



ANNUAL REPORT **2020**

**ENABLING
DIGITALISATION
EXPANDING
HORIZON**



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This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

This annual report has not been examined or approved by the SGX-ST and the SGX-ST 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 Alice Ng, Director of Controlling Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Albert Saychuan Cheok
Non-Executive Chairman and Independent Director

Koh Beng Kiok Anthony
Executive Director and Chief Executive Officer

Kim Moon Soo
Executive Director and Chief Operating Officer

Ng Weng Sui Harry
Non-Executive and Non-Independent Director

Shawn Ching Wei Hung
Non-Executive and Non-Independent Director

Kesavan Nair
Independent Director

Dr. Lillian Koh Noi Keng
Independent Director

COMPANY SECRETARIES

Tan Swee Gek
Ong Beng Hong

AUDIT COMMITTEE

Albert Saychuan Cheok *Chairman*
Ng Weng Sui Harry
Dr. Lillian Koh Noi Keng

REMUNERATION COMMITTEE

Kesavan Nair *Chairman*
Albert Saychuan Cheok
Shawn Ching Wei Hung

NOMINATING COMMITTEE

Dr Lillian Koh Noi Keng *Chairman*
Kesavan Nair
Ng Weng Sui Harry

COMPANY REGISTRATION NO.

200407031R

REGISTERED OFFICE

10 Ubi Crescent
#05-05 Ubi Techpark
Singapore 408564
Telephone: (65) 6299 0030
Website: www.mcpayment.com
Email: ir@mcpayment.com

SHARE REGISTRAR

Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte. Ltd.)
80 Robinson Road
#02-00
Singapore 068898

SPONSOR

ZICO Capital Pte. Ltd.
8 Robinson Road
#09-00 ASO Building
Singapore 048544

EXTERNAL AUDITOR

KPMG LLP
Public Accountants and Certified Public Accountants
16 Raffles Quay, #22-00
Hong Leong Building
Singapore 048581
Partner-in-Charge:
Yap Wee Kee
(Appointed since financial year ended 31 March 2020)

PRINCIPAL BANKERS

Malayan Banking Berhad
Standard Chartered Bank
United Overseas Bank Limited

MESSAGE TO SHAREHOLDERS



DEAR SHAREHOLDERS

The board of directors (the “Board”) of MC Payment Limited (formerly known as Artivision Technologies Ltd.) (“MC Payment” or the “Company”, and together with its subsidiaries, the “Group”) is pleased to present the Company’s annual report for the financial period ended 31 December 2020 (“FP2020”), which covers a 9-month period from 1 April 2020 to 31 December 2020.

MC Payment is the first digital payments services firm to be listed on the SGX-ST, after the successful completion of the reverse takeover (“RTO”) by Artivision Technologies Ltd. on 18 February 2021. With the completion of the RTO, the DNA of the Company is entirely changed and the financial year-end of the Company has been changed from 31 March to 31 December to enable the Company to align its financial year-end to meet the overall reporting and consolidation calendar of the new enlarged Group post-RTO.

Following completion of the RTO, the Group is currently a FinTech (financial technology) group that provides merchant payment services and digital commerce enabling solutions. The digital payments sector of the FinTech industry is a sunrise and promising business with immense potential growth. The growth of digital payments in ASEAN alone is expected to triple to US\$1.5 trillion (S\$2 trillion) by 2030*.

For FP2020, the Company incurred a net loss of S\$1.3 million, as it was a cash company with no business. The net loss was mainly attributable to interest payable on bonds, professional fees relating to the RTO, administrative and other professional fees, as well as SGX listing related expenses in FP2020. The Company’s cash amounting to S\$1 million, which was placed under escrow in 2018, was withdrawn by the Company on 26 February 2021 after completion of the RTO.

We would like to welcome our new directors, Mr Kim Moon Soo, Mr Shawn Ching and Dr Lillian Koh, who bring diverse commercial experience to the Company. We also take this opportunity to thank all our shareholders, investors and other stakeholders of the Company for all these years of unshakeable support.

With the new FinTech business of the Group, we look forward to a brighter tomorrow and a better future.

Albert Saychuan Cheok

Non-Executive Chairman and Independent Director

Koh Beng Kiok Anthony

Executive Director and Chief Executive Officer

* Source: Media release entitled “Digital payments in Asean to triple to US\$1.5t by 2030: report” published by The Business Times on 16 October 2020



REVIEW OF OPERATIONS

On 28 January 2021, MC Payment Limited (formerly known as Artivision Technologies Ltd.) (the “Company”, and together with its subsidiaries, the “Group”) announced the change of its financial year-end, from 31 March to 31 December (“Change of FYE”). The Change of FYE is made in anticipation of the Completion (as defined below), and will enable the Company to align its financial year end to meet the overall reporting and consolidation calendar of the new enlarged Group post-Completion. Following the Change of FYE, the Company’s financial results presented in this annual report covers a 9-month financial period, from 1 April 2020 to 31 December 2020 (“FP2020DEC”), while the comparative financial results presented in this annual report covers a 12-month financial year, from 1 April 2019 to 31 March 2020 (“FY2020MARCH”).

STATEMENT OF COMPREHENSIVE INCOME

Following the successful completion of the reverse takeover (“RTO”) of the Company on 18 February 2021 (the “Completion”), the Group is currently a FinTech (financial technology) group that provides merchant payment services and digital commerce enabling solutions. Prior to Completion and as at 31 December 2020, the Company was a cash company as defined under Rule 1017 of the Catalist Rules and did not have any business and operations. As such, for each of FP2020DEC and FY2020MARCH, (i) there was no revenue and gross profit reported by the Group for its operations; and (ii) the Group’s expenses comprised administrative expenses and finance cost.

The Group incurred a net loss of S\$1.3 million for FP2020DEC, as compared to a net loss of S\$1.7 million for FY2020MARCH. The expenses incurred in FP2020DEC were mainly attributable to interest payable on bonds and loans from a shareholder, professional fees relating to the RTO, administrative and other professional fees as well as SGX listing related expenses.

STATEMENT OF FINANCIAL POSITION

Net Liabilities

As at 31 December 2020, the Group’s net liabilities amounted to S\$10.7 million, as compared to S\$9.4 million as at 31 March 2020. This was mainly due to a net loss of S\$1.3 million incurred by the Group in FP2020DEC.

Bonds Payable

As at 31 December 2020, the bonds payable remained at S\$6.9 million, no change from the position as at 31 March 2020. The maturity date of the bonds has been extended to 31 July 2021 by the bondholder. At Completion of the RTO, all bonds payable (including accrued interests) have been acquired by Mr Ching Chiat Kwong (the controlling shareholder of the Company) (“Mr Ching”) pursuant to a settlement agreement dated 12 September 2019 entered into between the Company and Mr Ching.



Loans from a Shareholder

Mr Ching undertook to provide financial support and to provide adequate funds to the Group to enable the Group to pay its liabilities as and when they fall due and to continue to operate as a going concern, up to twelve months from the date of the approval of the Group's financial statements for FP2020DEC. As at 31 December 2020, Mr Ching had provided unsecured loans amounting to an aggregate of S\$0.6 million to the Company.

Equity

The Group's negative equity increased by S\$1.3 million, from S\$9.4 million as at 31 March 2020 to S\$10.7 million as at 31 December 2020, mainly attributable to the total comprehensive losses of S\$1.3 million incurred in FP2020DEC.

STATEMENT OF CASH FLOWS

Net cash used in operating activities for FP2020DEC was S\$0.2 million, mainly due to the net loss incurred by the Group, partially offset by interest payable on bonds of S\$0.7 million and the increase in other payables of S\$0.4 million in FP2020DEC. There was no investing activity for FP2020DEC. Net cash from financing activities for FP2020DEC was S\$0.1 million, mainly attributable to a loan from a shareholder.

As a result of the above, the cash and cash equivalents of the Group as at 31 December 2020 was S\$1.0 million, as compared to S\$1.1 million as at 31 March 2020. The Group's cash and cash equivalents comprised S\$1.0 million ("Escrow Monies") placed in an escrow account opened by the Company in December 2018, pursuant to the "no objections" letter issued by the Singapore Exchange in relation to, *inter alia*, the Company's application for waiver from compliance with Rule 1017(1)(a) of the Catalyst Rules. The Escrow Monies was released to the Company upon the Completion.



PROFILE OF DIRECTORS



ALBERT SAYCHUAN CHEOK

Non-Executive Chairman and Independent Director

Mr. Albert Saychuan Cheok was appointed as Non-Executive Chairman and Independent Director of the Company on 18 February 2021. He is a banker with over 45 years of experience in banking and business consultancy in the Asia-Pacific region and has been involved in several high-profile mergers and acquisitions, asset acquisitions, corporate re-structuring, corporate strategies, brand image and building and private fund management.

Mr. Cheok is currently the Chairman of Supermax Corporation Berhad, a glove manufacturer listed in Malaysia. He is also the Founding Chairman of 5G Networks Limited, a digital data company listed on the Australian Securities Exchange, and the Independent Director and Chairman of the Audit and Nominating Committees of China Aircraft Leasing Group Holdings Limited, a company listed in the Stock Exchange of Hong Kong.

Mr. Cheok started his career as an auditing associate with Ernst & Young Chartered Accountants from December 1973 to March 1974. He then joined the Australian Treasury as an economic research officer and rose through the ranks to become a senior principal economist by March 1978. Between May 1979 and February 1982, Mr. Cheok was an Advisor to the Australian Government Inquiry into the Australian Financial System, which introduced comprehensive reforms to the Australian banking system. He returned to the Australian Treasury as a Chief Finance Officer from August 1982 to May 1983. Mr. Cheok then took on the role of Assistant Chief Officer and subsequently, the Chief Manager of the Banking Supervision Department at the Reserve

Bank of Australia from May 1983 to September 1989, before becoming the Deputy Commissioner of Banking of Hong Kong for about three and half years. He was subsequently appointed the Executive Director in charge of Banking Supervision at the Hong Kong Monetary Authority from April 1993 to May 1995. Mr. Cheok was the Chairman of Bangkok Bank Berhad in Malaysia from September 1995 to November 2005. Between May 2006 and December 2017, Mr. Cheok was the Chairman of various companies, including Auric Pacific Group, a food group listed in Singapore; First REIT, a healthcare REIT listed in Singapore; Lippo Malls Indonesia Retail Trust, a shopping mall REIT listed in Singapore; and International Standard Resources Holdings Limited, listed in Hong Kong. On 18 November 2016, Mr. Cheok was awarded the prestigious award of Best Performing REIT Fund Manager in Asia for 2016.

Mr. Cheok graduated from the University of Adelaide, Australia with First Class Honours in Economics. Mr. Cheok was an Australian Treasury scholar at the University of Adelaide. In 1973, he was awarded the George Murray PhD Scholarship tenable at Cambridge University, which was not taken up. Mr. Cheok was also a participant at the 1986 Australian Government Leadership Program at Mount Eliza School of Management.

Mr. Cheok is a Fellow of the Australian Institute of Certified Public Accountants and a Fellow of the Institute of Corporate Directors Malaysia. Mr. Cheok was also, until end December 2020, a Vice President of the Board of Governors of the Malaysian Institute of Corporate Governance.

**KOH BENG KIOK ANTHONY**

Executive Director and Chief Executive Officer

Mr. Koh Beng Kiok Anthony was appointed as the Executive Director and Chief Executive Officer of the Company on 18 February 2021 and is responsible for the overall strategic direction and development of the Group. He is also responsible for overseeing the marketing efforts and the technical operations of the Group. He is one of the founders and first directors of Mobile Credit Payment Pte. Ltd. (“MCP”) (a wholly-owned subsidiary of the Company) and has been appointed to its board since its incorporation in 2005. Mr. Koh has over 15 years of experience in the payments and financial technology industry.

Mr. Koh was first involved in an internet startup, Alternate Media Pte. Ltd., and was appointed as a director in 1997. It was renamed The Property Portal! Pte. Ltd., and was subsequently acquired by a listed company. In 2005, Mr. Koh, together with Mr. Kim Moon Soo (Executive Director and Chief Operating Officer of the Company) founded MCP, where he was the Managing Director and Chief Executive Officer until the completion of the reverse take-over of the Company by MCP (“RTO”) on 18 February 2021. Prior to 1997, Mr. Koh joined his family business and later started his own interior design business, Kepha Design and Contracts.

Mr. Koh graduated with a Bachelor of Electrical and Electronic Engineering (Honours) from the Nanyang Technological University, Singapore, in 1996, and a Masters of Business Administration from Andrews University, United States of America, in 2001.

KIM MOON SOO

Executive Director and Chief Operating Officer

Mr. Kim Moon Soo was appointed as the Executive Director and Chief Operating Officer of the Company on 18 February 2021. Mr. Kim is responsible for the strategic direction, key partnership, deal negotiations, product delivery, branding, communication and business compliance of the Group as well as the overall strategic direction and regional development of the Group outside of Singapore. He is one of the founders and directors of MCP, having been appointed to its board since August 2005. Mr. Kim has over 24 years of experience in the technology industry.

Mr. Kim began his career in Korea in 1994 with Standard Telecom Co., Ltd. where he was a Team Manager in charge of overseas marketing. He left in 2002 to join VK Corporation as its General Manager in charge of the same. In 2005, Mr. Kim left Korea for Singapore where he joined MCP shortly after its incorporation.

Mr. Kim graduated with a Bachelor of Arts from Chung-Ang University, Korea, in 1993.

PROFILE OF DIRECTORS



NG WENG SUI HARRY

Non-Executive and Non-Independent Director

Mr. Ng Weng Sui Harry is the Non-Executive Non-Independent Director of the Company. On 18 February 2021, he was re-designated from the Non-Executive Chairman and Independent Director of the Company following the completion of the RTO. Mr. Ng was first appointed as an Independent Director on 25 June 2008 and as the Non-Executive Chairman on 5 May 2017.

Mr. Ng is currently the executive director of HLM (International) Corporate Services Pte Ltd, a company that provides business consultancy, accounting and corporate services. Prior to this position, he was the chief financial officer with a number of companies listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

Mr. Ng has more than 30 years of experience in finance, accounting and audit. He currently sits on the boards of a number of companies listed on the SGX-ST, as an independent director and chairman of the audit committees.

Mr. Ng is a Fellow Member of the Institute of Singapore Chartered Accountants and a Fellow of the Association of Chartered Certified Accountants (UK). He obtained a Master of Business Administration (General Business Administration) from The University of Hull, UK.

SHAWN CHING WEI HUNG

Non-Executive and Non-Independent Director

Mr. Shawn Ching Wei Hung was appointed as the Non-Executive Non-Independent Director of the Company on 18 February 2021. Mr. Ching is currently the Executive Director and Group General Manager of Oxley Holdings Limited, a company listed on the Main Board of the SGX-ST. Mr. Ching is responsible for the general operations and administration of the Oxley group of companies. Prior to the foregoing appointment in November 2018, he was a Project Manager at Oxley Holdings Limited.

Mr. Ching graduated from the University of Buckingham with a Bachelor of Science degree in Business and Management with first class honours. Thereafter, he went on to obtain a Master of Science degree in Sustainable Urban Development from the University of Oxford. Mr. Ching sits on the Board of Regents of Harris Manchester College, University of Oxford.



KESAVAN NAIR

Independent Director

Mr. Kesavan Nair is an Independent Director of the Company and was first appointed to the Company's Board on 25 May 2017. Mr. Nair has over 28 years of experience in law and is currently a Director of Bayfront Law LLC.

Mr. Nair is an independent director of Medi Lifestyle Limited, HG Metal Manufacturing Ltd. and Arion Entertainment Limited, which are companies listed on the SGX-ST.

Mr. Nair graduated with a Bachelor of Laws (Honours) from University College of Wales in 1988. He is a Barrister-at-Law (Middle Temple, United Kingdom), Barrister and Solicitor of the High Court of Australia, Advocate & Solicitor (Supreme Court of Singapore), a member of the Law Society of Singapore, the Singapore Academy of Law and the Singapore Institute of Arbitrators. Mr. Nair is also a Fellow of the International Academy of Family Lawyers, as well as a Notary Public and a Commissioner for Oaths.

DR. LILLIAN KOH NOI KENG

Independent Director

Dr. Lillian Koh Noi Keng was appointed as an Independent Director of the Company on 18 February 2021. Dr. Koh has over 33 years of experience in the education sector.

Dr. Koh began her career in 1984 with the Ministry of Education where she rose to Senior Education Officer before joining Nanyang Technological University in 2000, where she was Principal Investigator, Senior Lecturer and Chair of the Center for Financial Literacy. She is the founder and Chief Executive Officer of Fintech Academy Pte. Ltd. and is an international consultant and advisor to various organisations like World Bank and the Institute for Blockchain Singapore.

Dr. Koh graduated with a Bachelor of Business Administration (Honours) from National University of Singapore in 1983 and with a Doctor of Philosophy from Curtin University of Technology, Australia, in 2005.

PROFILE OF KEY PERSONNEL



MADELINE SAM CHOY MENG

Chief Financial Officer

Ms. Madeline Sam Choy Meng is the Group Chief Financial Officer of the Company and is responsible for the Group's financial management, taxation and corporate acquisition initiatives. Ms. Sam has over 20 years of experience in accounting, including with Mobile Credit Payment Pte. Ltd. (MCP) for six years.

Ms. Sam had experience in various industries. In 2009, Ms. Sam was the senior accountant of Lining Sports Singapore Pte. Ltd. and in 2011 joined JK Concept (S) Pte. Ltd. as the group accountant. In 2014, Ms. Sam joined Samuel Seow Law Corporation as the chief accountant before joining MCP as the Group Financial Controller in 2015.

Ms. Sam is a Member of the Institute of Singapore Chartered Accountants and an affiliate of the Association of Chartered Certified Accountants United Kingdom.

TAEWOO KIM

Head of Technology

Mr. Taewoo Kim joined Mobile Credit Payment Pte. Ltd. (MCP) in January 2015 and is appointed as Head of Technology on 1st January 2021. He has more than 15 years of experience in the IT industry. As the Head of Technology, he is responsible for the technical strategic direction, product delivery, design structure, data protection and the running of the IT department.

Mr Kim began his career with uPRESTO, a Korean company, in the telecom industry. He also worked as a technical project manager for Hyundai before joining MCP in 2015.



SATIS CHUENPIBAL

Country Director, MCP Holdings (Thailand) Co. Ltd.

Mr. Satis Chuenpibal is the Country Director of our subsidiary in Thailand, MCP Holdings (Thailand) Co. Ltd. since June 2017. He has the overall responsibility of leading and managing of the Thai subsidiary company. Prior to joining the Group, he was the Country Director of Card Alliance (Thailand) Co., Ltd.

He holds a Master of Engineering, major in Engineering Business Management, from Chulalongkorn University and a Bachelor of Science, major in Mathematical Science from University of North Carolina.



CORPORATE GOVERNANCE REPORT

The board of directors (the “**Board**” or “**Directors**”) of MC Payment Limited (formerly known as Artivision Technologies Ltd.) (the “**Company**”, and together with its subsidiaries, the “**Group**”) is committed to setting in place corporate governance practices to provide the necessary structure through which protection of shareholders’ interests and enhancement of shareholders’ value and corporate transparency are met.

This report outlines the corporate governance framework and practices adopted by the Company during the financial period from 1 April 2020 to 31 December 2020 (“**FP2020**”) (following the change of the financial year-end of the Company from 31 March to 31 December), with specific reference made to the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) issued on 6 August 2018, which forms part of the continuing obligations of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”).

In FP2020, (i) the Company did not have any operating subsidiaries or businesses and was a cash company (a “**Cash Company**”) as defined under Rule 1017 of the Catalist Rules; and (ii) had no key management personnel (including Executive Director and Chief Executive Officer of the Company (“**CEO**”). On 18 February 2021, the Company completed the acquisition of Mobile Credit Payment Pte. Ltd. (the “**Acquisition**”), which was approved by shareholders of the Company at an extraordinary general meeting of the Company held on 22 January 2021. Following completion of the Acquisition, (i) the Group is currently in the business of FinTech (financial technology); (ii) the Company changed its name to its current name, MC Payment Limited; and (iii) the Company appointed new Directors to the Board and the various committees of the Board were reconstituted. Please refer to the Company’s circular to shareholders dated 31 December 2020 for more information on the Acquisition.

The Board confirms that, for FP2020, the Company has complied with the principles and guidelines set out in the Code. Where there are deviations from the Code, appropriate explanations are provided. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure compliance with the Catalist Rules.

BOARD MATTERS

The Board’s Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible for and works with Management for the long-term success of the company.

The key functions of the Board, apart from its statutory responsibilities, include:–

- reviewing and overseeing the management of the Group’s business affairs, financial controls, performance and resource allocation;
- overseeing the process of risk management, financial reporting and compliance, as well as evaluating the adequacy and the effectiveness of internal controls of the Group;
- approving the Group’s strategic plans, key business initiatives, acquisitions and disposals of assets, significant investments and funding decisions and major corporate policies;
- reviewing and approving, *inter alia*, the release (where applicable) of the Group’s half year and full year financial results announcements, approval of 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;
- appointing Directors and key management personnel of the Group (“**Management**”), including the review of their performance and remuneration packages;
- overseeing succession planning for the Management;
- ensuring accurate and timely reporting in communicating with shareholders of the Company (“**Shareholders**”);

CORPORATE GOVERNANCE REPORT

- providing entrepreneurial leadership and setting out the overall strategy and direction of the Group; and
- assuming responsibility of the corporate governance framework of the Group.

All Directors are fiduciaries who act objectively in the best interests of the company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

Board Committees

To ensure efficient discharge of the Board's responsibilities, certain functions of the Board have been delegated to various board committees namely, the Audit Committee ("AC"), the Remuneration Committee ("RC") and the Nominating Committee ("NC") (collectively, the "Board Committees").

Membership in each of the Board Committees is carefully managed to ensure that there is equitable distribution of responsibilities amongst Board members to maximise the effectiveness of the Board and foster active participation and contribution. Each member of the Board Committees is selected based on his work experience and professional expertise. The Board Committees, which operate within clearly defined terms of reference, play an important role in ensuring good corporate governance in the Company and within the Group. Please refer to the principles in this report for further information on the compositions, terms of reference and activities of the respective Board Committees.

Board Meetings

The Board meets on a regular basis, with at least two scheduled meetings on a half yearly basis for the purposes of, *inter alia*, reviewing and approving the release of the Group's half year and full year financial results (where applicable). Ad-hoc meetings are convened as and when necessary to address any specific matter. The Company's Constitution provides for meetings of the Directors to be held by means of telephone or video conference or other methods of simultaneous communication.

The number of Board and Board Committees meetings held and attended by each Board member during FP2020 is set out below:–

	Audit Committee	Nominating Committee	Remuneration Committee	Board
Number of meetings held	2	1	1	2
	Attendance			
Ng Weng Sui Harry	2	1	1	2
Kesavan Nair	2	1	1	2

The Board may also have informal discussions requiring urgent attention which would then be formally approved by circular resolutions in writing.

While the Board considers Directors' attendance at Board meetings important, it should not be the only criterion used to measure their contributions. The Board also takes into account the contributions by Board members in other forms, including periodical reviews and the provision of guidance and advice on various matters relating to the Group. The Board also considers the Directors' other board representations and principal commitments to ensure they have sufficient time to discharge their responsibilities to the Company adequately.

CORPORATE GOVERNANCE REPORT

The Group has adopted internal guidelines setting forth matters that require the Board's approval. Matters specifically reserved for the Board's approval are those relating to the strategy, business plan and budget of the Group, material acquisitions and disposals of assets, capital related matters including corporate or financial restructuring, investment or expenditure exceeding certain threshold limits, share issuances, interim dividends, other returns to Shareholders and interested person transactions.

The Management is responsible for day-to-day operations and administration of the Group and it is accountable to the Board. Clear directions have been given to the Management that reserved matters as mentioned above must be approved by the Board.

Orientation and Training Programs

The Company conducts comprehensive orientation programs for new Directors. Appropriate training on Continuing Directors Responsibilities and Continuing Listing Requirements are also conducted as and when required to ensure that new Directors are familiar with the Company's businesses and corporate governance practices.

The aim of the orientation programs is to give new Directors a better understanding of the Group's structure and organisation, its businesses and corporate governance policies and to allow them to assimilate into their new roles. New Directors are encouraged to attend seminars which are aimed at providing them with the latest updates about changes in the relevant regulations, accounting standards, and corporate governance practices. Such seminars will be funded by the Company.

The Board as a whole is updated regularly on risk management issues, corporate governance, insider trading and key changes in the relevant regulatory requirements and financial standards, so as to enable them to properly discharge their duties as Board members or Board Committee members.

New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("ACRA") which are relevant to the Directors are circulated to the Board by the Company Secretary and/or the continuing sponsor of the Company. The Company Secretary also informs the Directors of upcoming conferences and seminars relevant to their roles and duties as Directors, which will be funded by the Company.

During FP2020, all Directors were provided with updates, among others, on (i) changes to the Catalist Rules; and (ii) on the developments in financial reporting and governance standards, so as to enable them to make well-informed decisions and to properly discharge their duties as Directors. Further, Directors are encouraged to attend relevant training programmes conducted by the Singapore Institute of Directors, the SGX-ST as well as other business and financial institutions.

Access to information

In order to ensure that the Board is able to fulfill its responsibilities, the Management is required to provide adequate and timely information to the Board on Board affairs and issues that require the Board's decision as well as ongoing reports relating to the operational and financial performance of the Group. For issues that require the Board's decision, relevant management staff are invited to attend at a specific allocated time during the meetings of the Board and the Board Committees (the "Meetings") when necessary. Periodic financial reports, budgets, forecasts, material variance reports and disclosure documents are provided to the Board, where appropriate, prior to the Meetings.

The calendar of the Meetings is planned a year in advance. Draft agendas for the Meetings are also circulated in advance to the respective Chairmen of the Board and Board Committees for review, and if necessary, to provide additional agenda items for the Board and Board Committees meetings.

CORPORATE GOVERNANCE REPORT

Access to Management and Company Secretary

The Board has separate and independent access to the Management and the Company Secretary. The Company Secretary and/or the continuing sponsor of the Company provides the Board with regular updates on the requirements of the Companies Act (Chapter 50 of Singapore) (the “Companies Act”), the Code and changes on the Catalist Rules. The Company Secretary will attend the Meetings and assist the respective Chairmen of the Board and Board Committees in ensuring that relevant rules and procedures are followed and reviewed such that the Board and the Board Committees can function effectively. The appointment and removal of the Company Secretary is subject to approval of the Board as a whole.

The Directors have the right to seek independent legal and other professional advice, at the Company’s expense, concerning any aspect of the operations or undertakings of the Group in furtherance of their duties and responsibilities.

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.

Upon completion of the Acquisition and as at the date of this Annual Report, the composition of the Board and the Board Committees are as follows:–

Name	Designation of Board Members	Board Committee Membership		
		Audit Committee	Nominating Committee	Remuneration Committee
Albert Saychuan Cheok ⁽¹⁾	Non-Executive Chairman and Independent Director	Chairman	–	Member
Koh Beng Kiok Anthony ⁽¹⁾	Executive Director and Chief Executive Officer	–	–	–
Kim Moon Soo ⁽¹⁾	Executive Director and Chief Operating Officer	–	–	–
Shawn Ching Wei Hung ⁽¹⁾	Non-Executive and Non-Independent Director	–	–	Member
Ng Weng Sui Harry ⁽²⁾	Non-Executive and Non-Independent Director	Member	Member	–
Dr Lillian Koh Noi Keng ⁽¹⁾	Independent Director	Member	Chairman	–
Kesavan Nair	Independent Director	–	Member	Chairman

Notes:–

(1) Appointed to the Board with effect from 18 February 2021.

(2) Re-designated from Independent Director to Non-Executive and Non-Independent Director with effect from 18 February 2021.

The Board currently comprises seven (7) Directors, two (2) of whom are Non-Executive and Non-Independent Directors and three (3) of whom, including the Chairman of the Board, are considered non-executive and independent by the Board. The Board is satisfied that there is a strong and independent element on the Board, with Non-Executive Directors constituting a majority of the Board and Independent Directors constituting at least one-third of the Board.

CORPORATE GOVERNANCE REPORT

The Non-Executive Directors (including the Independent Directors) provide the Board with independent and objective judgment on the corporate affairs of the Group and have the necessary experience to assist the Board in decision-making and to provide a check and balance to the Board as they are not involved in the day-to-day operations of the Company.

The Board has adopted the criteria of independence based on the definition given by the Code, that is, an independent Director is one who is independent in conduct, character and judgment, 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 judgment in the best interests of the Company.

The independence of each Director is reviewed annually by the NC in accordance with the Code's definition of independence, and taking into consideration whether the Director falls under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. Each Director is required to declare his independence by duly completing and submitting a 'Confirmation of Independence' form. The said form, which is drawn up based on the definitions and guidelines set forth in Practice Guidance 2 of the Practice Guidance issued by the Monetary Authority of Singapore, requires each Director to assess whether he considers himself independent despite not having any of the relationships identified in the Code, and taking into consideration whether he falls under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules.

The interests in shares and share options (if any) held by each Director in the Company are set out in the "Directors' Statement" section of this Annual Report. Save for their interests (direct and deemed) in the shares and share options (if any) of the Company, and Shawn Ching Wei Hung (Non-Executive and Non-Independent Director) who is the son of Ching Chiat Kwong, a controlling Shareholder, none of the Directors or any of their immediate family members is related to the other Directors, the Company or its substantial Shareholders.

The Board takes into account the scope and nature of the Group's operations and is of the opinion that the size of the current Board is ideal to facilitate effective deliberations and decision-making of the Board. Matters requiring the Board's approval are discussed and deliberated with participation from each member of the Board. The decisions are made based on collective decision without any individual influencing or dominating the decision-making process.

The Company is committed to building a diverse, inclusive and collaborative culture. The Company recognizes and embraces the benefits of diversity on the Board, and views diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The composition of the Board is reviewed annually by the NC to ensure that there is an appropriate mix of expertise, experience, background, gender, age, ethnicity and other relevant factors to enable the Management to benefit from a diverse perspective of issues that are brought before the Board. Together, the Directors provide core competencies in business, investment, industry knowledge, legal, regulatory matters, audit, accounting and tax matters. The Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board noted that gender diversity on the board of directors is also one of the recommendations under the Code to provide an appropriate balance and diversity. The current composition of the Board provides for a diversity of gender with one (1) female Director who is an Independent Director.

The Non-Executive Directors are particularly important in ensuring that the strategies proposed by the Management are constructively challenged and active participation by the Non-Executive Directors has helped to develop proposals on strategies. They also review the performance of the Management and ensure that agreed goals are met and also monitor the reporting of performance. Where necessary, the Non-Executive Directors meet and discuss on the Group's affairs without the presence of the Management and feedback will be provided to the Chairman after such meetings, if necessary.

CORPORATE GOVERNANCE REPORT

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and the Management, and no one individual has unfettered powers of decision-making.

In FP2020 and prior to the completion of the Acquisition, the Chairman of the Board was Ng Weng Sui Harry, who was then an Independent Director. Upon the completion of the Acquisition, Ng Weng Sui Harry was re-designated as a Non-Executive and Non-Independent Director and Albert Saychuan Cheok, who is an Independent Director, was appointed as the Chairman of the Board. As Chairman of the Board, he is responsible for, amongst other things, the proper functioning of the Board. He ensures that the Board receives accurate, timely and clear information, making sure that Board meetings are held as and when necessary and sets the Board's meeting agendas. He ensures that effective communication is maintained with the Shareholders. The Chairman also encourages constructive relations between the Board and the Management, facilitating the effective contribution of Independent Directors, as well as encouraging constructive relations amongst the Directors and hence, promoting high standards of corporate governance.

In FP2020, the Company had no CEO as it was a Cash Company with no business and operations. With the completion of the Acquisition on 18 February 2021, Koh Beng Kiok Anthony was appointed as Executive Director and CEO of the Company. In accordance with the Group's internal policy, the CEO, being the highest ranking executive officer of the Group, will be responsible for the effective management and supervision of daily business operations of the Group in accordance with the strategies, policies, budget and business plans as approved by the Board.

The Chairman and the CEO are separate persons and they are not related to each other. The separation of the roles of the Chairman and the CEO will ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

With an Independent Director as the Chairman of the Board and one-third of the Board comprising Independent Directors, the Board believes that currently there is a strong and independent element on the Board and adequate safeguards are in place against an uneven concentration of power and authority in a single individual. As such, the Board has not appointed any Independent Director to assume the role of a lead independent director. However, the Board will review from time to time, the necessity of nominating a lead independent director. In situations where Shareholders may have concerns or issues and such communication with the CEO or Management has failed to resolve or where such communication is inappropriate or inadequate, Shareholders should feel free to directly contact the Non-Executive Chairman and Independent Director (being Albert Saychuan Cheok) or any other Directors of the Company to raise their concerns or issues.

As and when necessary, the Independent Directors meet without the presence of the other Directors and provide feedback to the Board and/or Management after such meetings, if necessary.

CORPORATE GOVERNANCE REPORT

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.

In FP2020 and prior to the completion of the Acquisition, the members of the NC were as follows:–

Kesavan Nair (Chairman)
Ng Weng Sui Harry (Member)

Upon the completion of the Acquisition, the NC was reconstituted and as at the date of this Annual Report, the members of the NC are as follows:–

Dr Lillian Koh Noi Keng (Chairman)
Kesavan Nair (Member)
Ng Weng Sui Harry (Member)

As at the date of this Annual Report, the NC comprises three (3) members, the majority of whom, including the Chairman of the NC, are Independent Directors.

The NC is governed by its written terms of reference. Amongst others, the principal duties of the NC include:–

- reviewing the Board structure, size and composition having regard to the scope and nature of the operations of the Group and the core competencies of the Directors;
- reviewing and making plans for succession, in particular for the Chairman, the CEO and key management personnel;
- reviewing the process and criteria for evaluation of the performance, and assessing the performance and effectiveness of the Board, each of the Board Committees and the Directors;
- reviewing the independence of the Directors on an annual basis;
- ensuring that the Directors are aware of their duties and obligations and deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director;
- reviewing and recommending the appointment and/or re-appointment of Directors; and
- reviewing the adequacy of the training and professional development programs for the Board and the Directors.

The NC makes recommendations to the Board on all nominations for appointment and re-appointment of Directors to the Board. It ascertains the independence of Directors and evaluates the Board's performance and effectiveness as a whole on an annual basis. The NC assesses the independence of Directors based on the guidelines set out in the Code, the Practice Guidance and any other salient factors, and taking into consideration whether the Director falls under any of the circumstances pursuant to Rule 406(3)(d) of the Catalist Rules.

In the nomination and selection process, the NC reviews the composition of the Board by taking into consideration the mix of expertise, skills and attributes of existing Board members, so as to identify desirable competencies for a particular appointment. In doing so, it strives to source for candidates who possess the skills and experience that will further strengthen the Board and are able to contribute to the Company in relevant strategic business areas, in line with the growth and development of the Group. The Board ensures that the selected candidate is aware of the expectations and the level of commitment required. In its search and nomination process for new directors, the NC may rely on search companies, personal contacts and recommendations for the right candidates.

CORPORATE GOVERNANCE REPORT

A formal letter of appointment will be sent to the newly appointed Directors explaining their duties and obligations upon their appointment. All the Directors have declared their board representations. When a Director has multiple board representations, the NC will consider whether the Director is able to adequately carry out his duties as a Director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments. The NC does not currently set a cap on the maximum number of listed company board representations that any Director may hold, given that the Board has experienced minimal competing time commitments among its Board members and Board and Board Committee meetings are planned and scheduled in advance. The NC believes that putting a maximum limit on the number of listed company board representations that any Director can hold is arbitrary, given that time requirements for each vary, and thus should not be prescriptive. The Board will consider setting the maximum number of listed company board representations that any Director may hold when the need arises. The NC has reviewed all the declarations from the Directors and is satisfied that the Directors are able to and have adequately carried out their duties as Directors of the Company, as well as sufficient time and attention are given to the affairs of the Company, after taking into consideration each of the Directors' number of listed company board representations and other principal commitments in FP2020.

The NC also reviews the independence of the Directors annually as mentioned under Provision 2.1 of the Code. There is no policy to prohibit or require the Independent Directors to hold shares in the Company. Dr Lillian Koh Noi Keng (Independent Director) holds 6,000 shares in the Company amounting to 0.002% of the total issued shares in the Company. The NC and the Board are of the view that the holding of shares by Independent Directors of less than 5% of the total issued shares in the Company encourages the alignment of their interests with the interests of Shareholders without compromising their independence. The NC has affirmed that the Independent Directors of the Company, comprising Albert Saychuan Cheok, Dr Lillian Koh Noi Keng and Kesavan Nair are independent and free from any relationship outlined in the Code, and they do not fall under any of the circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. Each of the Independent Directors has also confirmed his/her independence to the Company.

Pursuant to Rule 406(3)(d)(iii) of the Catalist Rules which will take effect from 1 January 2022, a director will not be independent if he/she has served for an aggregate of more than nine (9) years and his/her continued appointment as an independent director has to be sought and approved in separate resolutions by (a) all shareholders; and (b) shareholders, excluding the directors and chief executive officer of the issuer, and associates of such directors and chief executive officer (the "Two-Tier Voting"). Rigorous review will be conducted by the NC and the Board to assess the continuing independence of an Independent Director who has served the Board for more than nine (9) years. In such instances, the NC and the Board will consider whether the Independent Director remains independent in character, diligently discharging his duties and exercising sound independent business judgement and objectivity in an exemplary manner, in the interests of the Company, and has exhibited a strong spirit of professionalism which did not diminish with time. As at the date of this Annual Report, none of the Independent Directors has served on the Board for more than nine (9) years from the date of their respective appointments.

Pursuant to the Company's Constitution, at least one-third of the 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. A Director appointed by the Board to fill a casual vacancy or as an additional Director shall hold office only until the next Annual General Meeting ("AGM") of the Company following his/her appointment. Directors who retire are eligible to offer themselves for re-election. Rule 720(4) of the Catalist Rules also provides for all Directors to submit themselves for re-nomination and re-appointment at least once every three (3) years. Each member of the NC shall abstain from voting on any resolution in respect of his/her re-nomination as a Director.

The NC has reviewed and recommended the re-election of Ng Weng Sui Harry, Kesavan Nair and Shawn Ching Wei Hung (collectively, the "Retiring Directors"), who are retiring pursuant to Regulation 111 of the Company's Constitution, at the forthcoming AGM of the Company to be held on 28 April 2021.

CORPORATE GOVERNANCE REPORT

Ng Weng Sui Harry will, upon re-election as a Director, remain as a Non-Executive and Non-Independent Director, and a member of the AC and the NC. The Board considers Ng Weng Sui Harry to be non-independent for the purpose of Rule 704(7) of the Catalyst Rules.

Kesavan Nair will, upon re-election as a Director, remain as an Independent Director, Chairman of the RC and a member of the NC. The Board considers Kesavan Nair to be independent for the purpose of Rule 704(7) of the Catalyst Rules.

Shawn Ching Wei Hung will, upon re-election as a Director, remain as a Non-Executive and Non-Independent Director, and a member of the RC.

The Board has accordingly accepted the recommendation of the NC and put forward the nomination of the Retiring Directors for re-election at the forthcoming AGM of the Company to be held on 28 April 2021.

The information of the Retiring Directors are set out in the section entitled “**Profile of Directors**” and the Notice of AGM on pages 06 to 09 of this Annual Report. Please also refer to the section entitled “**Additional Information on Directors Seeking Re-election**” on pages 38 to 49 of this Annual Report for more information on the Retiring Directors pursuant to Rule 720(5) of the Catalyst Rules.

There are no alternate Directors on the Board.

Other than the key information regarding the Directors set out below, information pertaining to the Directors’ interest in shares, options and other convertible securities are set out in the “**Directors’ Statement**” section of this Annual Report and information in relation to background and principal commitments of the Directors are set out under the “**Profile of Directors**” section of this Annual Report.

Name of Director	Board appointment	Date of first appointment	Date of last re-election	Directorships or Chairmanships both present in other listed companies
Albert Saychuan Cheok	Non-Executive and Independent	18 February 2021	N.A.	1. Amplefield Limited 2. China Aircraft Leasing Group Holdings Limited 3. 5G Networks Limited 4. Supermax Corporation Berhad
Koh Beng Kiok Anthony	Executive	18 February 2021	N.A.	Nil
Kim Moon Soo	Executive	18 February 2021	N.A.	Nil
Shawn Ching Wei Hung	Non-Executive and Non-Independent	18 February 2021	N.A. (to be re-elected at the forthcoming AGM of the Company)	Oxley Holdings Limited
Dr Lillian Koh Noi Keng	Non-Executive and Independent	18 February 2021	N.A.	Nil

CORPORATE GOVERNANCE REPORT

Name of Director	Board appointment	Date of first appointment	Date of last re-election	Directorships or Chairmanships both present in other listed companies
Ng Weng Sui Harry	Non-Executive and Non-Independent	25 June 2008	29 September 2020 (to be re-elected at the forthcoming AGM of the Company)	<ol style="list-style-type: none"> 1. Q&M Dental Group (Singapore) Limited 2. Oxley Holdings Limited 3. Medi Lifestyle Limited (formerly known as IEV Holdings Limited) 4. HG Metal Manufacturing Limited
Kesavan Nair	Non-Executive and Independent	5 May 2017	31 July 2019 (to be re-elected at the forthcoming AGM of the Company)	<ol style="list-style-type: none"> 1. Medi Lifestyle Limited (formerly known as IEV Holdings Limited) 2. Arion Entertainment Singapore Limited 3. HG Metal Manufacturing Limited

Board Performance

Principle 5: The Board undertakes a formal assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NC had established various objective performance criteria and evaluation procedures for the assessment of the effectiveness and performance of the Board as a whole, as well as each of its Board Committees separately. The performance criteria include financial targets, contributions by the Board members as well as expertise, sense of independence and industry knowledge. This encourages feedback from the Board members and leads to an enhancement of the Board's performance over time. These performance criteria in the forms do not change from year to year, and where circumstances deem it necessary for any criteria to be changed, the onus will be on the Board to justify the change.

The NC had implemented and continued with a formal evaluation process to assess the effectiveness and the performance of the Board as a whole. The results of the evaluation are used constructively by the NC to identify areas for improvements and recommend the necessary action to be taken by the Board. The NC has decided unanimously, that the Directors will not be evaluated individually, as each member of the Board contributes in different areas to the success of the Company, and therefore, it would be more appropriate to assess the Board as a whole. Although the Directors are not evaluated individually, the NC, in considering the re-nomination and re-appointment of the Directors, had considered amongst others, the attendance record at meetings of the Board and Board Committees, the intensity of participation in the proceedings at meetings and quality of contributions made as well as the qualification and experience of such Directors.

CORPORATE GOVERNANCE REPORT

The evaluation of effectiveness and performance of each Board Committee as a whole is carried out annually on a self-evaluation basis by the respective members of each Board Committee. The results of the evaluation are reviewed and discussed by each respective Board Committee, and each Board Committee reports the evaluation results to the Board thereafter. The assessment criteria include but are not limited to the composition of the Board Committees and the procedures and accountability of each Board Committee.

No external facilitator has been engaged by the Company for the purpose of evaluation of the Board and Board Committees during FP2020.

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 own remuneration.

In FP2020 and prior to the completion of the Acquisition, the members of the RC were as follows:–

Kesavan Nair (Chairman)
Ng Weng Sui Harry (Member)

Upon the completion of the Acquisition, the RC was reconstituted and as at the date of this Annual Report, the members of the RC are as follows:–

Kesavan Nair (Chairman)
Albert Saychuan Cheok (Member)
Shawn Ching Wei Hung (Member)

As at the date of this Annual Report, the RC comprises three (3) members, all of whom are Non-Executive Directors and the majority of whom, including the Chairman of the RC, are Independent Directors.

The aim of the RC is to provide compensation packages to attract, motivate and retain Directors and key management personnel.

The RC is governed by its written terms of reference. Among others, the principal duties of the RC include:–

- reviewing and recommending to the Board the framework of remuneration and specific remuneration packages for all Directors and key management personnel;
- reviewing the service contract(s) of the Executive Director(s), to consider what compensation commitments the Executive Director(s) would entail in the event of early termination with a view to be fair and avoid rewarding poor performance; and
- reviewing and approving the performance targets for assessing the performance of each of the key management personnel and recommending such targets for the determination of specific remuneration packages for each such key management personnel.

CORPORATE GOVERNANCE REPORT

The recommendations of the RC are submitted for endorsement by the entire Board. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, share options and benefits-in-kind are covered by the RC. In structuring and reviewing the Directors' remuneration packages, the RC seeks to align interests of the Directors with those of the Shareholders and link rewards to corporate and individual performance as well as roles and responsibilities of each Director. As and when the need arises, the RC will also review the Company's obligations arising in the event of termination of the Executive Director(s)' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

Each member of the RC will abstain from voting on and making any recommendations and/or participating in any deliberations of the RC in respect of his/her remuneration package.

The RC has full authority to engage any external professional advice on matters relating to remuneration as and when the need arises. The Company did not engage any remuneration consultant in respect of the remuneration matters of the Group during FP2020.

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.

In setting remuneration packages of the Executive Directors, the Company takes into consideration the remuneration packages and employment conditions within the industry as well as the Group's relative performance and the performance of individual Executive Directors. The RC also reviews the remuneration of the key management personnel (including but not limited to the CEO) on an annual basis. The standard remuneration package for key management personnel comprises a fixed component (monthly basic salary), variable component (discretionary performance bonus), benefits-in-kind (parking charges, mobile charges etc), share options and share awards. The RC is of the view that such remuneration is appropriate to attract, retain and motivate the Executive Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term. The RC will review the remuneration packages of the Executive Directors and key management personnel, having regard to each of their contribution as well as the performance of the Group and will ensure that the Executive Directors and key management personnel are adequately but not excessively remunerated.

The remuneration of related employees will be reviewed annually by the RC to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Any bonuses, pay increments and/or promotions for these related employees will also be subject to the review and approval of the RC. In the event that a member of the RC is related to the employee under review, he/she will abstain from participating in the review.

In FP2020 and prior to the completion of the Acquisition, the Independent Directors are paid with Directors' fees as well as share options and/or share awards in accordance with their contributions. Directors' fees for the Independent Directors are proposed and recommended by the RC to the Board for review and approval, based on the effort and time spent and the responsibilities of these Independent Directors. No Director is involved in deciding his/her own remuneration. The Independent Directors have not been over-compensated to the extent that their independence is compromised. The total remuneration of the Independent Directors is recommended for Shareholders' approval at each AGM of the Company. Directors' fees of S\$50,000 for the financial year ended 31 March 2020 ("FY2020") had been approved by Shareholders at the last AGM of the Company held on 29 September 2020. Directors' fees of S\$50,000 for FP2020 are recommended by the Board and subject to the approval of Shareholders at the forthcoming AGM of the Company. For the avoidance of doubt, the aforesaid Directors' fees for FP2020 are in respect of the two (2) Independent Directors in office in FP2020 (namely, Kesavan Nair and Ng Weng Sui Harry).

CORPORATE GOVERNANCE REPORT

The Company currently does not use contractual provisions to allow it to reclaim incentive components of remuneration from the Executive Director and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company.

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 relationships between remuneration, performance and value creation.

A breakdown, showing the level and mix of each Director's remuneration for FP2020 is as listed below:–

Name	Directors' Fee ⁽¹⁾ (S\$'000)	Salary (S\$'000)	Variable (S\$'000)	Benefits-in-kind (S\$'000)	Fair value of share options and share awards granted (S\$'000)	Total (S\$'000)
Executive Directors						
Koh Beng Kiok Anthony ⁽²⁾	–	–	–	–	–	–
Kim Moon Soo ⁽²⁾	–	–	–	–	–	–
Non-Executive Directors						
Shawn Ching Wei Hung ⁽²⁾	–	–	–	–	–	–
Ng Weng Sui Harry ⁽³⁾	25	–	–	–	–	25
Independent Directors						
Albert Saychuan Cheok ⁽²⁾	–	–	–	–	–	–
Dr Lillian Koh Noi Keng ⁽²⁾	–	–	–	–	–	–
Kesavan Nair	25	–	–	–	–	25

Notes:–

- (1) Directors' fees of S\$50,000 for FP2020 are subject to the approval of Shareholders at the forthcoming AGM of the Company.
- (2) Appointed to the Board with effect from 18 February 2021.
- (3) Re-designated from Independent Director to Non-Executive Non-Independent Director with effect from 18 February 2021.

As the Company was a Cash Company during FP2020, it did not have any key management personnel (who are not Directors or CEO) during FP2020 and accordingly, no remuneration was paid to any key management personnel (who are not Directors or CEO) for FP2020.

There is no employee of the Company or its subsidiaries who is a substantial Shareholder, or an immediate family member of a Director, the CEO or substantial Shareholder, and whose remuneration exceeded S\$100,000, during FP2020.

There are no termination, retirement and post-employment benefits that are granted to the Directors.

CORPORATE GOVERNANCE REPORT

The Artivision Technologies Employee Share Award Scheme (the “**Scheme**”), which was previously approved by Shareholders on 29 July 2015, had been terminated by Shareholders on 22 January 2021. The Scheme was administered by the RC and no share awards were issued under the Scheme in FP2020. As at the end of FP2020, there were no unissued ordinary shares under the share awards in relation to the Scheme.

Shareholders had, on 22 January 2021, approved the adoption of the MCP Performance Share Plan (the “**MCP Share Plan**”) and the MCP Employee Share Option Scheme (the “**MCP Share Scheme**”) with effect from the completion of the Acquisition.

The purpose of adopting the MCP Share Plan and the MCP Share Scheme is to provide an opportunity for the Directors and employees of the Group to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to their contributions and services. The MCP Share Plan and the MCP Share Scheme were proposed on the basis that it is important to retain staff whose contributions are essential to the well-being and prosperity of the Group and to give recognition to outstanding employees and Directors of the Group who have contributed to the growth of the Group.

The Board believes that the MCP Share Plan and the MCP Share Scheme will be more effective than pure cash bonuses in motivating employees of the Group to work towards pre-determined goals.

The objectives of the MCP Share Plan and the MCP Share Scheme are as follows:–

- (a) to motivate the participant to optimise his/her performance standards and efficiency and to maintain a high level of contribution to the Group;
- (b) to retain key executives and Executive Directors of the Group whose contributions are essential to the long-term growth and profitability of the Group;
- (c) to instill loyalty to, and a stronger sense of identification by employees with the long-term prosperity of, the Group;
- (d) to attract potential employees with relevant skills to contribute to the Group and to create value for Shareholders; and
- (e) to align the interests of participants with the interests of Shareholders.

The MCP Share Plan will provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty. The MCP Share Plan, which forms an integral and important component of a compensation plan, is designed to primarily reward and retain Directors (including Independent Directors) and Group employees whose services are vital to the well-being and success of the Group.

The MCP Share Scheme and the MCP Share Plan will complement each other as tools to reward, retain and motivate the participants whose services and contributions are vital to the well-being and success of the Group.

While the MCP Share Scheme is designed to provide its participants with an opportunity to participate in the equity of the Company through options which they may exercise to subscribe for shares of the Company upon payment of the exercise price, the MCP Share Plan is designed to reward participants by the award of shares of the Company, through the vesting of such share awards according to the extent to which the performance conditions (if any) imposed on the share awards are achieved at the end of a specified performance period. The duration of each performance period (if applicable) will serve to align the participants’ performance goals with the corresponding performance cycle of the Company, and the strategies and objectives for the Group over the short to medium term.

CORPORATE GOVERNANCE REPORT

The MCP Share Plan thus seeks to focus participants on short to medium term critical performance targets, to develop a reward-for-performance culture in the Group, and to encourage participants to continuously improve their performance. As the actual number of share awards which the participant will receive under the MCP Share Plan will depend ultimately on the extent to which he/she satisfies the performance condition(s) set for each performance period, this creates a strong incentive for the participant to focus on assigned tasks and to excel.

Although the MCP Share Plan and the MCP Share Scheme are available to all employees of the Group, the MCP Share Plan and the MCP Share Scheme are utilised to reward and motivate those holding middle to senior management positions (including Executive Directors and Non-Executive Directors) in the Group, while the MCP Share Plan targets other employees of the Group. The operation of both the MCP Share Plan and the MCP Share Scheme in tandem allows the Group to blend and package the options and share awards as part of a comprehensive incentive and reward system.

Both the MCP Share Plan and MCP Share Scheme are administered by the RC. When deciding on the number of share awards or options to award or grant (as the case may be) to a participant at any one point in time, the RC will take into consideration the number of share awards or options to be awarded or granted (as the case may be) to that participant under any other share scheme at that time, if any.

The Board has not included a separate annual remuneration report on the remuneration of the Directors to Shareholders in this Annual Report as the Board is of the view that the matters which are required to be disclosed in such annual remuneration report have already been sufficiently disclosed in this Annual Report and in the financial statements of the Company.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board acknowledges that it is responsible for the Group's overall system of internal controls, but also recognises that no internal control system will preclude all material errors and irregularities. The Group's system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable assurance against material misstatement or loss. The Board believes in the importance of maintaining a sound system of risk management and internal controls. The internal controls in place will address the financial, operational, compliance and information technology risks, and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material losses and assets are safeguarded.

The AC has carried out assessments on the adequacy and effectiveness of key internal controls of the Group during FP2020, and taking into consideration the report from the external auditors. Any material non-compliance or weaknesses in internal controls or recommendations from the external auditors to further improve the internal controls are reported to the AC. The AC will follow up on the actions taken by the Management on the recommendations made by the external auditors.

The Board has confirmed that, *inter alia*, the financial records have been properly maintained in accordance with the Companies Act, the financial statements are properly drawn up to give a true and fair view of the Company's operations and finances; and that the Company's risk management and internal control systems are adequate and effective, and that they are not aware of any significant deficiencies, including material weakness, in the design or operation of robust and effective internal controls in addressing financial, operational, compliance and information technology risks that could adversely affect the Group's ability to record, process, summarise and report financial data (the "Confirmation"). No letter of assurance was obtained by the Board in view of the fact that the Company is a Cash Company in FP2020 and the Company does not have any key management personnel (including executive directors and CEO) in FP2020.

CORPORATE GOVERNANCE REPORT

The Group regularly reviews and improves its business and activities to identify areas of significant business risk as well as take appropriate measures to control and mitigate these risks. The Group reviews all significant control policies and procedures and highlights all significant matters to the AC and the Board.

The Board also notes that all risk management systems and internal control systems contain inherent limitations and a cost effective system of risk management or internal controls can only provide reasonable and not absolute assurance against the occurrence of material errors, financial misstatement, poor judgment in decision-making, human error, losses and/or other irregularities.

Based on the internal controls established and maintained by the Group as a Cash Company during FP2020 with no business and operations, work performed by the external auditors and the Confirmation, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FP2020.

In view of the completion of the Acquisition on 18 February 2021, the Board will review and take appropriate steps in relation to the Group's overall system of risk management and internal controls.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

In FP2020 and prior to the completion of the Acquisition, the members of the AC were as follows:-

Ng Weng Sui Harry (Chairman)
Kesavan Nair (Member)

Upon the completion of the Acquisition, the AC was reconstituted and as at the date of this Annual Report, the members of the AC are as follows:-

Albert Saychuan Cheok (Chairman)
Ng Weng Sui Harry (Member)
Dr Lillian Koh Noi Keng (Member)

As at the date of this Annual Report, the AC comprises three (3) members, all of whom are Non-Executive Directors and the majority of whom, including the Chairman of the AC, are Independent Directors.

The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two (2) years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The role of the AC is to assist the Board with discharging its responsibility to safeguard the Company's assets, maintain adequate accounting records and develop and maintain effective systems of internal controls.

The Board is of the view that the members of the AC are appropriately qualified, and that they have sufficient accounting or related financial management expertise and experience to discharge the AC's function. The AC comprises members who are experienced in the fields of finance and business.

CORPORATE GOVERNANCE REPORT

The AC is governed by its terms of reference, which was reviewed and amended, where appropriate, to adopt relevant best practices set out in the Practice Guidance and the Code, and used as a reference to assist the AC in the discharge of its responsibilities and duties.

Among others, the principal duties of the AC include:–

- to review with the external auditors the audit plan, including the nature and scope of the audit before the audit commences, results of the audit, their reports, their Management letter and the Management's response;
- to oversee the financial reporting process, review the half year and full year financial statements to ensure integrity of the said financial statements before submission to the Board for approval;
- to meet with the external auditors and internal auditors without the presence of the Management on an annual basis, to discuss any problems and concerns they may have in the co-ordination between the external auditors/internal auditors and the Management; in ensuring monitoring of timely and proper implementation of required corrective, preventive or improvement measures;
- to review annually the independence and objectivity of the external auditors;
- where the external auditors also provide non-audit services to the Group, to review the nature and extent of such services in order to balance the maintenance of objectivity, and to ensure that the independence of the external auditors would not be compromised;
- to review at least annually the adequacy and effectiveness of the Group's internal controls;
- to select and appoint internal auditors, fix their remuneration, to review the scope and assess their performance, results of the internal audit procedures including the effectiveness of the internal audit function and ensure that the internal audit function is adequately resourced and has appropriate standing within the Group and to review and ensure annually the adequacy of the internal audit function;
- to recommend the appointment, re-appointment and removal of external auditors (taking into consideration the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority), to fix their remuneration, to review the scope of external audit and to assess the external auditors' performance;
- to review the Group's procedures for detecting fraud and whistle-blowing matters and to ensure that arrangements are in place by which any employee, may in confidence, raise concerns about improprieties in matters of financial reporting, financial control, or any other matters. A report is presented to the AC on a half yearly basis whenever there is a whistle-blowing issue;
- to review the assurance from the Board on the financial records and the financial statements; and
- to review Interested Person Transactions ("IPT") falling within the scope of the Catalist Rules.

The AC has explicit authority to investigate any matters within its terms of reference. The AC also has full access to and co-operation from the Management and full discretion to invite any Director and/or key management personnel to attend its meetings, and has reasonable resources to enable it to discharge its functions properly. The AC has, within its terms of reference, the authority to obtain independent professional advice at the Company's expense as and when the need arises.

The AC keeps abreast of new accounting standards and related issues which have a direct impact on the Group's financial statements through regular updates from the Company's relevant advisors.

The Company has in place a whistle-blowing framework where staff of the Group can raise concerns about improprieties in matters of financial reporting or other matters to the officers of the Group or to the AC via email or letter. There were no reports received through the whistle-blowing mechanism during FP2020.

CORPORATE GOVERNANCE REPORT

Internal Audit Function

As the Company was a Cash Company in FP2020, it did not have an in-house internal audit function and had not appointed an internal auditor for FP2020. During FP2020, the AC had reviewed the audit plans and the findings of the external auditors which include reviews on the accounting and internal control system of the operating subsidiary corporations. The AC will ensure that the Group follows up on the auditors' recommendations raised, if any, during the audit process. The AC is generally satisfied with the adequacy of the aforesaid arrangement in view that the Company was a Cash Company for FP2020.

With the completion of the Acquisition, the AC will be assessing how the internal audit function will be carried out, and at least on an annual basis, the AC will review and assess the independence, adequacy and effectiveness of the internal audit function.

External Audit Function

The following aggregate amount of fees were paid or payable by the Company to the external auditors of the Group, for FP2020:–

Services	Amount (S\$'000)
Audit service	
– KPMG LLP, the external auditors of the Company	121.5*
– Other auditors	–
Non-audit service	
– KPMG LLP, the external auditors of the Company	–
Total	121.5

* Included in this amount is S\$54,000 for audit services provided in relation to the statutory audit for FP2020 and S\$67,500 in relation to professional services for the Acquisition.

For any non-audit services provided by the external auditors of the Company, the AC will undertake a review of all the non-audit services provided by the external auditors of the Company so as to be satisfied that the provision of such services will not affect the independence and objectivity of the external auditors of the Company. No non-audit services were provided by the external auditors of the Company for FP2020, and accordingly, no non-audit fees were paid to the external auditors for the Company for FP2020.

The AC did not meet with the external auditors of the Company without the presence of Management in FP2020, as the Company was a Cash Company during FP2020 and the Company did not have any key management personnel (including CEO) during the FP2020.

The AC is satisfied that the external auditors of the Company, KPMG LLP, an auditing firm registered with the ACRA and approved under the Accountants Act, are independent and they had also provided a confirmation of their independence to the AC. The AC had assessed the external auditors of the Company based on factors such as performance, adequacy of resources and experience of their audit partner-in-charge and audit team assigned to the Group's audit as well as the size and complexity of the Group. Accordingly, the AC is satisfied that Rule 712 and Rule 715 of the Catalist Rules have been complied with in relation to the appointment of audit firms for the Group for FP2020 and has recommended to the Board, the nomination of KPMG LLP, the external auditors of the Company, for re-appointment at the forthcoming AGM of the Company.

CORPORATE GOVERNANCE REPORT

In the review of the financial statements, the AC had discussed with the outsourced accounting firm the accounting principles that were applied and its judgment of items that might affect the integrity of the financial statements. The following key audit matter impacting the financial statements was discussed with the outsourced accounting firm and the external auditors, and were reviewed by the AC:–

Key Audit Matter Considered	How the AC reviewed the Key Audit Matter and what decisions were made
Assessment of the Group's going concern issue	With the letter of financial support from Ching Chiat Kwong (controlling Shareholder), as well as the successful completion of the Acquisition on 18 February 2021 (which constituted a reverse take-over of the Company) and the placement of new shares on 12 March 2021 (raising gross proceeds of S\$4.0 million), the AC considers it is appropriate to deem the Company as a going concern.

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, position and prospects.

The Company is committed to providing Shareholders with adequate, timely and sufficient information pertaining to changes in the Group's business which could have a material impact on the share price or value. The Company ensures that all material information is disclosed on a comprehensive and timely basis via SGXNet and informs them of the rules governing general meetings of shareholders, so as to enable Shareholders to make informed decisions in respect of their investments in the Company.

The Company has introduced the system of voting, pursuant to which each resolution put forth at the general meetings is voted by poll. The percentages of votes voted in favour and against each resolution will be announced via SGXNet after the general meetings.

Notice of the general meetings will be advertised in newspapers and announced on SGXNet. Each item of special business included in the notice of the general meetings will be accompanied by a full explanation of the effects of a proposed resolution. The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

Shareholders are encouraged to attend the Company's general meetings, including AGMs and Extraordinary General Meetings to ensure a high level of accountability and to stay informed of the Group's strategies and growth plans.

CORPORATE GOVERNANCE REPORT

The respective Chairmen of the Board, the AC, the RC and the NC as well as the external auditors of the Company are also available at the general meetings to address any Shareholders' queries on the conduct of the external audit and the preparation and content of the auditors' report, and the audited financial statements of the Group. The attendance of the Directors of the Company at the Company's general meeting(s) held during FP2020 are reflected in the table below:-

	General Meetings
Number of meetings held:	1
Name of Director ⁽¹⁾	Number of meetings attended:
Ng Weng Sui Harry	1
Kesavan Nair	1

Note:

(1) Directors appointed after FP2020 have not been included in the table.

The Company publishes minutes of general meetings of shareholders on SGXNet as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meetings, and responses from the Board and Management.

The Group strongly encourages Shareholders' participation during the general meetings which are held in Singapore. Shareholders are able to proactively engage the Board and the Management on the Group's business activities, financial performance and other business-related matters. Resolutions are passed through a process of voting in accordance with established voting rules and procedures, which Shareholders are informed of. The results for each resolution put forth are presented during the general meetings.

The Company's Constitution allows registered Shareholders (other than a relevant intermediary as defined in Section 181 of the Companies Act) who are unable to attend the general meetings to appoint up to two (2) proxies to attend, speak and vote on his behalf at general meetings of the Company. The Companies Act allows relevant intermediaries which include banking corporations, corporations which provide custodial services and the Central Provident Fund Board to appoint multiple proxies to attend, speak and vote at general meetings of the Company.

If any Shareholder is unable to attend, he/she is allowed to appoint proxies to vote on his/her behalf at the general meetings through proxy forms sent to the Company within the prescribed period. Subject to the Constitution of the Company and any applicable legislation, the Board may, at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Shareholders who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail, or facsimile.

CORPORATE GOVERNANCE REPORT

For FP2020, due to the COVID-19 outbreak and the circuit breaker put in place by the Singapore Government, the Company's previous AGM held on 29 September 2020 ("**2020 AGM**") was held by way of electronic means, through "live webcast" and "audio-only means". The notice of AGM was not published in the newspaper, but was instead disseminated to Shareholders through publication on SGXNet, in accordance with the alternative arrangements for holding of the AGM approved by the relevant authorities. The Company had also published a notice to Shareholders, together with the notice of AGM, detailing the alternative arrangements for the 2020 AGM, during the COVID-19 pandemic. Shareholders participated in the 2020 AGM via electronic means, voting by appointing the Chairman of the 2020 AGM as proxy and their questions (if any) in relation to any resolution set out in the notice of AGM were sent to the Company in advance of the 2020 AGM, and responses to the questions were provided via announcement on SGXNet and the Company's website. The Company did not receive any question from Shareholders in relation to the 2020 AGM. In respect of the 2020 AGM, the Company published the minutes of the 2020 AGM on the SGXNet within one month from the date of the general meeting.

The Company currently does not have a fixed dividend policy. The declaration and payment of future dividends will be determined at the sole discretion of the Directors, subject to Shareholders' approval (if required), and will depend on the Group's operating results, financial position, other cash requirements including working capital, capital expenditure, the terms of borrowing arrangements (if any), expansion plans and other factors deemed relevant.

In making their recommendations, the Board will consider, amongst others, the Group's future earnings, operations, capital requirements, cash flow and financial condition, as well as general business conditions and other factors which the Board may consider appropriate.

As the Group recorded net losses in FP2020, the Board did not recommend any dividend for FP2020.

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Group is committed to regular and proactive communications with Shareholders and the continuous disclosure obligations under the Catalist Rules. The Group ensures that Shareholders are informed of all major developments that may have an impact on the Group. Information is communicated to Shareholders on a timely basis and is made through:-

- (a) annual reports that are prepared and issued to all Shareholders;
- (b) half -year and full year unaudited financial results announcements;
- (c) circulars and notices issued to all Shareholders; and
- (d) disclosures to the SGX-ST via SGXNet.

The Company does not practice selective disclosure as all material and price-sensitive information are released through SGXNet in a timely manner.

The Board welcomes the views of Shareholders on matters affecting the Group, whether at the general meetings of the Company or on an ad hoc basis. At the general meetings, Shareholders will be given the opportunity to express their views and ask the Directors or the Management questions regarding the Group.

CORPORATE GOVERNANCE REPORT

The Company does not have an investor relations policy in place. However, the Board's policy is that all Shareholders should be informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Group via SGXNet on an immediate basis, in line with the Group's disclosure obligations pursuant to the Catalist Rules and the Companies Act.

Following the completion of the Acquisition, the Company has engaged an external investor relations firm and established a corporate website at the URL: <https://mcpayment.com/>. The Company's investor relations and media contact is Ms Loke Chunying, and Shareholders can contact her at mobile: +65 9222 7687 or email: cuy@gem-comm.com.

MANAGING STAKEHOLDER RELATIONSHIPS

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.

As the Company was a Cash Company during FP2020 and had no business and operations pending completion of the Acquisition, it was not practicable nor meaningful to maintain arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups, or a corporate website.

Following the completion of the Acquisition and to promote regular, effective and fair communication with Shareholders, the Company has established a corporate website at the URL: <https://mcpayment.com> through which Shareholders are able to access up-to-date information on the Group. The corporate website provides, among others, annual reports, financial information, stock information, profiles of the Group, and contact details of the investor relations of the Company.

DEALING IN SECURITIES

In line with Rule 1204(19) of the Catalist Rules, the Company has in place a policy whereby the Directors and officers of the Group should not deal in the Company's securities during the period commencing one (1) month before the Company's announcement of its half year and full year financial statements.

In addition, the Company and its officers are expected to be mindful of insider trading laws at all times including when they are in possession of any unpublished price-sensitive information during the permitted trading periods. They are also discouraged from dealing in the Company's shares on short-term considerations.

MATERIAL CONTRACTS

Save as disclosed below under the section entitled "Interested Person Transactions", there was no material contract entered into by the Company or any of its subsidiaries involving the interests of any Director or controlling Shareholders, either still subsisting at the end of FP2020, or if not then subsisting, entered into since the end of FY2020.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS (“IPT”)

The Company does not have a general mandate from Shareholders for IPT. However, the Company has an IPT policy which sets out procedures for review and approval of the Company’s IPT. To ensure compliance with the relevant rules under Chapter 9 of the Catalist Rules, the Board and the AC regularly consider and discuss if the Company will be entering into any IPT and if it does, to ensure that the Company complies with the requisite rules under Chapter 9 of the Catalist Rules in that, all the IPT are conducted at arm’s length and on normal commercial terms and that it will not be prejudicial to the interests of the Company and its minority Shareholders.

In September 2019, in connection with the Acquisition, the Company entered into a settlement agreement with Ching Chiat Kwong (“Mr. Ching”) (the “Settlement Agreement”), a controlling Shareholder. Pursuant to the Settlement Agreement, the Company and Mr. Ching agreed that Mr. Ching will, *inter alia*, prior to or on completion of the Acquisition, acquire all of the outstanding bonds of the Company (including interest), in consideration of the issue and allotment by the Company to Mr. Ching of such number of new shares in the Company after the completion of the proposed share consolidation (in connection with the Acquisition), with the aggregate issue price equivalent to S\$10.0 million. Please refer to the Company’s announcement dated 17 September 2019 for more information on the Settlement Agreement. The Settlement Agreement is an IPT and was approved by independent Shareholders at the extraordinary general meeting of the Company convened on 22 January 2021 to consider and vote on resolutions in relation to, among others, the Acquisition.

As at 31 December 2020, Mr. Ching, a controlling Shareholder, has extended total unsecured loans of S\$559,450 to the Company, at an interest rate of 10% per annum.

In July 2020, the Company entered into an agreement with HLM (International) Corporate Services Pte. Ltd., which is wholly-owned by Ng Weng Sui Harry, Non-Executive Non-Independent Director, for the provision of corporate services to the Company in relation to the preparation of the annual report of the Company for FY2020 for a fixed fee of S\$9,000.

Save for the above, there was no IPT entered into between the Company or its subsidiaries and any of its interested persons during FP2020.

USE OF PROCEEDS

Use of Proceeds from the Disposal

On 11 August 2017, the Company completed the disposal of the entire issued and paid-up share capital of Artimedia Pte. Ltd. for a total cash consideration of S\$5 million (the “Disposal”) and received the first tranche payment of the cash consideration of S\$3 million (“First Tranche Consideration”). On 9 February 2018, the Company received the second tranche payment of the cash consideration of S\$1 million (“Second Tranche Consideration”); and on 6 July 2018, it received the final tranche payment of the cash consideration of S\$1 million (“Final Tranche Consideration”).

As announced by the Company on 5 April 2018, pursuant to the “no objections” letter issued by the SGX-ST on the same day in relation to, *inter alia*, the Company’s application for waiver from compliance with Rule 1017(1)(a) of the Catalist Rules, the Final Tranche Consideration will have to be placed in an escrow account to be opened by the Company with and operated by an escrow agent which is part of any financial institution licensed and approved by the Monetary Authority of Singapore.

As announced by the Company on 12 November 2018, the First Tranche Consideration and Second Tranche Consideration had been fully utilised, and the Final Tranche Consideration stood at S\$1 million as at 30 September 2018. As at 31 December 2020, the Final Tranche Consideration remained at S\$1 million, which had been placed in an escrow account opened by the Company since December 2018. Following completion of the Acquisition, the Final Tranche Consideration of S\$1 million was released from escrow on 26 February 2021.

CORPORATE GOVERNANCE REPORT

The following is a summary of the Final Tranche Consideration and the utilisation thereof:

Use of Final Tranche Consideration	Allocation of Final Tranche Consideration (\$'000)	Amount utilised as at the date of this annual report (\$'000)	Balance of Final Tranche Consideration as at the date of this annual report (\$'000)
General working capital	1,000	(549)	451
Total	1,000	(549)	451
Breakdown of uses of general working capital:			
– Payment of professional fees in connection with the Proposed Transactions (as defined in the Company's circular to shareholders dated 31 December 2020)	–	(208)	–
– Payment of other professional fees	–	(266)	–
– Payment of Directors' fees	–	(75)	–

The use of the Final Tranche Consideration is in accordance with the intended use as stated in the Company's announcement dated 11 June 2017.

Use of Proceeds from the January Placement

On 28 January 2021, the Company completed a placement of an aggregate of 62,305,295 new ordinary shares (on a pre-consolidation basis) at an issue price of S\$0.00963 per share (the "January Placement"), raising gross and net proceeds of approximately S\$600,000 (the "January Placement Net Proceeds"). Please refer to the Company's announcements dated 24 December 2020, 22 January 2021 and 28 January 2021 for more information on the January Placement.

The following is a summary of the January Placement Net Proceeds and the utilisation thereof:

Use of January Placement Net Proceeds	Allocation of January Placement Net Proceeds (\$'000)	Amount utilised as at the date of this annual report (\$'000)	Balance of January Placement Net Proceeds as at the date of this annual report (\$'000)
General working capital	600	(166)	434
Total	600	(166)	434
Breakdown of uses of general working capital:			
– Payment of stamp duty in relation to the transfer of the shares of Mobile Credit Payment Pte. Ltd. to the Company	–	(166)	–

CORPORATE GOVERNANCE REPORT

The use of the January Placement Net Proceeds is in accordance with the intended use as stated in the Company's announcement dated 24 December 2020.

The Company will make periodic announcements via SGXNet as and when the balance of the January Placement Net Proceeds is materially utilised.

Use of Proceeds from the March Placement

On 12 March 2021, the Company completed a placement of an aggregate of 10,000,000 new ordinary shares (on a post-consolidation basis) at an issue price of S\$0.40 per share (the "March Placement"), raising net proceeds of approximately S\$3.2 million (the "March Placement Net Proceeds"). Please refer to the Company's announcements dated 8 March 2021 and 12 March 2021 for more information on the March Placement.

The following is a summary of the March Placement Net Proceeds and the utilisation thereof:

Use of March Placement Net Proceeds	Allocation of March Placement Net Proceeds (S\$'000)	Amount utilised as at the date of this annual report (S\$'000)	Balance of March Placement Net Proceeds as at the date of this annual report (S\$'000)
Redemption of the outstanding Series D convertible bonds maturing in June 2021	1,794	(1,794)	–
Payment of outstanding expenses in connection with the Proposed Transactions (as defined in the Company's circular to shareholders dated 31 December 2020)	1,406	–	1,406
Total	3,200	(1,794)	1,406

The use of the March Placement Net Proceeds is in accordance with the intended use as stated in the Company's announcement dated 12 March 2021.

The Company will make periodic announcements via SGXNet as and when the balance of the March Placement Net Proceeds is materially utilised.

CATALIST SPONSOR

In FP2020, financial advisory fees of S\$35,000 was payable or paid to the Company's sponsor ZICO Capital Pte. Ltd., in connection with the appointment of ZICO Capital Pte. Ltd. as the Financial Adviser to the Company in respect of the Acquisition. Save for the above, there are no other non-sponsor fees paid to the Company's sponsor in FP2020.

SUMMARY OF DISCLOSURES – CORPORATE GOVERNANCE

Rule 710 of the Catalist Rules requires Singapore-listed companies to describe their corporate governance practices with specific reference to the Code in their annual reports for the financial years commencing on or after 1 January 2019. This summary of disclosures describes our corporate governance practices with specific reference to the disclosure requirements in the principles and provisions of the Code.

CORPORATE GOVERNANCE REPORT

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Shareholder Rights and Responsibilities

Shareholder Rights and Conduct of General Meetings

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Managing Stakeholders Relationship

Engagement with Stakeholders

Principle 13

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ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Ng Weng Sui Harry, Kesavan Nair and Shawn Ching Wei Hung are the Directors retiring and seeking re-election at the forthcoming AGM of the Company (the “Retiring Directors”).

Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the Retiring Directors as set out in Appendix 7F to the Catalist Rules is set out below:

Name of Director	NG WENG SUI HARRY
Date of first appointment	25 June 2008
Date of last re-appointment	29 September 2020
Age	65
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Ng Weng Sui Harry for re-appointment as Non-Executive Non-Independent Director of the Company. The Board has reviewed and concluded that Ng Weng Sui Harry possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Non-Independent Director, and a member of the AC and NC
Professional qualifications	Master of Business Administration (General Business Administration), The University of Hull Fellow Member of the Institute of Singapore Chartered Accountants Fellow of the Association of Chartered Certified Accountants, UK
Working experience and occupation(s) during the past 10 years	May 2010 – Present: Executive Director of HLM (International) Corporate Services Pte. Ltd.
Shareholding interest in the listed issuer and its subsidiaries	109,800 ordinary shares (0.04%) of the Company
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)	None, save for his shareholding interest in the Company (details as set out above).
Conflict of Interest (including any competing business)	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	NG WENG SUI HARRY
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
<p>Other Principal Commitments* Including Directorships#</p> <p>* “Principal Commitments” has the same meaning as defined in the Code.</p> <p># These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)</p>	<p><u>Past (for the last 5 years):</u></p> <p>Directorships:</p> <ol style="list-style-type: none"> 1. HealthPro Pte. Ltd. 2. IEV Energy Investment Pte. Limited <p>Other Principal Commitments: Nil</p> <p><u>Present:</u></p> <p>Directorships:</p> <ol style="list-style-type: none"> 1. Q&M Dental Group (Singapore) Limited 2. Oxley Holdings Limited 3. Medi Lifestyle Limited (formerly known as IEV Holdings Limited) 4. HG Metal Manufacturing Limited 5. HLM (International) Corporate Services Pte. Ltd. 6. IEV Technologies Pte. Ltd. <p>Other Principal Commitments:</p> <ol style="list-style-type: none"> 1. Singapore Dental Council 2. NCC Research Fund 3. NCCS Cancer Fund
<p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.</p>	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

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

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	NG WENG SUI HARRY
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(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</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No
<p>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	No
Disclosure applicable to the appointment of Director only	
<p>Any prior experience as a director of a listed company?</p> <p>If yes, please provide details of prior experience.</p> <p>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</p>	Not applicable. This is a re-election of a Director of the Company.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	KESAVAN NAIR
Date of first appointment	5 May 2017
Date of last re-appointment	31 July 2019
Age	57
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Kesavan Nair for re-appointment as Independent Director of the Company. The Board has reviewed and concluded that Kesavan Nair possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Chairman of the RC and a member of the NC
Professional qualifications	Bachelor of Laws (Honours) Barrister-at-law, Middle Temple Barrister and Solicitor of the Supreme Court of the Australian Capital Territory Advocate and Solicitor of the Supreme Court of Singapore
Working experience and occupation(s) during the past 10 years	2004 – 2008: Partner of David Lim & Partners LLP 2008 – 2017: Director at Genesis Law Corporation 2017 – Present: Director at Bayfront Law LLC
Shareholding interest in the listed issuer and its subsidiaries	Nil
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
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	KESAVAN NAIR
<p>Other Principal Commitments* Including Directorships#</p> <p>* “Principal Commitments” has the same meaning as defined in the Code.</p> <p># These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)</p>	<p>Past (for the last 5 years):</p> <p>Directorships: Genesis Law Corporation Kitchen Culture Holdings Ltd. Genvest Pte Ltd</p> <p>Other Principal Commitments: Nil</p> <p>Present:</p> <p>Directorships: Medi Lifestyle Limited (formerly known as IEV Holdings Limited) Arion Entertainment Singapore Limited HG Metal Manufacturing Limited Bayfront Law LLC</p> <p>Other Principal Commitments: Nil</p>
<p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.</p>	
<p>(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?</p>	No
<p>(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?</p>	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

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

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	KESAVAN NAIR
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(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</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No
<p>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	No
Disclosure applicable to the appointment of Director only	
<p>Any prior experience as a director of a listed company?</p> <p>If yes, please provide details of prior experience.</p> <p>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</p>	Not applicable. This is a re-election of a Director of the Company.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	SHAWN CHING WEI HUNG
Date of first appointment	18 February 2021
Date of last re-appointment	N.A.
Age	29
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Shawn Ching Wei Hung ("Shawn Ching") for re-appointment as Non-Executive Non-Independent Director of the Company. The Board has reviewed and concluded that Shawn Ching possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Non-Independent Director and a member of the RC
Professional qualifications	Master of Science degree in Sustainable Urban Development Bachelor of Science (First Class Honours) degree in Business and Management
Working experience and occupation(s) during the past 10 years	May 2017 – Dec 2017: Assistant Project Manager, Oxley Holdings Limited Dec 2017 – Nov 2018: Project Manager, Oxley Holdings Limited Nov 2018 – Present: Executive Director and Group General Manager, Oxley Holdings Limited
Shareholding interest in the listed issuer and its subsidiaries	Nil
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)	Shawn Ching is the son of Ching Chiat Kwong, a controlling shareholder of the Company.
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	SHAWN CHING WEI HUNG
<p>Other Principal Commitments*</p> <p>Including Directorships#</p> <p>* “Principal Commitments” has the same meaning as defined in the Code.</p> <p># These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)</p>	<p>Past (for the last 5 years):</p> <p>Directorships:</p> <p>Artimedia Pte. Ltd.</p> <p>Netcell International Pte Ltd</p> <p>Precision Shave Pte Ltd</p> <p>Other Principal Commitments:</p> <p>Nil</p> <p>Present:</p> <p>Directorships:</p> <p>Oxley Holdings Limited</p> <p>Angeion Medical International Pte. Ltd.</p> <p>Artimedia India Pte. Ltd.</p> <p>Macritchie Developments Pte. Ltd.</p> <p>Blacktip Partners Pte. Ltd.</p> <p>Blacktip Partners GP I Pte. Ltd.</p> <p>Blacktip I Pte. Ltd.</p> <p>BT Alliance Pte. Ltd.</p> <p>Thye Hua Kwan Moral Charities Limited (Alternate Director)</p> <p>Oxley Fund Management Pte. Ltd.</p> <p>Oxley Singapore Opportunistic Development Fund Ltd.</p> <p>Oxley Ireland Pte. Ltd.</p> <p>Other Principal Commitments:</p> <p>Board of Regents of Harris Manchester College, University of Oxford</p>
<p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.</p>	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

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

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	SHAWN CHING WEI HUNG
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(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</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No
<p>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	No
Disclosure applicable to the appointment of Director only	
<p>Any prior experience as a director of a listed company?</p> <p>If yes, please provide details of prior experience.</p> <p>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</p>	Not applicable. This is a re-election of a Director of the Company.

DIRECTORS' STATEMENT

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial period from 1 April 2020 to 31 December 2020.

In our opinion:

- (a) the financial statements set out on pages 58 to 97 are drawn up so as to give a true and fair view of the consolidated financial position of the Group and financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the period from 1 April 2020 to 31 December 2020 in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, having considered the factors presented in Note 2.1 of these consolidated financial statements, 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.

DIRECTORS

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

Ng Weng Sui Harry

Kesavan Nair

Albert Saychuan Cheok

Appointed on 18 February 2021

Koh Beng Kiok Anthony

Appointed on 18 February 2021

Kim Moon Soo

Appointed on 18 February 2021

Shawn Ching Wei Hung

Appointed on 18 February 2021

Dr. Lillian Koh Noi Keng

Appointed on 18 February 2021

CHANGE OF FINANCIAL YEAR END

As per the Company's announcement on 28 January 2021, the Company changed its financial year end from 31 March to 31 December. Accordingly, the financial statements for the current period cover a period of 9 months from 1 April 2020 to 31 December 2020.

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial period (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company and in related corporations are as follows:

Name of director and corporation in which interests are held	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	At	At	At	At
	31.12.2020	01.04.2020	31.12.2020	01.04.2020
MC Payment Limited ordinary shares (before share consolidation 50:1)				
Ng Weng Sui Harry	5,490,000	5,490,000	–	–

Except as disclosed in this statement, no director who held office at the end of the financial period had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning or at the end of the financial period.

Neither at the end of, nor at any time during the financial period, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

The directors' interests in the ordinary shares of the Company as at 21 January 2021 were the same as those as at 31 December 2020.

SHARE AWARDS AND SHARE OPTIONS

During the financial period, there were:

- (i) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial period, there were no unissued shares of the Company or its subsidiaries under option.

AUDIT COMMITTEE

The members of the Audit Committee during the financial period were Ng Weng Sui Harry and Kesavan Nair. A new Audit Committee was appointed on 18 February 2021 and at the date of this statement, the members are:

Albert Saychuan Cheok	(Non-Executive Chairman and Independent Director)
Ng Weng Sui Harry	(Non-Executive and Non-Independent Director)
Dr. Lillian Koh Noi Keng	(Independent Director)

The Audit Committee performs functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

DIRECTORS' STATEMENT

The Audit Committee has held two meetings since the last directors' statement. In performing those functions, the Audit Committee met with the Company's external auditors to discuss the scope of their work and the results of their examination.

The Audit Committee also reviewed the following:

- assistance provided by the Company's management to the external auditors;
- semi-annually financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption;
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual);
- the audit plan of the Company's external auditor and any recommendations on internal accounting controls arising from statutory audit; and
- the statement of financial position of the Company and the consolidated financial statements of the Group for the financial period ended 31 December 2020 before their submission to the Board of Directors, as well as the Independent Auditor's report on the statement of financial position of the Company and the consolidated financial statements of the Group.

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 auditors and reviews the level of audit and non-audit fees.

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

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

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Ng Weng Sui Harry
Director

Kesavan Nair
Director

1 April 2021

INDEPENDENT AUDITORS' REPORT

Members of the Company
MC Payment Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of MC Payment 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 December 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows of the Group for the period from 1 April 2020 to 31 December 2020, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 58 to 97.

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, Chapter 50 ('the Act') and Singapore Financial Reporting Standards (International) ('SFRS(I)s') so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the period from 1 April 2020 to 31 December 2020.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *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 consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

Members of the Company
MC Payment Limited

Going concern basis of accounting

(Refer to note 2.1 to the financial statements)

Risk:

The Group incurred a net loss of \$1,281,000 (31 March 2020: \$1,661,000) for the period from 1 April 2020 to 31 December 2020. As at 31 December 2020, the Group has net current liabilities and net liabilities of \$10,714,000 (31 March 2020: \$87,000 and \$9,433,000) respectively.

Notwithstanding the deficit in equity and net liabilities amounting to \$10,714,000 due within the next 12 months, the financial statements have been prepared on a going concern basis because the board of directors, having considered the factors below, believes that the Group can continue as a going concern for the foreseeable future.

- (i) A private placement by the controlling shareholder of the Company amounting to \$600,000 was completed on 28 January 2021;
- (ii) Redemption of the bonds payable amounting to \$6,875,000 and the corresponding interest payable of \$3,168,000 as at 31 December 2020 on 18 February 2021 via an allotment and issuance of new shares to the bond holders;
- (iii) The Group completed the acquisition of Mobile Credit Payment Pte Ltd ("MCP") and its subsidiaries on 18 February 2021 ("Proposed Transaction") and future cash inflows are expected to be generated from the Proposed Transaction for the financial year ending 31 December 2021;
- (iv) A private placement amounting to \$4,000,000 was completed on 12 March 2021 via the allotment and issuance of new shares; and
- (v) The Group's controlling shareholder has confirmed that he will provide the necessary financial support to the Group if required.

As this assessment involves consideration of uncertain future events, there is a risk that the judgement is inappropriate, and the required disclosures in the financial statements is inadequate.

Our response:

We have evaluated management's assessment of the Group's ability to continue as a going concern, relying on the sources of liquidity and funding available to the Group, as mentioned in items (i) to (v) above.

We have sighted the receipt of the private placement amounts and the issuance of the new shares to redeem the bonds payable and the corresponding interest payable.

We evaluated the cash flow forecast expected to be generated from the acquisition of MCP and its subsidiaries based on the understanding we have obtained and assessed if the forecast is reasonable. We challenged the appropriateness of the key assumptions used in the forecast.

We obtained a letter of financial support from the Group's controlling shareholder, confirming in writing his continued financial support to the Group for at least the next 12 months from the date of the financial statements.

We considered the adequacy of the required disclosures in Note 2.1 to the financial statements.

INDEPENDENT AUDITORS' REPORT

Members of the Company
MC Payment Limited

Our findings:

We found management's assessment of the sources of liquidity and funding referred in (i) to (v) above to support the going concern basis of accounting in the preparation of the financial statements to be reasonable and appropriate. Adequate disclosure of the pertinent information has been set out in Note 2.1 to the financial statements.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the consolidated financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

Responsibilities of management and directors for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the provisions of the Act and SFRS(I), and for such internal accounting control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated financial statements.

INDEPENDENT AUDITORS' REPORT

Members of the Company
MC Payment Limited

Auditors' responsibilities for the audit of the consolidated financial statements (Continued)

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 consolidated 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 controls.
- Obtain an understanding of internal controls 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 controls.
- 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 auditors' report to the related disclosures in the consolidated 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 auditors' 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 controls 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations 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.

INDEPENDENT AUDITORS' REPORT

Members of the Company
MC Payment Limited

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 auditors' report is Yap Wee Kee.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

1 April 2021

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2020

	Note	Group		Company	
		31/12/2020 \$'000	31/3/2020 \$'000	31/12/2020 \$'000	31/3/2020 \$'000
Assets					
Property, plant and equipment	4	–	–	–	–
Non-current assets		–	–	–	–
Other current assets	6	–	1	–	1
Prepayments		3	5	3	5
Cash and cash equivalents	7	1,040	1,075	1,040	1,075
Current assets		1,043	1,081	1,043	1,081
Total assets		1,043	1,081	1,043	1,081
Equity					
Share capital	8	71,777	71,777	71,777	71,777
Other reserves	9	2,515	2,515	2,515	2,515
Accumulated losses		(85,006)	(83,725)	(85,006)	(83,725)
Total equity		(10,714)	(9,433)	(10,714)	(9,433)
Liabilities					
Other payables	10	–	2,471	–	2,471
Bonds payable	12	–	6,875	–	6,875
Non-current liabilities		–	9,346	–	9,346
Other payables	10	4,323	751	4,323	751
Loans from a shareholder	11	559	417	559	417
Bonds payable	12	6,875	–	6,875	–
Current liabilities		11,757	1,168	11,757	1,168
Total liabilities		11,757	10,514	11,757	10,514
Total equity and liabilities		1,043	1,081	1,043	1,081

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period from 1 April 2020 to 31 December 2020

		Group	
	Note	Period from 1/4/2020 to 31/12/2020 \$'000	Year ended 31/3/2020 \$'000
Revenue	13	–	–
Cost of sales		–	–
Gross profit		–	–
Other gains – net	14	*	*
Distribution expenses		–	–
Administrative expenses		(546)	(844)
Finance costs	15	(735)	(817)
Loss before tax	16	(1,281)	(1,661)
Income tax expense	17	–	–
Loss for the period/year		(1,281)	(1,661)
Other comprehensive income			
Other comprehensive income, net of income tax		–	–
Total comprehensive loss for the period/year		(1,281)	(1,661)
Loss per share (expressed in cents per share)			
– Basic	18(a)	0.07	0.09
– Diluted	18(b)	0.07	0.09

* Amount less than \$1,000

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period from 1 April 2020 to 31 December 2020

Group	Share capital \$'000	Currency translation reserve \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 April 2019	71,777	–	2,515	*	(82,067)	(7,775)
Effect of adopting SFRS (I) 16	–	–	–	–	3	3
Adjusted balance at 1 April 2019	71,777	–	2,515	*	(82,064)	(7,772)
Total comprehensive income for the year						
Loss for the year	–	–	–	–	(1,661)	(1,661)
Total comprehensive loss for the year	–	–	–	–	(1,661)	(1,661)
At 31 March 2020	<u>71,777</u>	<u>–</u>	<u>2,515</u>	<u>*</u>	<u>(83,725)</u>	<u>(9,433)</u>
At 1 April 2020	71,777	–	2,515	*	(83,725)	(9,433)
Total comprehensive income for the period						
Loss for the period	–	–	–	–	(1,281)	(1,281)
Total comprehensive loss for the period	–	–	–	–	(1,281)	(1,281)
At 31 December 2020	<u>71,777</u>	<u>–</u>	<u>2,515</u>	<u>*</u>	<u>(85,006)</u>	<u>(10,714)</u>

* Amount less than \$1,000

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 April 2020 to 31 December 2020

Note	Group	
	Period from 1/4/2020 to 31/12/2020 \$'000	Year ended 31/3/2020 \$'000
Cash flows from operating activities		
Loss before tax for the period/year	(1,281)	(1,661)
Adjustments for:		
Depreciation of property, plant and equipment	–	12
Interest expense on shareholder's loan	15 38	27
Interest expense on bonds	15 697	790
Interest expense on lease	–	*
	(546)	(832)
Change in working capital:		
– Prepayments	2	19
– Other current assets	1	27
– Other payables	366	450
Cash used in operations	(177)	(336)
Tax paid	–	–
Net cash used in operating activities	(177)	(336)
Cash flows from financing activities		
Payment of lease liabilities	–	(9)
Proceeds from loans from a shareholder	142	417
Net cash generated from financing activities	142	408
Net (decrease)/increase in cash and cash equivalents	(35)	72
Cash and cash equivalents at beginning of the period/year	1,075	1,003
Cash and cash equivalents at the end of the period/year	1,040	1,075

* Amount less than \$1,000

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 1 April 2021.

1 DOMICILE AND ACTIVITIES

MC Payment Limited (formerly known as Artivision Technologies Limited) (the “Company”) is listed on the Singapore Exchange-Catalist and incorporated and domiciled in Singapore. The address of its registered office is 10 Ubi Crescent #05-05 Ubi Techpark Singapore 408564.

Since the Company’s wholly-owned subsidiary, Colibri Assembly (Thailand) Co., Ltd. (“CAT”) ceased its operations on 27 February 2018, the Company ceased to own and operate any business. The Company became a cash company under Rule 1017 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (“Catalist Rules”) and remained a cash company during the financial period ending 31 December 2020.

Following the extraordinary general meeting held on 22 January 2021, the shareholders of the Company approved the acquisition of Mobile Credit Payment Pte Ltd and its subsidiaries (“Proposed Transaction”). As part of the restructuring process to complete the Proposed Transaction, other approvals including but not limited to certain capitalisation actions, were also obtained from shareholders during the extraordinary general meeting on 22 January 2021. The Company completed the Proposed Transaction on 18 February 2021. The completion of the Proposed Transaction resulted in the shareholders of Mobile Credit Payment Pte Ltd becoming the major shareholders of the Company. Immediately after the completion of the Proposed Transaction, the shareholders of Mobile Credit Payment Pte Ltd collectively own 60.14% of the Company.

The principal activities of the Company and its subsidiaries after the completion of the Proposed Transaction are to carry on payment technology solution licensing, development and related hardware sales and, or rental and electronic payment processing as aggregator and master merchant.

The Company announced the change in the financial year end of the Company from 31 March to 31 December following to the completion of the Proposed Acquisition to enable the Company to align its financial year end to meet the overall reporting and consolidation calendar of the new enlarged Group post-completion.

2 BASIS OF PREPARATION

2.1 Going concern

The Company reported a net loss of \$1,281,000 (31 March 2020: \$1,661,000) during the period from 1 April 2020 to 31 December 2020 and, as of that date, the Company has net current liabilities and net liabilities of \$10,714,000 (31 March 2020: \$87,000 and \$9,433,000 respectively). As mentioned in Note 1, the Company was a cash company under SGX-ST listing rules during the financial period from 1 April 2020 to 31 December 2020 and as at 31 December 2020. These conditions indicate the existence of material uncertainties that may cast significant doubt on the ability of the Group to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

2 BASIS OF PREPARATION (CONTINUED)

2.1 Going concern (Continued)

Notwithstanding the above, these financial statements have been prepared on a going concern basis as the Directors are of the view that it is appropriate to do so having considered the following:

- On 28 January 2021, the Company completed the placement of 62,305,295 of new ordinary shares (before share consolidation of 50 shares to one share) at the issue price of \$0.00963 per new share to the Company's controlling shareholder, Mr Ching Chiat Kwong ("Mr Ching"), raising gross proceeds of \$600,000.
- Redemption of the bonds payable amounting to \$6,875,000 and the corresponding interest payable of \$3,168,000 as at 31 December 2020 on 18 February 2021 via an allotment and issuance of 64,516,129 of post-consolidation ordinary shares to Mr. Ching at an issue price of \$0.155.
- The Company completed the Proposed Transaction on 18 February 2021 (the "Completion"). With the Completion, the Group will be able to generate future cash inflows from its new business activities.
- On 12 March 2021, the Company completed the placement of 10,000,000 of new ordinary shares at the issue price of \$0.40 per new share to new investors, raising gross proceeds of \$4,000,000.
- The controlling shareholder of the Group, Mr Ching had undertaken to provide adequate funds to the Group to enable it to continue its operations on a going concern basis and also to enable the Group to pay its liabilities as and when they fall due, at least for another twelve months from the date of the approval of the financial statements. Accordingly, Mr Ching has entered into an unsecured loan agreement with the Company in March 2019, pursuant to which Mr Ching granted a loan to the Company of a principal amount of \$300,000 to be disbursed in monthly instalments of \$50,000 per month beginning from the month of April 2019, at an interest rate of 10% per annum. Mr Ching has, in October 2019 and March 2020, extended additional unsecured loans amounting to an aggregate of \$47,450 and \$70,000 respectively, at an interest rate of 10% per annum. During the financial period ended 31 December 2020, Mr Ching has, in July 2020, extended additional unsecured loan amounting to \$142,000, at an interest rate of 10% per annum for working capital purposes. In November 2020, Mr Ching extended the repayment date of the loans to one year from the date of release of the escrow monies.

2.2 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"). The changes to significant accounting policies are described in note 2.6.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

2 BASIS OF PREPARATION (CONTINUED)

2.4 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Management is of the opinion that there are no critical judgements made in applying the Group's accounting policies and no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Management has overall responsibility for all significant fair value measurements, including Level 3 fair value.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

2 BASIS OF PREPARATION (CONTINUED)

2.6 Changes in accounting policies

New standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 April 2020:

- *Amendments to References to Conceptual Framework in SFRS(I) Standards*
- *Definition of a Business* (Amendments to SFRS(I) 3)
- *Definition of Material* (Amendments to SFRS(I) 1-1 and SFRS(I) 1-8)
- *Interest Rate Benchmark Reform* (Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7)

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.6, which addresses changes in accounting policies.

The accounting policies have been applied consistently by Group entities.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations 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 (see note (ii)). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

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 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(i) Business combinations (Continued)

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(v) Subsidiaries in the separate financial statements

Investments in subsidiaries are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Foreign currency (Continued)

(ii) Foreign operations (Continued)

Foreign currency differences are recognised in OCI, and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(ii) Classification and subsequent measurement (Continued)

Non-derivative financial assets (Continued)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(ii) Classification and subsequent measurement (Continued)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (Continued)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost.

Financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

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

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(vi) Compound financial instruments

Compound financial instruments issued by the Group comprise bonds and options denominated in Singapore dollars whereby each of the bond subscribers is granted options carrying the right to subscribe for new shares at a fixed exercise price.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(vi) Compound financial instruments (Continued)

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability component is recognised in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

(vii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

3.4 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Property, plant and equipment (Continued)

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

- Leased properties 2 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.5 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Leases (Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases, including leases for storage space. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised costs.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Impairment (Continued)

(i) Non-derivative financial assets (Continued)

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost is 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 the following observable data:

- significant financial difficulty of the borrower or issuer;
- 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.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Impairment (Continued)

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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, net of depreciation, if no impairment loss had been recognised.

3.7 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(ii) 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 or profit-sharing plans 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 period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Employee benefits (Continued)

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options and awards are recognised as an expense with a corresponding increase in the share-based compensation reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options and awards granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each reporting date, the Group revises its estimates of the number of shares under options and awards that are expected to become exercisable or allottable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based compensation reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share-based compensation reserve are credited to share capital account, when new ordinary shares are issued. When the awards are allotted, the related balance previously recognised in the share-based compensation reserve are credited to the share capital account when new ordinary shares are issued.

3.8 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.9 Finance costs

The Group's finance costs include interest expense.

Interest expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability.

In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.10 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Tax (Continued)

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and temporary differences relating to investment in subsidiary to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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 taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Earnings per share

The Group presents basic and diluted earnings per share ("EPU") data for its ordinary shares. Basic EPU 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. Diluted EPU is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.12 Segment reporting

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. All operating segments' operating results are reviewed regularly by the Executive Directors (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Executive Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, finance lease liabilities, and tax assets and liabilities.

3.13 New standards and interpretations not adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 April 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended in preparing these financial statements.

The following new SFRS(I)s, interpretations and amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- SFRS(I) 17 *Insurance Contracts*
- *Classification of Liabilities as Current or Non-current* (Amendments to SFRS(I) 1-1)
- *Covid-19-Related Rent Concessions* (Amendment to SFRS(I) 16)
- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to SFRS(I) 10 and SFRS(I) 1-28)
- *Reference to the Conceptual Framework* (Amendments to SFRS(I) 3)
- *Property, Plant and Equipment – Proceeds before Intended Use* (Amendments to SFRS(I) 16)
- *Onerous Contracts – Costs of Fulfilling a Contract* (Amendments to SFRS(I) 1-37)
- *Annual Improvements to SFRS(I)s 2018 – 2020*

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

4 PROPERTY, PLANT AND EQUIPMENT

Group	Leased properties \$'000	Total \$'000
Cost		
At 1 April 2019	–	–
Recognition of right-of-use asset on initial application of SFRS(I) 16	191	191
Adjusted balance at 1 April 2019	191	191
Written off	(191)	(191)
At 31 March 2020 and 31 December 2020	–	–
Accumulated depreciation		
At 1 April 2019	–	–
Recognition of right-of-use asset on initial application of SFRS(I) 16	179	179
Adjusted balance at 1 April 2019	179	179
Depreciation charge	12	12
Written off	(191)	(191)
At 31 March 2020 and 31 December 2020	–	–
Carrying amounts		
At 1 April 2019, 31 March 2020 and 31 December 2020	–	–
Company	Leased properties \$'000	Total \$'000
Cost		
At 1 April 2019	–	–
Recognition of right-of-use asset on initial application of SFRS(I) 16	191	191
Adjusted balance at 1 April 2019	191	191
Written off	(191)	(191)
At 31 March 2020 and 31 December 2020	–	–
Accumulated depreciation		
At 1 April 2019	–	–
Recognition of right-of-use asset on initial application of SFRS(I) 16	179	179
Adjusted balance at 1 April 2019	179	179
Depreciation charge	12	12
Written off	(191)	(191)
At 31 March 2020	–	–
At 1 April 2020	–	–
Depreciation charge	–	–
Written off	–	–
At 31 December 2020	–	–
Carrying amounts		
At 1 April 2019, 31 March 2020 and 31 December 2020	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

5 INVESTMENTS IN SUBSIDIARIES

	Company	
	31/12/2020	31/3/2020
	\$'000	\$'000
Equity investment, at cost		
At 1 April 2019, 31 March 2020 and 31 December 2020	–	–

On 27 February 2018, the Company announced the cessation of Colibri Assembly (Thailand) Co., Ltd. (“CAT”)’s business and operations. Correspondingly, the cost of investment in CAT has been fully written down as at the balance sheet date.

Details of subsidiary is as follows:

Name of subsidiaries	Principal activities	Country of incorporation/ business	Effective equity interest held by the Group	
			31/12/2020	31/3/2020
			%	%
Colibri Assembly (Thailand) Co., Ltd. [@]	Contract manufacturer of disk drive technology products	Thailand	–	–

[@] Not audited for the financial year ended 31 March 2020 and 31 December 2020 as the Company is in the process of being liquidated as at 31 December 2020.

6 OTHER CURRENT ASSETS

	Group		Company	
	31/12/2020	31/3/2020	31/12/2020	31/3/2020
	\$'000	\$'000	\$'000	\$'000
Deposits	–	1	–	1

7 CASH AND CASH EQUIVALENTS

	Group		Company	
	31/12/2020	31/3/2020	31/12/2020	31/3/2020
	\$'000	\$'000	\$'000	\$'000
Cash at bank	1,040	1,075	1,040	1,075

As at reporting date, cash deposit of \$1,000,000 (31/3/2020: \$1,000,000) was placed in an escrow account operated by an escrow agent of a financial institution with high credit rating (“escrow monies”) pursuant to Rule 1017(1)(a) of the Catalyst Rules.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

8 SHARE CAPITAL

	Company			
	31/12/2020		31/3/2020	
	No. of shares	\$'000	No. of shares	\$'000
Issued and fully paid ordinary shares, with no par value:				
At 1 April 2019, 31 March 2020 and 31 December 2020	1,797,792,986	71,777	1,797,792,986	71,777

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

9 OTHER RESERVES

	Group		Company	
	31/12/2020	31/3/2020	31/12/2020	31/3/2020
	\$'000	\$'000	\$'000	\$'000
Share-based compensation reserve	2,515	2,515	2,515	2,515
Capital reserve	*	*	*	*
	2,515	2,515	2,515	2,515

* Less than \$1,000

(i) Share-based compensation reserve

The share-based compensation reserve comprises the cumulative value of employee services received for the issue of share options and share awards. Share-based compensation reserve is non-distributable.

(ii) Capital reserve

The capital reserve comprises the equity component of the options granted in relation to the bonds payable (Note 12). Capital reserve is non-distributable.

10 OTHER PAYABLES

	Group		Company	
	31/12/2020	31/3/2020	31/12/2020	31/3/2020
	\$'000	\$'000	\$'000	\$'000
Other payables	368	150	368	150
Accrued operating expenses	722	574	722	574
Interest payable on loans from a shareholder	65	27	65	27
Interest payable on bonds	3,168	2,471	3,168	2,471
	4,323	3,222	4,323	3,222
Non-current	–	2,471	–	2,471
Current	4,323	751	4,323	751
	4,323	3,222	4,323	3,222

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

11 LOANS FROM A SHAREHOLDER

	Group		Company	
	31/12/2020	31/3/2020	31/12/2020	31/3/2020
	\$'000	\$'000	\$'000	\$'000
Loans from a shareholder	559	417	559	417

Loans from a shareholder comprise unsecured loans amounting to an aggregate of S\$559,000 (31/3/2020: S\$417,450) at an interest rate of 10% per annum granted by the Company's controlling shareholder, Mr Ching, who had undertaken to provide adequate funds to the Group to enable it to continue operating on a going concern basis. The loans are repayable one year after the release of the escrow monies.

12 BONDS PAYABLE

(a) 2016 December Bonds

On 29 December 2016, the Company announced that it had, on 27 December 2016, entered into two separate subscription agreements (the "2016 December Subscription Agreements") with Mr Low See Ching ("Mr Low") and Mr Tee Wee Sien ("Mr Tee") (together, the "2016 December Subscribers"), pursuant to which the 2016 December Subscribers agreed to subscribe for bonds in aggregate principal amount of S\$4,875,000 to be issued by the Company ("2016 December Bonds") (of which S\$2,875,000 is subscribed for by Mr Low and S\$2,000,000 is subscribed for by Mr Tee) at a subscription price of 100% of the principal amount of the Bonds ("2016 December Issuance of Bonds"). The 2016 December Issuance of Bonds have an interest rate of 10% per annum, payable when the 2016 December Bonds mature at the end of six months from the date of the 2016 December Bonds are issued or such other date as may be agreed between the Company and the 2016 December Subscribers.

On 5 June 2017, the Company has entered into two (2) separate supplemental agreements with Mr Low and Mr Tee to further extend the repayment date of the 2016 December Bonds (together with the corresponding interests) from 30 June 2017 and 19 July 2017 to 31 August 2018. All other terms and conditions remained the same.

On 30 August 2018, the Company obtained the written agreement of each of Mr Low and Mr Tee to further extend the repayment date of the 2016 December Bonds (together with the corresponding interests) from 31 August 2018 to 31 March 2019. All other terms and conditions remained the same.

On 13 May 2019, the Company obtained the written agreement of each of Mr Low and Mr Tee to further extend the repayment date of the 2016 December Bonds (together with the corresponding interests) from 31 March 2019 to 31 March 2020. All other terms and conditions remained the same.

On 18 February 2020 and 19 February 2020, the Company obtained the written agreement of each of Mr Low and Mr Tee, respectively, to further extend the repayment date of the 2016 December Bonds (together with the corresponding interests) from 31 March 2020 to 31 July 2021, with the interest rate in respect of the 2016 December Bonds to be adjusted from 10% to 12% per annum with effect from 1 April 2020, in consideration of the agreement of Mr Low and Mr Tee to extend the repayment date as set out above, and to compensate each of them for the expiry of the 2016 December Bonds Options held by them (which expired on 29 December 2019 and 18 January 2020 respectively, details as set out below). On 31 March 2020, Mr Low transferred all of his 2016 December Bonds to Mr Tee.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

12 BONDS PAYABLE (CONTINUED)

(a) 2016 December Bonds (Continued)

In connection with the 2016 December Issuance of Bonds, the Company had, on 27 December 2016, entered into two separate option deeds with the 2016 December Subscribers respectively, pursuant to which the Company granted the 2016 December Subscribers a total of 740,740,740 share options ("2016 December Options"), whereby each of the 2016 December Subscribers is granted 370,370,370 2016 December Options, with each 2016 December Option carrying the right to subscribe for one new Share ("2016 December Option Share") at the exercise price of S\$0.0162 for each 2016 December Option Share.

On 7 April 2017, the Company announced that an exercise notice was received from Mr Tee to exercise 185,185,185 share options at S\$3.0 million, in accordance to the option deed. On 11 April 2017, the exercise was completed and the shares were duly allotted and issued to him.

On 29 December 2019, all of Mr Low's 370,370,370 2016 December Options had expired. On 18 January 2020, all of the balance of Mr Tee's 185,185,185 2016 December Options had expired. As such, there were no outstanding 2016 December Options as at 31 March 2020 and 31 December 2020.

(b) 2017 April Bonds

On 6 April 2017, the Company announced that it had on 5 April 2017, entered into a subscription agreement (the "2017 April Subscription Agreement") with Mr Tang Boo Teck ("Mr Tang") (the "2017 April Subscriber"), pursuant to which the 2017 April Subscriber agreed to subscribe for bonds in aggregate principal amount of S\$2,000,000 to be issued by the Company ("2017 April Bonds") at a subscription price of 100% of the principal amount of the Bonds ("2017 April Issuance of Bonds"). The 2017 April Issuance of Bonds have an interest rate of 15% per annum, payable when the 2017 April Bonds mature at the end of six months from the date of the 2017 April Bonds are issued or such other date as may be agreed between the Company and the 2017 April Subscriber.

On 5 June 2017, the Company has entered into a supplemental agreement with Mr Tang to further extend the repayment date of the 2017 April Bonds (together with the corresponding interests) from 6 October 2017 to 31 August 2018. All other terms and conditions remained the same.

On 30 August 2018, the Company obtained the written agreement of Mr Tang to further extend the repayment date of the 2017 April Bonds (together with the corresponding interests) from 31 August 2018 to 31 March 2019. All other terms and conditions remained the same.

On 13 May 2019, the Company obtained the written agreement of Mr Tang to further extend the repayment date of the 2017 April Bonds (together with the corresponding interests) from 31 March 2019 to 31 March 2020. All other terms and conditions remained the same.

On 19 February 2020, the Company obtained the written agreement of Mr Tang to further extend the repayment date of the 2017 April Bonds (together with the corresponding interests) from 31 March 2020 to 31 July 2021, with the interest rate in respect of the 2017 April Bonds to be adjusted from 15% to 17% per annum with effect from 1 April 2020, in consideration of the agreement of Mr Tang to extend the repayment date as set out above, and to compensate Mr Tang for the expiry of the 2017 April Options held by him on 4 April 2020 (details as set out below). On 31 March 2020, Mr Tang transferred all of his 2017 April Bonds to Mr Tee.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

12 BONDS PAYABLE (CONTINUED)

(b) 2017 April Bonds (Continued)

In connection with the 2017 April Issuance of Bonds, on 5 April 2017, the Company entered into an option deed with the 2017 April Subscriber, pursuant to which the Company granted 2017 April Subscriber 200,000,000 share options ("2017 April Options") with each 2017 April Option carrying the right to subscribe for one new Share ("2017 April Option Share") at the exercise price of S\$0.0216 for each 2017 April Option Share.

As at 31 March 2020, none of the 2017 April Options have been exercised. The 2017 April Options expired on 4 April 2020. As such, there were no outstanding 2017 April Options as at 31 December 2020.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Bonds payable \$'000	Loans from a shareholder \$'000	Lease liabilities \$'000	Total \$'000
Balance as at 1 April 2019	6,875	–	9	6,884
Changes from financing cash flows				
Payment of lease liabilities	–	–	(9)	(9)
Proceeds from loans from a shareholder	–	417	–	417
Total changes from financing cash flows	–	417	(9)	408
Balance as at 31 March 2020	6,875	417	–	7,292
Balance as at 1 April 2020	6,875	417	–	7,292
Changes from financing cash flows				
Proceeds from loans from a shareholder	–	142	–	142
Total changes from financing cash flows	–	142	–	142
Balance as at 31 December 2020	6,875	559	–	7,434

13 REVENUE

Following the cessation of Colibri Assembly (Thailand) Co., Ltd. in February 2018, the Group does not have any active business since then. There was no revenue for the current year and prior year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

14 OTHER GAINS – NET

	Group	
	Period from 1/4/2020 to 31/12/2020 \$'000	Year ended 31/3/2020 \$'000
Foreign exchange gain	–	*
Interest income from bank deposits	–	*
Government subsidies	*	–
	<u>*</u>	<u>*</u>

* Amount less than \$1,000

15 FINANCE COSTS

	Group	
	Period from 1/4/2020 to 31/12/2020 \$'000	Year ended 31/3/2020 \$'000
Interest expenses on lease liabilities	–	*
Interest expenses on loans from a shareholder	38	27
Interest expenses on bonds payable	697	790
	<u>735</u>	<u>817</u>

* Amount less than \$1,000

16 LOSS BEFORE TAX

		Group	
		Period from 1/4/2020 to 31/12/2020 \$'000	Year ended 31/3/2020 \$'000
Wages and salaries		–	47
Employer's contribution to defined contribution plans including Central Provident Fund		–	6
Directors' fees	21	50	50
Professional and consultancy expenses		<u>385</u>	<u>548</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

17 TAX EXPENSE

	Group	
	Period from 1/4/2020 to 31/12/2020 \$'000	Year ended 31/3/2020 \$'000
Current tax expense	–	–
<i>Reconciliation of effective tax rate</i>		
Loss before tax	(1,281)	(1,661)
Tax calculated using Singapore tax rate of 17% (31/3/2020: 17%)	(218)	(282)
Non-deductible expenses	–	68
Unutilised tax losses not recognised	218	214
	–	–

Deferred tax assets have not been recognised in respect of unutilised tax losses because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. The tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective country in which the subsidiaries operate. These unutilised tax losses do not expire under current tax legislation.

The amount of unutilised tax losses available for carried forward is not disclosed as the amount may be subjected to change upon the completion of the proposed acquisition.

18 LOSS PER SHARE

(a) Basic loss per share

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 year, adjusted for own shares held. The calculation of basic loss per share has been based on the following net loss attributable to owners of the Company and weighted average number of ordinary shares outstanding.

	31/12/2020	31/3/2020
Net loss attributable to owners of the Company (\$'000)	1,281	1,661
Weighted average number of ordinary shares outstanding during the year	1,797,792,986	1,797,792,986
Basic loss per share (cents)	0.07	0.09

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

18 LOSS PER SHARE (CONTINUED)

(b) Diluted loss per share

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.

The Company had one category of potential dilutive ordinary shares, namely share options as at 31 March 2020. There is no potential dilutive ordinary shares as at 31 December 2020.

For share options, the weighted average number of shares in issue have been adjusted as if all dilutive share options were exercised and when the condition for issuance of share awards is met at the end of reporting date, which was also the end of the vesting period. The number of shares that could have been issued upon the exercise of all dilutive share options, which condition is fulfilled less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net loss.

Diluted loss per share attributable to equity holders of the Company is calculated as follows:

	31/12/2020	31/3/2020
Net loss used to determine diluted loss per share (\$'000)	1,281	1,661
Weighted average number of ordinary shares	1,797,792,986	1,797,792,986
Adjustments for		
– Share options	–	–
	1,797,792,986	1,797,792,986

The following outstanding share options were excluded from the diluted weighted average number of ordinary share calculation as their effect would have been anti-dilutive due to the fact that the exercise price has been higher than the market price:

	As at 31/12/2020	As at 31/3/2020
Date of grant of options		
27 April 2016	–	200,000,000
Diluted loss per share (cents)	0.07	0.09

The average market value of the Company's shares for purposes of calculating the dilutive effect of share options was based on average of daily last done price for the year during which the options were outstanding.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

19 LEASES

Leases as lessee

There are no leases for the financial period ended 31 December 2020.

As at 1 April 2019, the Company had a lease for an office which expired on 15 May 2019. Prior to 1 April 2019, this lease was classified as operating lease under SFRS(I) 1-17.

The Group leases a storage space on a month-on-month basis. These leases are short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment (see Note 4).

	\$'000	\$'000
Balance at 1 April 2020 and 1 April 2019	–	12
Depreciation charge for the year	–	(12)
Balance at 31 December 2020 and 31 March 2020	–	–

Amounts recognised in profit or loss

	Period from 1/4/2020 to 31/12/2020 \$'000	Year ended 31/3/2020 \$'000
Interest on lease liabilities	–	*
Expenses relating to short-term leases	–	22

* Amount less than \$1,000

Amounts recognised in statement of cash flows

	Period from 1/4/2020 to 31/12/2020 \$'000	Year ended 31/3/2020 \$'000
Total cash outflow for leases	–	9

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

20 FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

Financial risk management is integral to the business of the Group. The Group has a system of controls and policies such as authority levels and oversight responsibilities to manage risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee and Board of Directors oversee how management monitors compliance with the Group's risk management policies and procedures and review the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's and the Company receivables from counterparties.

The Group's and the Company's major classes of financial assets are cash and cash equivalents and other current assets. The Group and the Company does not require or hold collateral in respect of its financial assets. The maximum exposure to credit risk for each class of financial asset is the carrying amount of that class of financial asset as shown on the statement of financial position. The Group's and the Company's exposure to credit risk arises mainly through its cash and cash equivalents and other current assets. Exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalents

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the high credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Deposits

Impairment on deposits has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is negligible.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

20 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Note 2.1 of these financial statements describes how the Group continues as a going concern as conditions that indicate material uncertainties related to going concern exists as at the reporting date.

The table below analyses the maturity profile of the Group's and the Company's financial liabilities.

	Carrying amount \$'000	Cash flows		
		Contractual cash flows \$'000	Within 1 year \$'000	Within 1 to 5 years \$'000
Group and Company				
31 December 2020				
Other payables	4,323	4,323	4,323	–
Bonds payable	6,875	6,999	6,999	–
Loans from a shareholder	559	623	623	–
	<u>11,757</u>	<u>11,945</u>	<u>11,945</u>	<u>–</u>
31 March 2020				
Other payables	3,222	3,222	751	2,471
Bonds payable	6,875	8,109	–	8,109
Loans from a shareholder	417	459	459	–
	<u>10,514</u>	<u>11,790</u>	<u>1,210</u>	<u>10,580</u>

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Market risk is managed through established investment policies and guidelines. These policies and guidelines are reviewed regularly taking into consideration changes in the overall market environment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

20 FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (Continued)

Currency risk

Currency risk arises from a change in foreign currency exchange rate, which is expected to have adverse effect on the Group and the Company in the current reporting period and in future years.

As at reporting date, the Group is not subject to any foreign currency risk as there are no material assets or liabilities which are denominated in foreign currencies. The Group is also not subject to any foreign currency translation risk on the net assets in its foreign operations as the Group does not have any foreign operations.

Interest rate risk

At the reporting date, the interest rate profile of the interest-bearing financial instruments was:

	Group and Company	
	31/12/2020	31/3/2020
	\$'000	\$'000
Fixed rate instruments		
Bonds payable	6,875	6,875
Loans from a shareholder	559	417

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate instruments at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

Capital management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern and to maintain or achieve an optimal capital structure so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board monitors the working capital requirements of the Group periodically to ensure that there are sufficient financial resources available to meet the needs of the business. In order to maintain or achieve an optimal capital structure, the Group may issue new shares or obtain new borrowings.

The capital structure of the Group consists primarily of equity, comprising issued share capital and reserves. The Group is not subject to any externally imposed capital requirements.

There were no changes in the Group's approach to capital management during the period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

20 FINANCIAL RISK MANAGEMENT (CONTINUED)

Accounting classifications

The classification of financial assets and liabilities are as follows:

	Amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000
Group and Company			
31 December 2020			
Cash and cash equivalents	1,040	–	1,040
	1,040	–	1,040
Other payables	–	4,323	4,323
Bonds payable	–	6,875	6,875
Loans from a shareholder	–	559	559
	–	11,757	11,757
31 March 2020			
Other current assets	1	–	1
Cash and cash equivalents	1,075	–	1,075
	1,076	–	1,076
Other payables	–	3,222	3,222
Bonds payable	–	6,875	6,875
Loans from a shareholder	–	417	417
	–	10,514	10,514

Non-current bonds payable and interest payable on bonds

Fair value is estimated as the present value of future cash flows discounted at current interest rates for similar instruments at the reporting date. As at 31 March 2020, the Level 3 fair value of the non-current bonds payable and interest payable on bonds was \$9,242,000. The Group used the discounted cash flows valuation model which considers the present value of expected payment, discounted using a risk-adjusted discount rate.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including other current assets, cash and cash equivalents, loans from shareholder, current bonds payable and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and financial liabilities are discounted to determine their fair values.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

21 RELATED PARTIES

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

	Group	
	Period from 1/4/2020 to 31/12/2020 \$'000	Year ended 31/3/2020 \$'000
Key management personnel compensation is as follows:		
Directors' fees	50	50
Wages and salaries (including allowances)	–	31
Employer's contribution to Central Provident Fund	–	5
	<u>50</u>	<u>86</u>
Transaction with a controlling shareholder (within the meaning under the SGX-ST Catalist Listing Rule):		
Loans from a shareholder	559	417
Interest payable to the controlling shareholder	<u>38</u>	<u>27</u>

22 SEGMENT INFORMATION

The Company has fully disposed and discontinued the businesses of both its operating subsidiaries during the financial year ended 31 March 2019 and became a Cash Company under the Catalist Rules. As at the reporting date, there are no operating segments requiring segment reporting.

23 EVENTS OCCURRING AFTER REPORTING DATE

(a) Approval for the acquisition of Mobile Credit Payment and its subsidiaries

On the 22 January 2021, the Company held an extraordinary general meeting to approve the Proposed Transaction and the various accompanying corporate actions.

(b) Placement to controlling shareholder

Following the approvals received in the extraordinary general meeting held on 22 January 2021, the Company has on 28 January 2021 completed the placement of 62,305,295 new ordinary shares (before share consolidation of 50 to 1 shares) of the Company at the issue price of S\$0.00963 per new share to the Company's controlling shareholder, Mr Ching, raising gross proceeds of S\$600,000.

(c) Change in financial year end

On 28 January 2021, the Company has changed its financial year end from 31 March to 31 December. This is to align its financial year to the financial year end of Mobile Credit Payment Pte Ltd.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

23 EVENTS OCCURRING AFTER REPORTING DATE (CONTINUED)

(d) Share Consolidation of 50 shares to 1 share

On 16 February 2021, the Company completed its consolidation of 50 ordinary shares to 1 ordinary share.

(e) On 16 February 2021, Mr Tee transferred all of his 2016 December and 2017 April Bonds to Mr Ching.

(f) Completion of Proposed Transaction

On 18 February 2021, the Company completed the acquisition of Mobile Credit Payment Pte Ltd and its subsidiaries ("Completion"). Pursuant to the Completion, the Company has:

- i. acquired all the ordinary shares in the issued and paid-up capital of the Mobile Credit Payment Pte Ltd (the "Target Company") and become the holding company of the Target Company.
- ii. in full satisfaction of total consideration of S\$82,805,780, the Company has allotted and issued 157,725,296 ordinary shares to the shareholders of the Target Company at an issue price of S\$0.525.
- iii. in full satisfaction of the redemption of the outstanding Bonds of S\$6,875,000 and its associated interest payable on the Bonds of S\$3,291,952 as at 18 February 2021, the Company has allotted and issued 64,516,129 ordinary shares to Mr. Ching at an issue price of S\$0.155.
- iv. allotted and issued 2,360,000 ordinary shares at an issue price of S\$0.525 to Zico Capital Pte Ltd, the Catalyst Sponsor of the Company being part of the Sponsor's fees for its services in relation to the Proposed Transaction.
- v. allotted and issued 445,520 ordinary shares at an issue price of S\$0.525 to certain employees of the Target Company as an incentive payment to recognise their contributions to the Target Group in relation to the Proposed Transactions

(g) On 18 February 2021, the Company lodged the requisite notification with ACRA and was notified by ACRA that the name of the Company has been successfully changed from "Artivision Technologies Limited" to "MC Payment Limited" with effect from 18 February 2021. As a result of the change in name, the Company's trading counter name on the SGX-ST was changed from "Artivision" to "MC Payment" with effect from 9.00 a.m. on 22 February 2021.

(h) Private placement

On 12 March 2021, the Company completed the placement of 10,000,000 of new ordinary shares (at the issue price of S\$0.40 per new share to new investors, raising gross proceeds of \$4,000,000.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2020 to 31 December 2020

23 EVENTS OCCURRING AFTER REPORTING DATE (CONTINUED)

- (i) As a result of the above events, changes in the Company's share capital after the financial period end to the date of this report are as follows:

	Company	
	No. of shares	\$'000
Issued and fully paid ordinary shares, with no par value:		
Balance as at 31 December 2020	1,797,792,986	71,777
Shares issued for the placement to controlling shareholder	62,305,295	600
Balance before Share Consolidation	1,860,098,281	72,377
Share Consolidation of 50 shares to 1 share	37,201,936	72,377
Shares issued to acquire the entire share capital of Mobile Credit Payment Pte Ltd	157,725,296	82,806
Shares issued to redeem the Bonds and its associated interest payable	64,516,129	10,000
Shares issued to pay Sponsor as part payment for its services in relation to the Proposed Transaction	2,360,000	1,239
Shares issued to employees of the Target Company as incentive payment	445,520	234
Shares issued as part of the private placement	10,000,000	3,329
	272,248,881	169,985

STATISTICS OF SHAREHOLDINGS

As at 17 March 2021

SHARE CAPITAL

Number of issued shares	:	272,248,881
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share (excluding treasury shares and subsidiary holdings)
Number of treasury shares and percentage	:	Nil
Number of subsidiary holdings and percentage	:	Nil

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	139	6.21	3,981	0.00
100 – 1,000	482	21.53	292,753	0.11
1,001 – 10,000	1,097	48.99	5,012,347	1.84
10,001 – 1,000,000	487	21.75	28,740,003	10.56
1,000,001 AND ABOVE	34	1.52	238,199,797	87.49
TOTAL	2,239	100.00	272,248,881	100.00

SUBSTANTIAL SHAREHOLDERS

(as recorded in the Company's Register of Substantial Shareholders)

NAME	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	%	NO. OF SHARES	%
Ching Chiat Kwong	73,663,613	27.06	–	–
Koh Beng Kiok Anthony	16,011,893	5.88	–	–

STATISTICS OF SHAREHOLDINGS

As at 17 March 2021

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES HELD	%
1	CHING CHIAT KWONG	70,952,113	26.06
2	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	29,053,137	10.67
3	GOH WAY SIONG	12,046,263	4.42
4	NCK GLOBAL CAPITAL PTE. LTD.	11,696,821	4.30
5	TOH SOON HUAT	11,090,929	4.07
6	LEE YEW SHIN	9,895,029	3.63
7	TEE WEE SIEN (ZHENG WEIXIAN)	9,466,766	3.48
8	ESW MANAGE PTE LTD	8,486,141	3.12
9	JEFFERY ONG @JEFFERY RAHARDJA	8,477,605	3.11
10	LEE YUET WAH	5,841,048	2.15
11	DBS NOMINEES PTE LTD	5,735,090	2.11
12	MCN INVESTMENT LTD	4,821,636	1.77
13	CHOY EUNSIK	4,437,911	1.63
14	BULLRUNN PTE LTD	3,913,678	1.44
15	LEE HOCK ENG	3,635,077	1.34
16	UOB KAY HIAN PTE LTD	2,941,338	1.08
17	TAN YONG HOA	2,920,490	1.07
18	OCBC SECURITIES PRIVATE LTD	2,433,229	0.89
19	INTELLECT ASIA HOLDINGS PTE. LTD.	2,410,852	0.89
20	TH MCP CAPITAL LIMITED	2,410,852	0.89
TOTAL		212,666,005	78.12

PERCENTAGE OF SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 17 March 2021 and to the best knowledge of the Directors of the Company, approximately 20.02% of the Company's issued ordinary shares listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") were held in the hands of the public, as defined in the SGX-ST Listing Manual Section B: Rules of the Catalist ("Catalist Rules") and which also excluded shares under moratorium. Accordingly, the Company has complied with Rule 723 of the Catalist Rules which requires at least 10% of a listed issuer's equity securities to be held in the hands of the public.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **MC PAYMENT LIMITED** (formerly known as Artivision Technologies Ltd.) (the “**Company**”) will be held by way of electronic means on Wednesday, 28 April 2021 at 10.00 a.m. to transact the following business as set out below.

This Notice has been made available on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> and the Company’s corporate website at the URL: <https://investor.mcpayment.com/agm-2020/>. A printed copy of this Notice will NOT be despatched to members of the Company.

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial period ended 31 December 2020 (“**FP2020**”), together with the Auditor’s Report thereon. **(Resolution 1)**

2. To re-elect Mr Ng Weng Sui Harry, a director of the Company (“**Director**”), retiring pursuant to Regulation 111 of the Company’s Constitution and who, being eligible, offers himself for re-election, as a Director of the Company.

[See Explanatory Note (i)] **(Resolution 2)**

3. To re-elect Mr Kesavan Nair, a Director, retiring pursuant to Regulation 111 of the Company’s Constitution and who, being eligible, offers himself for re-election, as a Director of the Company.

[See Explanatory Note (ii)] **(Resolution 3)**

4. To re-elect Mr Shawn Ching Wei Hung, a Director, retiring pursuant to Regulation 111 of the Company’s Constitution and who, being eligible, offers himself for re-election, as a Director of the Company.

[See Explanatory Note (iii)] **(Resolution 4)**

5. To approve the payment of Directors’ fees of S\$50,000 for FP2020 (financial year ended 31 March 2020: S\$50,000). **(Resolution 5)**

6. To re-appoint KPMG LLP as the auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 6)**

7. To transact any other ordinary business as can be transacted at an Annual General Meeting of the Company.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. Authority to allot and issue shares

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

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

NOTICE OF ANNUAL GENERAL MEETING

- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to, the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may, in their absolute discretion, deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force,

(the “**Share Issue Mandate**”)

provided that:

- (1) 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) does not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a *pro-rata* basis to existing shareholders of the Company (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments) that may be issued under sub-paragraph (1) above, the percentage of the aggregate 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) at the time of the passing of this Resolution, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;
 - (b) new Shares arising from exercising share options or vesting of share awards provided that such share options or awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (c) any subsequent bonus issue, consolidation or sub-division of Shares;

and, in sub-paragraph (1) above and this sub-paragraph (2), “**subsidiary holdings**” has the meaning given to it in the Catalist Rules. Adjustments in accordance with sub-paragraphs (2)(a) or (2)(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 this Resolution is passed;

- (3) in exercising the Share Issue Mandate conferred by this Resolution, the Company shall comply with the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Company’s Constitution; and

NOTICE OF ANNUAL GENERAL MEETING

- (4) (unless revoked or varied by the Company in a general meeting), the Share Issue Mandate shall continue in force (i) 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 or (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments.”

[See Explanatory Note (iv)]

(Resolution 7)

9. Authority to grant awards and to allot and issue Shares under the MCP Performance Share Plan

“That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to:

- (a) offer and grant share awards in accordance with the rules of the MCP Performance Share Plan (the “**Share Plan**”); and
- (b) allot and issue such number of fully-paid new Shares and/or transfer such number of existing Shares held in treasury, free of charge, as may be required to be delivered from time to time pursuant to the vesting of share awards granted by the Company under the Share Plan, whether granted during the subsistence of this authority or otherwise,

provided that the total number of Shares over which new share awards may be granted on any date, when added to:

- (i) the total number of new Shares allotted and issued and/or to be allotted and issued and issued Shares (including treasury shares and subsidiary holdings) delivered and/or to be delivered pursuant to share awards already granted under the Share Plan; and
- (ii) the total number of Shares issued and issuable and/or transferred or transferable in respect of all options granted or awards granted under any other share option or share schemes of the Company,

shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding Shares held by the Company as treasury shares and subsidiary holdings) on the day preceding that date, 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)

10. Authority to grant options and to allot and issue Shares under the MCP Employee Share Option Scheme

“That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to:

- (a) offer and grant options in accordance with the rules of the MCP Employee Share Option Scheme (the “**Scheme**”); and
- (b) allot and issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the Scheme,

NOTICE OF ANNUAL GENERAL MEETING

provided that the total number of Shares over which new options may be granted on any date, when added to:

- (i) the total number of new Shares allotted and issued and/or to be allotted and issued and issued Shares (including treasury shares and subsidiary holdings) delivered and/or to be delivered pursuant to options already granted under the Scheme; and
- (ii) the total number of Shares issued and issuable and/or transferred or transferable in respect of all options granted or awards granted under any other share option or share schemes of the Company,

shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding Shares held by the Company as treasury shares and subsidiary holdings) on the day preceding that date, 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 (vi)]

(Resolution 9)

By Order of the Board

Ms Ong Beng Hong and Ms Tan Swee Gek
Company Secretaries

Date: 6 April 2021

Explanatory Notes:

- (i) Mr Ng Weng Sui Harry will, upon re-election as a Director of the Company, remain as Non-Executive and Non-Independent Director of the Company and a member of each of the Audit Committee and the Nominating Committee. The Board of Directors of the Company (the "Board") considers Mr Ng Weng Sui Harry to be non-independent for the purpose of Rule 704(7) of the Catalist Rules.
Further detailed information on Mr Ng Weng Sui Harry who is proposed to be re-appointed as a Director of the Company at the Annual General Meeting of the Company can be found under the sections entitled "Profile of Directors" and "Corporate Governance Report" of the Company's Annual Report for FP2020 ("Annual Report FP2020").
- (ii) Mr Kesavan Nair will, upon re-election as a Director of the Company, remain as Independent Director of the Company, Chairman of the Remuneration Committee and a member of the Nominating Committee. Mr Kesavan Nair does not have any relationships, including immediate family relationships, with the other Directors of the Company, the Company, its related corporations, its substantial shareholders or its officers, which may affect his independence. The Board considers Mr Kesavan Nair to be independent for the purpose of Rule 704(7) of the Catalist Rules.
Further detailed information on Mr Kesavan Nair who is proposed to be re-appointed as a Director of the Company at the Annual General Meeting of the Company can be found under the sections entitled "Profile of Directors" and "Corporate Governance Report" of the Annual Report FP2020.
- (iii) Mr Shawn Ching Wei Hung will, upon re-election as a Director of the Company, remain as Non-Executive and Non-Independent Director of the Company and a member of the Remuneration Committee.
Further detailed information on Mr Shawn Ching Wei Hung who is proposed to be re-appointed as a Director of the Company at the Annual General Meeting of the Company can be found under the sections entitled "Profile of Directors" and "Corporate Governance Report" of the Annual Report FP2020.

NOTICE OF ANNUAL GENERAL MEETING

- (iv) Resolution 7, if passed, will authorise and empower the Directors of the Company from the date of this Annual General Meeting of the Company until the date 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, or such authority is revoked or varied by the Company in a general meeting, whichever is the earliest, to allot and issue Shares, and to make or grant Instruments (such as warrants and debentures) convertible into Shares, and to issue Shares pursuant to such Instruments, up to an aggregate number not exceeding one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) may be issued other than on a *pro-rata* basis to existing shareholders of the Company.

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

- (v) Resolution 8, if passed, will authorise and empower the Directors of the Company, from the date of this Annual General Meeting of the Company until the date 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, or such authority is revoked or varied by the Company in a general meeting, whichever is the earliest, to issue Shares pursuant to the vesting of share awards granted or to be granted under the Share Plan up to a number not exceeding in total (for the entire duration of the Share Plan) fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.
- (vi) Resolution 9, if passed, will authorise and empower the Directors of the Company, from the date of this Annual General Meeting of the Company until the date 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, or such authority is revoked or varied by the Company in a general meeting, whichever is the earliest, to issue Shares pursuant to the exercise of options granted or to be granted under the Scheme up to a number not exceeding in total (for the entire duration of the Scheme) fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.

Notes:

1. The Annual General Meeting of the Company to be held on Wednesday, 28 April 2021 at 10.00 a.m. ("AGM") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Annual Report FP2020, this Notice of AGM and the accompanying proxy form will NOT be sent to members of the Company. Instead, the Annual Report FP2020, this Notice of AGM and the accompanying proxy form will be sent to members of the Company by electronic means via publication on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at the URL: <https://investor.mcpayment.com/agm-2020/>.
2. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by appointing the Chairman of the AGM as proxy at the AGM are set out in the Company's announcement dated 6 April 2021 entitled "Important Notice to Shareholders Regarding the Company's Annual General Meeting on 28 April 2021 at 10.00 a.m." which has been uploaded together with this Notice of AGM on SGXNet and the Company's corporate website on the same day.

In particular, the AGM will be held by way of electronic means and a member of the Company will be able to observe the proceedings of the AGM through a "live" webcast via his/her/its mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, a member who wishes to observe the "live" webcast or listen to the "live" audio feed must pre-register by 10.00 a.m. on 26 April 2021 at the URL: <https://agm.conveneagm.com/MCPayment2021>.

Following authentication of his/her/its status as members of the Company, authenticated members will receive email instructions on how to access the "live" webcast and "live" audio feed of the proceedings of the AGM by 10.00 a.m. on 27 April 2021. Members who have received the email instructions must not forward the email instructions to other persons who are not members of the Company or who are not entitled to attend the AGM. This is to avoid any technical disruption or overload to the "live" webcast or "live" audio feed.

Members of the Company may also submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted by 10.00 a.m. on 21 April 2021:

- (a) via the pre-registration website at the URL: <https://agm.conveneagm.com/MCPayment2021>;
- (b) in hard copy by sending by post and lodging the same at the office of the Company's share registrar, c/o Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898; or
- (c) by email to sg.is.proxy@sg.tricorglobal.com.

Members will need to identify themselves when posing questions by email or by mail by providing the following details:

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

NOTICE OF ANNUAL GENERAL MEETING

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 all substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM as received from members of the Company by publishing its responses on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at the URL: <https://investor.mcpayment.com/agm-2020/> before the AGM. Where substantial and relevant questions are unable to be answered before the AGM, the Company will address them during the AGM.

Please note that members will not be able to ask questions at the AGM "live" during the webcast and the audio feed, and therefore it is important for members to submit their questions in advance of the AGM.

3. **A member of the Company will not be able to attend the AGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM.** In appointing the Chairman of the AGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. The accompanying proxy form for the AGM has been made available on SGXNet and the Company's corporate website.
4. The Chairman of the AGM, as proxy, need not be a member of the Company. The instrument appointing the Chairman of the AGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must:
 - (a) if sent by post, be deposited at the office of the Company's share registrar, c/o Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898; or
 - (b) if submitted by email, be received by the Company at sg.is.proxy@sg.tricorglobal.com,

in either case by 10.00 a.m. on 25 April 2021 (being not less than seventy-two (72) hours before the time for holding the AGM), and in default the instrument of proxy shall not be treated as valid.

A member of the Company who wishes to submit an instrument of proxy must first download, 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.

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

5. The instrument appointing the Chairman of the AGM as proxy must be signed by the appointor or his 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.
6. In the case of a member of the Company whose shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as 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 seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
7. Persons who hold shares through relevant intermediaries* (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including SRS investors, and who wish to participate in the AGM ("Relevant Intermediary Participants") by (a) observing and/or listening to the AGM proceedings via the "live" webcast or the "live" audio feed in the manner provided in Note 2 above; (b) submitting questions in advance of the AGM in the manner provided in Note 2 above; and/or (c) appointing the Chairman of the AGM as proxy to attend, speak and vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of SRS investors, their SRS Operators) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the AGM. SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective SRS Operators to submit their votes by 10.00 a.m. on 19 April 2021.

* A Relevant Intermediary is:

- (a) 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;
- (b) 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
- (c) 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.

NOTICE OF ANNUAL GENERAL MEETING

Personal Data Privacy:

By submitting (a) a proxy form appointing the Chairman of the AGM as proxy to vote at the AGM and/or any adjournment thereof, or (b) member's particulars for pre-registration to participate in the AGM via "live" webcast or "live" audio feed, or (c) any question prior to the AGM in accordance with this Notice of AGM or the Company's announcement dated 6 April 2021, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents, advisers or service providers, as the case may be) for the following purposes:

- (a) processing and administration by the Company (or its agents, advisers or service providers) of proxy forms appointing the Chairman of the AGM as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof);
- (b) processing of pre-registration for participation at the AGM for purpose of granting access to members of the Company to the "live" webcast or "live" audio feed and providing them with any technical assistance where necessary;
- (c) addressing relevant and substantial questions related to the resolutions to be tabled for approval at the AGM from members of the Company received before the AGM and if necessary, following up with the relevant members in relation to such questions; and
- (d) enabling the Company (or its agents, advisers or service providers, as the case may be) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company (such as name, presence at the AGM and any questions raised or motions proposed/seconded) may be recorded by the Company for such purposes.

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

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

The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

MC PAYMENT LIMITED

(Company Registration No. 200407031R)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING

PROXY FORM

(Please see notes overleaf before completing the Proxy Form)

This form of proxy has been made available on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at the URL: <https://investor.mcpayment.com/agm-2020/>. A printed copy of this form of proxy will NOT be despatched to members of the Company.

IMPORTANT:

1. The AGM is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by appointing the Chairman of the AGM as proxy at the AGM are set out in the Company's announcement dated 6 April 2021 entitled "Important Notice to Shareholders Regarding the Company's Annual General Meeting on 28 April 2021 at 10.00 a.m." which has been uploaded together with the Notice of AGM dated 6 April 2021 on SGXNet and the Company's corporate website on the same day.
3. A member of the Company will not be able to attend the AGM in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
4. This Proxy Form is not valid for use by SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
5. SRS investors who wish to vote should contact their respective SRS Operators to submit their votes by 10.00 a.m. on 19 April 2021.

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

of _____
being a member/members* of MC Payment Limited (the "Company"), hereby appoint the Chairman of the Annual General Meeting ("AGM") as my/our* proxy to attend, speak and to vote for me/us * on my/our * behalf at the AGM of the Company to be held by way of electronic means on Wednesday, 28 April 2021 at 10.00 a.m. and at any adjournment thereof.

I/We * direct the Chairman of the AGM as my/our* proxy to vote for or against the Resolutions, or to abstain from voting on the Resolutions, to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the appointment of the Chairman of the AGM as my/our* proxy will be treated as invalid.

All Resolutions put to the vote at the AGM shall be decided by way of poll.

No.	Ordinary Resolutions	Number of votes		
		For**	Against**	Abstain**
1	Adoption of the Directors' Statement and the Audited Financial Statements of the Company for the financial period ended 31 December 2020, together with the Auditor's Report thereon			
2	Re-election of Mr Ng Weng Sui Harry as a Director of the Company			
3	Re-election of Mr Kesavan Nair as a Director of the Company			
4	Re-election of Mr Shawn Ching Wei Hung as a Director of the Company			
5	Approval of the payment of Directors' fees of S\$50,000 for the financial period ended 31 December 2020			
6	Appointment of KPMG LLP as the auditors of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors of the Company to fix their remuneration			
7	Authority to allot and issue shares in the capital of the Company			
8	Authority to grant awards and to allot and issue shares in the capital of the Company under the MCP Performance Share Plan			
9	Authority to grant options and allot and issue shares in the capital of the Company under the MCP Employee Share Option Scheme			

** If you wish to exercise all your votes "For" or "Against" the relevant Resolution or to abstain from voting on the Resolution in respect of all your votes, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise some and not all of your votes "For" and/or "Against" the relevant Resolution and/or to abstain from voting in respect of the Resolution, please indicate the number of shares in the boxes provided.

Dated this _____ day of _____ 2021

Total No. of Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

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

* Delete where inapplicable

Notes:

1. A member of the Company will not be able to attend the AGM in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
2. The Chairman of the AGM, as proxy, need not be a member of the Company.
3. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
4. The instrument appointing the Chairman of the AGM as proxy, must:
 - (a) if sent by post, be deposited at the office of the Company's share registrar, c/o Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898; or
 - (b) if submitted by email, be received by the Company at sg.is.proxy@sg.tricorglobal.com,

in either case by 10.00 a.m. on 25 April 2021 (being not less than seventy-two (72) hours before the time for holding the AGM), and in default the instrument of proxy shall not be treated as valid.

A member of the Company who wishes to submit an instrument of proxy must first download, 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.

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

5. If sent by post, the instrument appointing the Chairman of the AGM as proxy of an individual must be under the hand of the appointor or of his/her attorney duly authorised in writing and the instrument appointing the Chairman of the AGM as proxy of a corporation must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

Where an instrument appointing the Chairman of the AGM as proxy is submitted by email, it must be authorised in the following manner:

- (a) by way of the affixation of an electronic signature by the appointor or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
 - (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.
6. Where an instrument appointing the Chairman of the AGM as proxy is signed or, as the case may be, authorised 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 appointing the Chairman of the AGM as proxy, failing which the instrument may be treated as invalid.
7. Persons who hold shares through relevant intermediaries* (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including SRS investors, and who wish to vote at the AGM must appoint the Chairman of the AGM as proxy to attend, speak and vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of SRS investors, their SRS Operators) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to submit their votes. SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective SRS Operators to submit their votes by 10.00 a.m. on 19 April 2021. SRS investors should not directly appoint the Chairman of the AGM as proxy to direct their votes.

* A Relevant Intermediary is:

- (a) 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;
- (b) 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
- (c) 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.

General:

The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if the member of the Company, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the AGM as proxy, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 6 April 2021.



MC Payment Limited

10 Ubi Crescent | #05-05 Ubi Techpark | Singapore 408564

Tel: +65 6299 0030

www.mcpayment.com