,849,383	13.09
3	HE XIAOCONG	345,000,000	4.70
4	TAN HONG ENG (CHEN FENGYING)	326,200,000	4.44
5	DARA ROK ING	252,000,000	3.43
6	YEO JIM KWEE	251,964,892	3.43
7	WANG YUANBIAO	210,000,000	2.86
8	TAN ENG SENG	201,155,000	2.74
9	WU YONGQIANG	194,410,000	2.65
10	YEO JUNYU (YANG JUNYU)	146,981,208	2.00
11	WU DAWU	145,900,000	1.99
12	BAI ZHENHUA	142,763,300	1.94
13	SUN DANGSHUN	118,004,300	1.61
14	UOB KAY HIAN PTE LTD	102,337,400	1.39
15	LOI TECK HAN	79,033,800	1.08
16	TAN CHONG CHAI	72,000,000	0.98
17	PHILLIP SECURITIES PTE LTD	68,493,641	0.93
18	EST OF KANG YEE YIN (JIANG YIYUN), DEC'D	67,972,300	0.93
19	XU YONGSHENG	67,000,000	0.91
20	KOH GUAT CHOO	61,500,000	0.84
	TOTAL:	5,982,223,124	81.48

STATISTICS OF SHAREHOLDINGS

As at 21 June 2023

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 21 JUNE 2023

Name of Substantial Shareholders	Direct Interest	%	Deemed Interest	%	Total	%
Bai FengMei	2,168,657,900	29.54	0	0.00	2,168,657,900	29.54
Lim Soon Fang ⁽¹⁾	100,000,000	1.36	982,557,400	13.38	1,082,557,400	14.74

Footnote:

(1) Mr Lim Soon Fang is deemed to have an interest in 982,557,400 shares held by Maybank Securities Pte. Ltd.

SHAREHOLDINGS HELD IN THE HANDS OF PUBLIC

Based on the information provided and to the best knowledge of the Directors, approximately 55.72% of the issued ordinary shares of the Company are held in the hands of the public as at 21 June 2023. Therefore, Rule 723 of the SGX-ST Listing Manual Section B: Rules of Catalist is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of **RICH CAPITAL HOLDINGS LIMITED** (the “**Company**”) will be held at Training Room 2-2, Level 2, Lifelong Learning Institute, 11 Eunos Road 8, Singapore 408601 on Friday, 28 July 2023 at 3.30 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 2023 together with the Directors’ Statement and Auditors’ Report thereon. **Resolution 1**
2. To approve the payment of Directors’ fees of S\$148,500 for the financial year ending 31 March 2024, to be paid quarterly in arrears. (FY 2023: S\$148,500) **Resolution 2**
3. To re-elect the following directors retiring pursuant to the Company’s Constitution:
 - 3.1 James Kho Chung Wah (retiring pursuant to Regulation 107) **Resolution 3**
 - 3.2 Chang Chi Hsung (retiring pursuant to Regulation 107) **Resolution 4***[See Explanatory notes (i) and (ii)]*
4. To re-appoint Messrs Foo Kon Tan LLP, Certified Public Accountants, as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**
5. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

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

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

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

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

NOTICE OF ANNUAL GENERAL MEETING

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

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

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

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

[See Explanatory Note (iii)]

Resolution 6

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

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

[See Explanatory Note (iv)]

Resolution 7

NOTICE OF ANNUAL GENERAL MEETING

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

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

[See Explanatory Note (v)]

Resolution 8

By Order Of The Board
Lee Bee Fong
Company Secretary
Singapore

Date: 13 July 2023

Explanatory Notes: -

- (i) If re-elected under Resolution 3 above, Mr. James Kho Chung Wah will, upon re-election as a Director, remain as Independent Non-Executive Director, a member of the Audit Committee and Chairman of the Nominating Committee and Remuneration Committee. Mr. James Kho Chung Wah shall be considered independent for the purposes of Rule 704(7) of the Catalist Rules. Detailed information on Mr. James Kho Chung Wah can be found at page 108 of the Annual Report.
- (ii) If re-elected under Resolution 4 above, Mr. Chang Chi Hsung 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. Chang Chi Hsung shall be considered independent for the purposes of Rule 704(7) of the Catalist Rules. Detailed information on Mr. Chang Chi Hsung can be found at page 108 of the Annual Report.
- (iii) Ordinary Resolution 6 if passed, will empower the Directors of the Company from the date of this Meeting until the date of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue shares and convertible securities in the Company. The number of shares and convertible securities that the Directors may allot and issue under this Resolution shall not exceed 100% of the issued share capital of the Company at the time of passing this Resolution (excluding treasury shares and subsidiary holdings). For issue of shares other than on a pro-rata basis to all shareholders of the Company, the aggregate number of shares to be issued shall not exceed 50% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings).

For determining the aggregate number of shares that may be issued, the percentage of issued shares will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time Resolution 6 is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when Resolution 6 is passed and any subsequent consolidation or subdivision of shares.

- (iv) The Ordinary Resolution 7 proposed in item 7 above, if passed, will empower the Directors of the Company to grant awards under the Plan and to allot and issue shares pursuant to the exercise of such options in accordance with the Plan.
- (v) The Ordinary Resolution 8 proposed in item 8 above, if passed, will empower the Directors of the Company to grant awards under the Scheme and to allot and issue shares pursuant to the exercise of such options in accordance with the Scheme.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- A member (otherwise than a relevant intermediary) is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
 - A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of share shall be specified)

“Relevant intermediary” means:

- a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
 - the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
- A proxy need not be a member of the Company.
 - The instrument appointing a proxy must be deposited at the Company’s Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road, #11-02 Singapore 068898, not less than 48 hours before the time for holding the AGM or any adjournment thereof.

IMPORTANT INFORMATION:

1. Physical Meeting

The AGM is being convened and will be held physically at Training Room 2-2, Level 2, Lifelong Learning Institute, 11 Eunos Road 8, Singapore 408601. There will be no option for members to participate virtually.

Copies of the Annual Report, Notice of AGM and Proxy Form had been dispatched to members and also have been uploaded on SGX website at the URL <https://www.sgx.com/securities/company-announcements> and the Company’s website at the URL <https://www.richcapital.com.sg/index.php>.

2. Submission of questions

Shareholders may submit questions relating to the items on the agenda of the AGM by emailing to email address general@richcapital.com.sg.

Members (including CPF or SRS investors) will need to identify themselves when submitting questions by email or by mail by providing the following details:

- the member’s full name as it appears on his/her/its CDP/CPF/SRS/Scrip-based share records;
- the member’s NRIC/Passport/UEN number;
- the member’s contact number and email address; and
- the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, Scrip based, CPF or SRS).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will endeavour to address substantial and relevant questions from members via SGX announcement by 3.30 p.m. on 24 July 2023 (being not less than 48 hours prior to the closing date and time for the lodgement of the proxy forms), or during the AGM.

3. Voting

Live voting will be conducted during the AGM for members and proxies attending the AGM.

A Member of the Company (other than a Relevant Intermediary) entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

A member who wishes to exercise their votes can either vote on the resolutions to be tabled for approval at the AGM in person or submit a Proxy Form to appoint proxy/ies or the Chairman of the Meeting to cast votes on their behalf.

NOTICE OF ANNUAL GENERAL MEETING

Members (whether individual or corporate) appointing the proxy/ies or Chairman of the Meeting as proxy must give specific instructions as to his manner of voting, or abstentions from voting, in the Proxy Form, failing which the appointment will be treated as invalid.

The instrument appointing a proxy(ies) must, together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must be:

- a) deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road, #11-02 Singapore 068898; or
- b) emailed sg.is.proxy@sg.tricorglobal.com, in either case, not less than 48 hours before the time fixed for holding the AGM, and in default the instrument of proxy shall not be treated as valid.

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

The instrument appointing a proxy must be signed by the appointor or his/her/its attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a Company, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.

In the case of a member whose shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing a proxy lodged if such member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 48 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

CPF or SRS investors who wish to a proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 3.30 p.m. on 20 July 2023 in order to allow sufficient time for their relevant intermediaries to in turn submit a proxy form to appoint a proxy to vote on their behalf not less than 72 hours before the time for holding the AGM.

Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore) ("**Relevant Intermediary Participants**"), excluding CPF and SRS investors, and who wish to participate in the AGM by (a) submitting questions in advance of the AGM; and/or (b) appointing a proxy(ies) to attend, speak and vote on their behalf at the AGM, should contact the relevant intermediary through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the AGM.

Personal data privacy:

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

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

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

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

SUPPLEMENTAL INFORMATION

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION

Mr James Kho Chung Wah and Mr Chang Chi Hsung are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 28 July 2023 (“AGM”) (the “Retiring Director”).

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

	James Kho Chung Wah	Chang Chi Hsung
Date of Appointment	5 January 2018	23 June 2020
Date of last re-appointment	9 October 2020	9 October 2020
Age	47	45
Country of principal residence	Singapore	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, and the search and nomination process)	<p>The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee (“NC”) and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr James Kho Chung Wah for re-appointment as Independent Non-Executive Director of the Company.</p> <p>The Board has reviewed and concluded that Mr James Kho Chung Wah possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>	<p>The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee (“NC”). It has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Chang Chi Hsung for re-appointment as Independent Non-Executive Director of the Company.</p> <p>The Board has reviewed and concluded that Mr Chang Chi Hsung possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director, Chairman of the Nominating and Remuneration Committees and a Member of the Audit Committee	Independent Non-Executive Director, Chairman of Audit Committee and a Nominating Committee and Remuneration Committee member.
Professional qualifications	Bachelor of Business and Chartered Financial Analyst	<ol style="list-style-type: none"> Bachelor of Commerce, Accounting and Finance, University of New South Wales Fellow Chartered Accountant, Institute of Singapore Chartered Accountants Chartered Accountant, Malaysia Institute of Accountants Fellow CPA, CPA Australia Certified Public Accountant, Hong Kong Institute of Certified Public Accountants

SUPPLEMENTAL INFORMATION

	James Kho Chung Wah	Chang Chi Hsung
Working experience and occupation(s) during the past 10 years	2018 – Current, CEO, Willan Capital Pte Ltd 2017 – 2018, Executive Director, Taiyo Asset Management Pte Ltd 2014 – 2016, Executive Director Pacific Star (Greater China) Pte Ltd (a JV company of Willan Capital Pte Ltd) 2013 – 2017, Managing Director, Willan Capital Pte Ltd 2010 – 2013, Senior Vice President, Maybank Kim Eng Corporate Finance Pte Ltd	2009 – 2015, Associate Director, Mazars Singapore 2016 – Current, Managing Director, OA Group of Companies (OA Assurance PAC and OA International Holdings Pte Ltd and its subsidiaries, namely, OA Corporate Advisory Pte Ltd (FKA OA Valuation Pte. Ltd.), Singapore Corporate Service Pte. Ltd., OA Corporate Services Pte. Ltd., OA Tax Advisory Pte. Ltd., OA Corporate Advisory (Hong Kong) Limited, Singapore Corporate Services (M) Sdn Bhd and OA Corporate Services (M) Sdn Bhd collectively, the “OA Group of Companies”)
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes

SUPPLEMENTAL INFORMATION

James Kho Chung Wah

Chang Chi Hsung

Other Principal Commitments*
Including Directorships[†]

Past (for the last 5 years)

China Environment Ltd
Pollux Properties Ltd
Century Management Pte Ltd

Alpha DX Group Ltd
RF Fund Management Private Limited
Singapore Blockchain Commodities Trading
Exchange Pte Ltd (Struck Off)
D&A Strategic Capital Pte. Ltd
OA Corporate Services Pte Ltd
OA Tax Advisory Pte Ltd
Haina Technology Group Limited
7W Digital Marketing Pte Ltd (Struck Off)
D & A Strategic Capital Sdn Bhd (Struck Off)
One Assurance LLP (Struck Off)
OA International Holdings Pte Ltd

Present

Willan Capital Pte Ltd
MIB Investments Pte Ltd
(Tianjin) Business Advisory Ltd
Willan (Tianjin) Asset Management Ltd
SBI Offshore Ltd
Willan Consultants Pte Ltd
Platinum Project Consultancy Pte Ltd
Sunshine Investments Pte Ltd
Farmland Investments Pte Ltd
Farmland Star Property Pte Ltd
Energyport VCC

OA Corporate Advisory Pte Ltd (FKA OA
Valuation Pte Ltd)
OA Assurance PAC
RF International Holdings Private Limited
Reclaims Global Limited
RF Strategic Capital Pte Ltd
Ambulance Wish (Singapore) Ltd
Paideia Consulting (Singapore) Pte Ltd
Odean Trading Pte Ltd
Singapore Corporate Services (M) Sdn Bhd
OA Corporate Services (M) Sdn Bhd
Heroic Wish Limited (BVI)
OA Corporate Advisory (Hong Kong) Limited
– (Hong Kong)
Rio Tinto Trading Co, Limited – (Hong Kong)
Haina Intelligent Equipment International
Holdings Limited – (Cayman Islands)

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

No

SUPPLEMENTAL INFORMATION

James Kho Chung Wah

Chang Chi Hsung

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	Yes, <u>Alpha DX Group Ltd</u> Mr Alan Chang resigned from the Board of Alpha DX Group Ltd on the 25 February 2022 and ceased to act as Independent Non-Executive Director of Alpha DX Group Ltd. On 15 March 2023, the Singapore High Court granted the order to place Alpha DX Group Ltd under judicial management.
c)	Whether there is any unsatisfied judgment against him?	No	No
d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

SUPPLEMENTAL INFORMATION

James Kho Chung Wah

Chang Chi Hsung

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|----|--|----|----|
| f) | Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part? | No | No |
| g) | Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust? | No | No |
| h) | Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust? | No | No |
| i) | Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity? | No | No |
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SUPPLEMENTAL INFORMATION

James Kho Chung Wah

Chang Chi Hsung

j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-	Yes	No
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	Mr James Kho Chung Wah previously served as an independent director of Serrano Limited ("Serrano") (now known as Winmark Investments Holding). An independent reviewer was appointed in November 2019 to review and identify, amongst others, any potential breaches of listing rules and relevant laws and regulations in connection to the allegations of improprieties and concerns relating to transactions, business and/or conduct of management that were relevant to the Serrano's old business prior to the implementation of the schemes of arrangement.	
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		
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	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	No	No

in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?

SUPPLEMENTAL INFORMATION

James Kho Chung Wah

Chang Chi Hsung

- 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

No

SBI Offshore Limited

On 21 March 2019, SBI Offshore Limited announced that, in consultation with its sponsor and the SGX RegCo, the Board has appointed RSM Corporate Advisory Pte. Ltd. as the Special Auditor to investigate into, among others, the following: a) background and circumstances which led to the acquisition and the subsequent disposal of a vacant factory in China (the "Property"); b) whether the disposal price of the Property was marked to comparable market transactions at the time of disposal; c) facts and circumstances that could explain for the significant drop in value of the Property given the difference in valuation prices ascribed by Suzhou Welsen in its report of 2017 vis-à-vis the past valuation reports issued by Wuxi Dsinfo; d) background checks on the reputation and track records of Suzhou Welsen and Wuxi Dsinfo; e) chronology of events, facts and circumstances surrounding: (i) the appointment of Suzhou Welsen; (ii) the negotiation of the disposal of the Property; and (iii) the scope of due diligence performed on the purchaser and the disposal of the Property; f) review of the Company's internal processes relating to: (i) the appointment of professional advisors; and (ii) the acquisitions and disposals, and make recommendations on improvements to any control lapses identified; and g) whether there is any potential breach of listing rules, laws or regulations governing the Company and its personnel.

The special audit has been completed and based on the various facts and circumstances considered by RSM including the consultation with Savills Real Estate Valuation (Guangzhou) Ltd, RSM's report concluded that the company had undertaken an adequate and reasonable process to market and sell the Property, and the sale price of RMB 18 million represented the best offer they received during the period.

SUPPLEMENTAL INFORMATION

James Kho Chung Wah

Chang Chi Hsung

Notwithstanding the RSM's report did not point to concerns on the disposal of the factory, SGX RegCo in its regulatory announcement released on 12 June 2020, SGX RegCo highlighted that the RSM's report noted certain concerns surrounding the acquisition of the factory and related disclosure matters, and accordingly RSM flagged out potential listing rule breaches and potential contravention of directors' fiduciary duties under Section 157 of the Companies Act. And in the same announcement, SGX RegCo stated that they will look into any potential listing rule breaches and refer the potential contravention of the Companies Act to the relevant authorities. Mr Kho is not the director of the company during the acquisition of the factory.

Rich Capital Holdings Limited ("RCH")

RCH on 14 August 2019 announced the appointment of Provenance Capital Pte. Ltd. as the independent reviewer to carry out an independent review relating to: (i) tender and award of S\$125 million to Rich-Link Construction Pte. Ltd. ("RLC"), adherence to guidelines and review of procedures to RCH's mandated interested person transactions; (ii) advance payment to RLC; (iii) matters relating to proposed acquisition of 100% of issued shares of RLC and Rich-Link Builders Pte. Ltd.; and (iv) the cessation of Mr Kuek Tee Meng, a former Executive Director of RCH. ("Independent Review")

The Independent Review has concluded and Mr James Kho is not a party who was named in the report to have potentially breached the listing rules and/or the Companies Act.

SUPPLEMENTAL INFORMATION

James Kho Chung Wah

Chang Chi Hsung

China Environment Ltd

There is a letter of advisory sent by ACRA to James Kho in relation to China Environment Ltd, wherein ACRA's investigations has found that although the breaches were committed by this company during the period of his directorship, there were strong mitigating factors in his favour. In view of the strong mitigating factors, ACRA has advised Mr James Kho to exercise due diligence when carrying out his duty as director

Disclosure applicable to the appointment of Director only

Any prior experience as a director of a listed company?

Not applicable, as this relates to the re-election of a director.

Not applicable, as this relates to the re-election of a director.

If yes, please provide details of prior experience.

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

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

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RICH CAPITAL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No: 199801660M)

PROXY FORM

ANNUAL GENERAL MEETING

Important

1. For CPF/SRS investors who have used their CPF/SRS monies to buy shares in Rich Capital Holdings Limited (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. CPF/SRS investors should contact their respective agent banks if they have any queries regarding their appointment as proxies.
2. 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 dated 13 July 2023.
3. Please read the notes overleaf which contain instructions on, inter alia, the appointment of proxy(ies).

I/We _____ (Name), NRIC/Passport No. _____

of _____ (Address)

being a member(s) of Rich Capital Holdings Limited (the “Company”), hereby appoint: -

Name	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
			Number of Shares	%
Address				

and/or (delete as appropriate)

Name	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
			Number of Shares	%
Address				

or failing whom, the Chairman of the Annual General Meeting (the “Meeting”) as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Training Room 2-2, Level 2, Lifelong Learning Institute, 11 Eunos Road 8, Singapore 408601, on Friday, 28 July 2023 at 3.30p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as hereunder indicated. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

No.	Ordinary Resolutions	For*	Against*	Abstain*
Ordinary Business				
1.	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 March 2023 together with the Directors’ Statement and Auditors’ Report.			
2.	Approval of Directors’ Fees of S\$148,500 for the financial year ending 31 March 2024, to be paid quarterly in arrears.			
3.	Re-election of Mr. James Kho Chung Wah as Director of the Company.			
4.	Re-election of Mr. Chang Chi Hsung as Director of the Company.			
5.	Re-appointment of Messrs Foo Kon Tan LLP as Auditors of the Company.			
Special Business				
6.	Authority to allot and issue shares (General Share Issue Mandate).			
7.	Authority to allot and issue shares pursuant to the Rich Capital Performance Share Plan.			
8.	Authority to allot and issue shares pursuant to the Rich Capital Employee Share Option Scheme.			

* Voting will be conducted by poll. If you wish to exercise all your votes “For” or “Against” or “Abstain”, please indicate with a (√) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2023.

Total Number of Shares held (see Note 1)

Signature(s) of Member(s)

Contact Number and Email Address of Members

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes to the Proxy Form

1. A proxy need not be a member of the Company.
2. A member should insert the total number of shares held. If the member has shares entered against his/her name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she should insert that number of shares in the space set across "CDP Register" at the bottom of the proxy form. If the member has shares registered in his/her name in the Register of Members (maintained by or on behalf of the Company), he/she should insert that number of shares in the space set across "Register of Members" at the bottom of the proxy form. If the member has shares entered against his/her name in the Depository Register and shares registered in his/her name in the Register of Members, he/she should insert the respective number of shares in the corresponding spaces provided. If no number is inserted, the proxy form will be deemed to relate to all the shares held by the member.
3.
 - (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the 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's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

4. The instrument appointing a proxy must be:
 - (a) deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road, #11-02, Singapore 068898; or
 - (b) emailed to sg.is.proxy@sg.tricorglobal.com

in either case, not less than 48 hours before the time appointed for holding the AGM, i.e. by **3.30 p.m. on Wednesday, 26 July 2023**.

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

5. Completion and return of this proxy form shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the proxy form to the AGM.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy or proxies 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) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967.
9. The Company shall be entitled to reject any proxy form 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 in the proxy form (including any related attachment) (such as in the case where the appointor submits more than one proxy form). In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any proxy form submitted if such members are not shown to have shares entered against their names in the Depository Register as at 72 hours before the time appointed for the AGM, as certified by The Central Depository (Pte) Limited to the Company.
10. **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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