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## 金粵控股有限公司

Rich Goldman Holdings Limited

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 00070)

### ANNOUNCEMENT OF CONSOLIDATED ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2021

The board (the “**Board**”) of directors (the “**Directors**”) of Rich Goldman Holdings Limited (the “**Company**”) presents the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 30 June 2021 together with the comparative figures as follow:

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Notes	2021 HK\$'000	2020 HK\$'000
Revenue	3	51,065	53,925
Cost of services provided		(6,243)	(7,216)
Other income	4	4,684	4,923
Other gains and losses	5	(4)	(18,198)
Fair value loss on investment properties	10	(500)	(13,000)
Impairment loss on property, plant and equipment (Impairment losses)/reversal of impairment losses on loans receivable and interest receivables, net		(21,254)	(64,962)
Administrative expenses		(1,088)	512
		<u>(40,170)</u>	<u>(34,824)</u>
<b>Loss before tax</b>		<b>(13,510)</b>	<b>(78,840)</b>
Income tax expense	7	(8,462)	(2,336)
<b>Loss and total comprehensive income for the year</b>	6	<b><u>(21,972)</u></b>	<b><u>(81,176)</u></b>

	<i>Note</i>	<b>2021</b> <i>HK\$'000</i>	2020 <i>HK\$'000</i>
<b>Attributable to:</b>			
– Owners of the Company		<b>(30,356)</b>	(85,705)
– Non-controlling interests		<b>8,384</b>	4,529
		<u><b>(21,972)</b></u>	<u>(81,176)</u>
		<i>HK\$</i>	<i>HK\$</i>
<b>Loss per share</b>			
– Basic	8	<u><b>(0.02)</b></u>	<u>(0.07)</u>
– Diluted		<u><b>N/A</b></u>	<u>N/A</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2021

	<i>Notes</i>	<b>2021</b> <i>HK\$'000</i>	2020 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>431,656</b>	473,049
Investment properties	<i>10</i>	<b>137,500</b>	138,000
Goodwill		–	–
Deferred tax assets		<b>151</b>	1,439
Financial assets at fair value through profit or loss	<i>12</i>	<b>31,488</b>	31,492
Loans receivable	<i>13</i>	<b>10,546</b>	1,356
		<u><b>611,341</b></u>	<u>645,336</u>
<b>Current assets</b>			
Trade and other receivables	<i>14</i>	<b>5,775</b>	1,087
Loans receivable and interest receivables	<i>13</i>	<b>99,035</b>	418,885
Current tax assets		<b>1,345</b>	–
Bank and cash balances		<b>463,604</b>	159,997
		<u><b>569,759</b></u>	<u>579,969</u>
<b>Current liabilities</b>			
Other payables		<b>2,783</b>	3,357
Current tax liabilities		<b>4,197</b>	5,874
		<u><b>6,980</b></u>	<u>9,231</u>
<b>Net current assets</b>		<u><b>562,779</b></u>	<u>570,738</u>
<b>Total assets less current liabilities</b>		<u><b>1,174,120</b></u>	<u>1,216,074</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities		<u><b>3,378</b></u>	–
<b>NET ASSETS</b>		<u><b>1,170,742</b></u>	<u>1,216,074</u>
<b>Capital and reserves</b>			
Share capital	<i>15</i>	<b>1,317,736</b>	1,317,736
Reserves		<u><b>(155,560)</b></u>	<u>(125,204)</u>
Equity attributable to owners of the Company		<b>1,162,176</b>	1,192,532
Non-controlling interests		<u><b>8,566</b></u>	<u>23,542</u>
<b>TOTAL EQUITY</b>		<u><b>1,170,742</b></u>	<u>1,216,074</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

## 1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and with the requirements of the Hong Kong Companies Ordinance (Cap. 622).

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in the consolidated financial statements.

The consolidated financial information relating to the financial years ended 30 June 2021 and 2020 included in this preliminary announcement of consolidated annual results for the year ended 30 June 2021 does not constitute the Company’s statutory annual consolidated financial statements for those years but, in respect of the year ended 30 June 2020, is derived from the financial statements. Further information relating to the statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the consolidated financial statements for the year ended 30 June 2020 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the consolidated financial statements for the year ended 30 June 2021 in due course.

The Company’s auditor has reported on the consolidated financial statements of the Group for the both years. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

## 2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

### (a) Application of new and revised HKFRSs

The Company has applied the Amendments to Reference to the Conceptual Framework in HKFRS Standards and the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the consolidated financial statements:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the Amendments to References to the Conceptual Framework in HKFRS Standards and the amendments to HKFRSs in the current year had no material impact on the Group's financial position and performance for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

**(b) New and revised HKFRSs in issue but not yet effective**

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 July 2020. These new and revised HKFRSs include the following which may be relevant to the Group.

	<b>Effective for accounting periods beginning on or after</b>
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to HKFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to HKAS 16 Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Amendments to HKAS 37 Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to HKFRSs 2018 - 2020 Cycle	1 January 2022
Amendments to HKAS 1 Disclosure of Accounting Policies	1 January 2023
Amendments to HKAS 1 Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to HKAS 8 Definition of Accounting Estimates	1 January 2023

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

### 3. REVENUE AND SEGMENT INFORMATION

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The Group has four operating segments as follows:

- (i) To introduce customers in Macau to respective casino's VIP rooms and receiving the profit streams from junket businesses at respective casino's VIP rooms (the "**Gaming and Entertainment Business**");
- (ii) Money lending business;
- (iii) Hotel operations business; and
- (iv) Property leasing business.

#### (a) Segment revenue and results

An analysis of the Group's revenue, which represents services provided, and results by reportable and operating segments is as follows:

#### Year ended 30 June 2021

	Gaming and Entertainment Business <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Hotel operations business <i>HK\$'000</i>	Property leasing business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	19,638	25,890	4,462	1,075	51,065
Depreciation	-	(38)	(17,675)	-	(17,713)
Fair value loss on investment properties	-	-	-	(500)	(500)
Impairment losses on loans receivable and interest receivables, net	-	(1,088)	-	-	(1,088)
Impairment loss on property, plant and equipment	-	-	(21,254)	-	(21,254)
Income tax expense	(2,335)	(930)	(3,295)	(1,902)	(8,462)
Segment results	<u>19,565</u>	<u>17,653</u>	<u>(40,229)</u>	<u>(18)</u>	<u>(3,029)</u>
Unallocated other income					3,702
Unallocated other gains and losses					(4)
Unallocated expenses					<u>(14,179)</u>
Loss before tax					<u><u>(13,510)</u></u>

Year ended 30 June 2020

	Gaming and Entertainment Business HK\$'000	Money lending business HK\$'000	Hotel operations business HK\$'000	Property leasing business HK\$'000	Total HK\$'000
Revenue	21,816	23,891	6,262	1,956	53,925
Depreciation	-	-	(20,474)	-	(20,474)
Amortisation of intangible assets	(23,786)	-	-	-	(23,786)
Fair value loss on investment properties	-	-	-	(13,000)	(13,000)
Impairment loss on goodwill	-	-	(2,644)	-	(2,644)
Impairment loss on property, plant and equipment	-	-	(64,962)	-	(64,962)
Reversal of impairment losses on trade receivables	7,649	-	1	-	7,650
Reversal of impairment losses on loans receivable and interest receivables, net	-	512	-	-	512
Income tax (expense)/credit	-	(3,249)	1,474	(561)	(2,336)
Segment results	<u>5,661</u>	<u>21,969</u>	<u>(88,882)</u>	<u>(11,763)</u>	<u>(73,015)</u>
Unallocated other income					4,383
Unallocated other gains and losses					582
Unallocated expenses					<u>(10,790)</u>
Loss before tax					<u><u>(78,840)</u></u>

**(b) Segment assets and liabilities**

An analysis of the Group's assets and liabilities by reportable and operating segments is as follows:

	<b>Gaming and Entertainment Business HK\$'000</b>	<b>Money lending business HK\$'000</b>	<b>Hotel operations business HK\$'000</b>	<b>Property leasing business HK\$'000</b>	<b>Total HK\$'000</b>
<b>At 30 June 2021</b>					
<b>Assets</b>					
Segment assets	<u>196</u>	<u>173,349</u>	<u>374,607</u>	<u>149,436</u>	697,588
Unallocated corporate assets					<u>483,512</u>
Consolidated total assets					<u><u>1,181,100</u></u>
<b>Liabilities</b>					
Segment liabilities	<u>(2,604)</u>	<u>(2,113)</u>	<u>(2,215)</u>	<u>(2,135)</u>	(9,067)
Unallocated corporate liabilities					<u>(1,291)</u>
Consolidated total liabilities					<u><u>(10,358)</u></u>
<b>At 30 June 2020</b>					
<b>Assets</b>					
Segment assets	<u>29,519</u>	<u>493,960</u>	<u>413,907</u>	<u>145,360</u>	1,082,746
Unallocated corporate assets					<u>142,559</u>
Consolidated total assets					<u><u>1,225,305</u></u>
<b>Liabilities</b>					
Segment liabilities	<u>(111)</u>	<u>(4,967)</u>	<u>(1,584)</u>	<u>(635)</u>	(7,297)
Unallocated corporate liabilities					<u>(1,934)</u>
Consolidated total liabilities					<u><u>(9,231)</u></u>



Unallocated corporate assets mainly represent property, plant and equipment, financial assets at fair value through profit or loss (“FVTPL”), deposits, and bank and cash balances.

Unallocated corporate liabilities mainly represent other payables.

(c) **Geographical segments**

The Group’s business operates in two principal geographical areas – (i) Hong Kong and (ii) Macau (place of domicile). In presenting information on the basis of geographical locations, revenue is based on the location of operations.

The Group’s non-current assets include property, plant and equipment, investment properties and goodwill. The geographical locations of property, plant and equipment and investment properties are based on the physical location of the asset under consideration. In the case of goodwill, it is based on the location of the operation to which they are allocated.

	Revenue from external customers		Non-current assets	
	Year ended 30 June		As at 30 June	
	2021	2020	2021	2020
	HK\$’000	HK\$’000	HK\$’000	HK\$’000
Hong Kong	31,427	32,109	569,156	611,049
Macau	19,638	21,816	–	–
	<u>51,065</u>	<u>53,925</u>	<u>569,156</u>	<u>611,049</u>

4. **OTHER INCOME**

	2021	2020
	HK\$’000	HK\$’000
Bank interest income	648	60
Dividend income from financial assets at FVTPL	3,000	4,184
Government grants ( <i>note</i> )	948	665
Others	88	14
	<u>4,684</u>	<u>4,923</u>

*Note:* During the year, the Group recognised government grants of approximately HK\$944,000 and HK\$4,000 which was related to Employment Support Scheme and the Anti-epidemic Support Scheme for Property Management Sector, respectively (2020: HK\$361,000, HK\$300,000 and HK\$4,000 which was related to Employment Support Scheme, the Tourism Industry Support Scheme and the Anti-epidemic Support Scheme for Property Management Sector) under the Anti-epidemic Fund of the Government of the Hong Kong Special Administrative Region, respectively. The Group had to commit to spending the assistance on payroll expenses, and not to reduce employee head count below prescribed levels for a specified period of time as required by Employment Support Scheme. The Group did not have any unfulfilled conditions relating to these programs during the year.

## 5. OTHER GAINS AND LOSSES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Amortisation of intangible assets (note 11)	–	(23,786)
Fair value loss on financial assets at FVTPL	(4)	(111)
Impairment loss on goodwill	–	(2,644)
Loss on disposals of financial assets at FVTPL	–	(230)
Loss on disposals of property, plant and equipment	(3)	–
Reversal of impairment losses on trade receivables (note 14)	3	7,650
Reversal of provision for legal claim, net	–	923
	<u>(4)</u>	<u>(18,198)</u>

## 6. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging the following:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Staff costs (including Directors' emoluments):		
– Salaries, bonuses and allowances	11,673	9,480
– Retirement benefit scheme contributions	376	314
	<u>12,049</u>	<u>9,794</u>
Auditor's remuneration	940	850
Depreciation	20,633	23,388
Rental expenses relating to leases of low value assets	197	–
	<u>940</u>	<u>850</u>

## 7. INCOME TAX EXPENSE

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current tax - Hong Kong Profits Tax		
Provision for the year	1,480	3,835
Over-provision in prior years	(19)	(285)
	<u>1,461</u>	<u>3,550</u>
Current tax – Macau Complementary Tax		
Provision for the year	2,335	–
Deferred tax	4,666	(1,214)
	<u>8,462</u>	<u>2,336</u>

Under the two-tiered profits tax regime, the first HK\$2 million of assessable profits of the qualifying Group's entity established in Hong Kong will be taxed at a rate of 8.25% and assessable profits above that amount will be subject to the tax rate of 16.5%. The profits of the Group's entities not qualified for the two-tiered profit regime will continue to be taxed at a rate of 16.5%.

Tax charge on profits assessable elsewhere has been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The Group's entity operating in Macau is subject to Macau Complementary tax rate of 12%. No provision for Macau Complementary tax for the year ended 30 June 2020 has been made as the gaming revenue is received net of taxes collected by the Macau Special Administrative Region Government and paid directly by the casino operators in Macau on a monthly basis.

## 8. LOSS PER SHARE

### Basic loss per share

The calculation of basic loss per share is based on the loss for the year attributable to owners of the Company of approximately HK\$30,356,000 (2020: HK\$85,705,000) and the weighted average number of ordinary shares of 1,938,822,690 (2020: 1,216,872,509) in issue during the year.

### Diluted loss per share

No diluted loss per share has been presented as there were no potential dilutive shares outstanding for the years ended 30 June 2021 and 2020.

## 9. DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the years ended 30 June 2021 and 2020.

## 10. INVESTMENT PROPERTIES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
<b>Fair value</b>		
At the beginning of year	<b>138,000</b>	151,000
Fair value loss	<b>(500)</b>	(13,000)
At the end of year	<b><u>137,500</u></b>	<b><u>138,000</u></b>

## 11. INTANGIBLE ASSETS

The intangible assets represent the rights in sharing of profit streams from junket businesses at respective casinos' VIP rooms in Macau. Such intangible assets are carried at cost less accumulated amortisation and impairment losses, and are related to the Gaming and Entertainment Business.

Amortisation charges of approximately HK\$23,786,000 in respect of the above was charged for the year ended 30 June 2020.

The underlying junket representative agreement between the junket operator and the casino operator had not been renewed upon expiration on 31 March 2020 and the cost, accumulated amortisation and impairment loss were fully written off as at 30 June 2020.

## 12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Financial assets at FVTPL		
– Unlisted fund investment	<b>31,488</b>	31,492

As at 30 June 2021, carrying amount of unlisted fund investment was approximately HK\$31,488,000 (2020: HK\$31,492,000) which is not quoted in an active market. The fair value of investment is stated with reference to the net asset value provided by administrator of the fund at the reporting date. The Directors believe that the estimated fair value provided by the administrator of the fund is reasonable, and that is the most appropriate value at the end of the reporting period.

The carrying amount of the investment is denominated in Hong Kong dollars.

## 13. LOANS RECEIVABLE AND INTEREST RECEIVABLES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Loans receivable	<b>107,614</b>	419,956
Less: Provision for impairment of loans receivable	<b>(1,335)</b>	(261)
Loans receivable, net of provision	<b>106,279</b>	419,695
Interest receivables	<b>3,317</b>	547
Less: Provision for impairment of interest receivables	<b>(15)</b>	(1)
Interest receivables, net of provision	<b>3,302</b>	546
	<b>109,581</b>	420,241
Analysed as:		
– Non-current assets	<b>10,546</b>	1,356
– Current assets	<b>99,035</b>	418,885
	<b>109,581</b>	420,241

The credit quality analysis of the loans receivable and interest receivables is as follows:

	<b>2021</b>	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Loans receivable</b>		
Neither past due nor impaired		
– Secured	<b>93,746</b>	413,934
– Unsecured	<b>12,533</b>	5,761
	<u><b>106,279</b></u>	<u>419,695</u>
<b>Interest receivables</b>		
Neither past due nor impaired		
– Secured	<b>2,924</b>	484
– Unsecured	<b>122</b>	62
1-30 days past due		
– Secured	<b>128</b>	–
31-90 days past due		
– Secured	<b>128</b>	–
	<u><b>3,302</b></u>	<u>546</u>
	<u><b>109,581</b></u>	<u>420,241</u>

The secured loans were secured by the properties. The fair value of the collaterals, as assessed by the management at respective loans' inception date is not less than the principal amount of the relevant loans.

The carrying amounts of the loans receivable and interest receivables are denominated in the following currencies:

	<b>2021</b>	2020
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Hong Kong dollars	<b>106,580</b>	417,100
United States dollars	<b>3,001</b>	3,141
	<b><u>109,581</u></b>	<u>420,241</u>

All of the loans receivable bear interest and are repayable within the fixed term agreed with the customers. As at 30 June 2021, the average effective interest rate of the loans receivable was 18% (2020: 7%) per annum.

Movements on the Group's impairment of loans receivable and interest receivables are as follows:

	<b>Loans receivable</b>			<b>Total</b>
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12-month expected credit loss ("ECL")</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	<b>Total</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
At 1 July 2019	768	–	–	768
New loans originated	250	–	–	250
Loans repaid during the year	(760)	–	–	(760)
Charged for the year	3	–	–	3
At 30 June 2020 and 1 July 2020	261	–	–	261
<b>New loans originated</b>	<b>1,130</b>	–	<b>56</b>	<b>1,186</b>
<b>Loans repaid during the year</b>	<b>(251)</b>	–	–	<b>(251)</b>
<b>Charged for the year</b>	<b>139</b>	–	–	<b>139</b>
<b>At 30 June 2021</b>	<b><u>1,279</u></b>	<b><u>–</u></b>	<b><u>56</u></b>	<b><u>1,335</u></b>

	<b>Interest receivables</b>			<b>Total</b>
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12-month ECL</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	
At 1 July 2019	6	–	–	6
New loans originated	1	–	–	1
Loans repaid during the year	(6)	–	–	(6)
At 30 June 2020 and 1 July 2020	1	–	–	1
<b>New loans originated</b>	<b>8</b>	<b>–</b>	<b>5</b>	<b>13</b>
<b>Loans repaid during the year</b>	<b>(1)</b>	<b>–</b>	<b>–</b>	<b>(1)</b>
<b>Charged for the year</b>	<b>2</b>	<b>–</b>	<b>–</b>	<b>2</b>
<b>At 30 June 2021</b>	<b>10</b>	<b>–</b>	<b>5</b>	<b>15</b>

In general, loans receivable and interest receivables are considered as default with the loans receivable and interest receivables being overdue by 60 days. As at 30 June 2021, loans receivable and interest receivables of approximately HK\$56,000 and HK\$5,000, respectively were default under lifetime ECL and a provision of approximately HK\$56,000 and HK\$5,000 was provided, respectively. As at 30 June 2020, no loans receivable nor interest receivables were default.

For loans receivable and interest receivables that are not credit-impaired without significant increase in credit risk since initial recognition (“**Stage 1**”), ECL is measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months. If a significant increase in credit risk since initial recognition is identified (“**Stage 2**”) but not yet deemed to be credit-impaired, ECL is measured based on lifetime ECL. If credit impaired is identified (“**Stage 3**”), ECL is measured based on lifetime ECL. In general, when loans receivable and interest receivables are overdue by 30 days, there is significant increase in credit risk.

As at 30 June 2021, the charge of impairment allowance of loans receivable of approximately HK\$139,000 (2020: HK\$3,000), and that of interest receivables of approximately HK\$2,000 (2020: HK\$nil) was due to change in probability of default and loss given default during the year.

A maturity profile of the loans receivable at the end of the reporting period, based on the maturity date, net of provision, is as follows:

	<b>2021</b>	2020
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Within one year	<b>95,733</b>	418,339
In the second to fifth years inclusive	<b>6,811</b>	1,356
More than five years	<b>3,735</b>	–
	<u><b>106,279</b></u>	<u>419,695</u>

All the interest receivables at the end of the reporting period, based on the maturity date, are within one year.

#### 14. TRADE AND OTHER RECEIVABLES

	<b>2021</b>	2020
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Trade receivables from Gaming and Entertainment Business	<b>4</b>	–
Trade receivables from hotel operations business	<b>155</b>	53
Trade receivables from property leasing business	–	54
	<u><b>159</b></u>	<u>107</u>
Impairment losses on trade receivables	<b>(1)</b>	(4)
	<u><b>158</b></u>	<u>103</u>
Deposits, prepayments and other receivables	<b>5,617</b>	984
	<u><b>5,775</b></u>	<u>1,087</u>



The Group allows trade receivables from Gaming and Entertainment Business an average credit period ranging from 30 days to 90 days. Before accepting any new customers, the management internally assesses the credit quality of the potential customer and defines appropriate credit limits. Hotel room revenue is normally settled by cash or credit card. The Group allows an average credit period of not more than 30 days to travel agents and corporate customers. Rentals are payable on presentation of demand notes. No credit period is allowed to these customers.

Management closely monitors the credit quality of trade and other receivables and considers the trade receivables that are neither past due nor impaired to be of good quality.

The aging analysis of trade receivables, based on the invoice dates, and net of allowance, is as follows:

	<b>2021</b> <i>HK\$'000</i>	2020 <i>HK\$'000</i>
0 – 90 days	<b>158</b>	102
91 – 180 days	–	1
	<u><b>158</b></u>	<u>103</u>

As at 30 June 2021, an allowance was made for estimated irrecoverable trade receivables of approximately HK\$1,000 (2020: HK\$4,000).

Reconciliation of allowance for trade receivables:

	<b>2021</b> <i>HK\$'000</i>	2020 <i>HK\$'000</i>
At the beginning of year	<b>4</b>	7,654
Reversed during the year (note 5)	<b>(3)</b>	(7,650)
	<u><b>1</b></u>	<u>4</u>

The trade receivables were denominated in Hong Kong dollars.

## 15. SHARE CAPITAL

	2021		2020	
	No. of shares ( '000)	Amount HK'000	No. of shares ( '000)	Amount HK'000
<b>Ordinary shares, issued and fully paid:</b>				
At the beginning of year	<b>1,938,823</b>	<b>1,317,736</b>	692,437	1,171,921
Issue of shares upon open offer (note)	—	—	1,246,386	145,815
At the end of year	<b>1,938,823</b>	<b>1,317,736</b>	1,938,823	1,317,736

*Note:* On 29 January 2020, the Company completed the allotment and issuance of approximately 1,246,386,000 ordinary shares, in which approximately 461,548,000 ordinary shares were issued to the shareholders of the Company and approximately 784,838,000 ordinary shares were issued to the underwriter due to under-subscription, by way of an open offer on the basis of nine open offer shares for every five existing shares held on 3 January 2020 at a subscription price of HK\$0.12 each. The Company raised approximately HK\$145,815,000 (net of directly attributable expenses of approximately HK\$3,751,000) which was used for development and operation of money lending business.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The Group reviews the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. The Group balances its overall capital structure through the payment of dividends, new share issues and share buy-backs; as well as the issue of new debts, redemption of existing debts or selling assets to reduce debts.

The externally imposed capital requirements for the Group is in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares.

The Group receives a report from the share registrar and transfer office regularly on substantial share interests showing the non-public float and demonstrates the continuing compliance with the 25% limit throughout the year.

The owners 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 ordinary shares rank equally with regard to the Company's residual assets.

## 16. COMPARATIVE FIGURES

Certain comparative figures have been adjusted to conform to current year's presentation.

## MANAGEMENT DISCUSSION AND ANALYSIS

### RESULTS

The Board announced that the net loss of the Group for the year ended 30 June 2021 amounted to approximately HK\$22.0 million (for the year ended 30 June 2020: approximately HK\$81.2 million) and the net loss for the year attributable to owners of the Company amounted to approximately HK\$30.4 million (loss per share of approximately HK\$0.02), as compared to that for the year ended 30 June 2020 of approximately HK\$85.7 million (loss per share of approximately HK\$0.07).

### BUSINESS REVIEW

The Group is principally engaged in (i) Gaming and Entertainment Business; (ii) money lending business; (iii) hotel operations business and (iv) property leasing business.

During the year ended 30 June 2021, the Group's revenue of approximately HK\$51.1 million decreased by 5.2% as compared to that of approximately HK\$53.9 million for the year ended 30 June 2020. The Group recorded a loss for the year of approximately HK\$22.0 million, as compared to that of approximately HK\$81.2 million for the year ended 30 June 2020. The aforesaid loss for the year ended 30 June 2021 was decreased by approximately HK\$59.2 million as compared to that for the year ended 30 June 2020 primarily attributable to (i) the impairment loss on the properties held by the Group, which are classified as property, plant and equipment, was decreased by approximately HK\$43.7 million for the year ended 30 June 2021 as compared to that for the year ended 30 June 2020; (ii) absence of amortisation of intangible assets from the Group's Gaming and Entertainment Business as compared to that of approximately HK\$23.8 million for the year ended 30 June 2020; and (iii) fair value loss of the Group's investment properties was decreased by approximately HK\$12.5 million for the year ended 30 June 2021 as compared to that for the year ended 30 June 2020. The above was partially offset by (i) absence of reversal of impairment losses on trade receivables from the Group's Gaming and Entertainment Business as compared to that of approximately HK\$7.6 million for the year ended 30 June 2020; (ii) the increase in the Group's administrative expenses of approximately HK\$5.3 million as compared to that for the year ended 30 June 2020, primarily as a result of the expansion of the Group's money lending business during the year ended 30 June 2021; and (iii) the increase in the Group's income tax expense of approximately HK\$6.1 million as compared to that for the year ended 30 June 2020.

The Group will continue to focus on its established diversification strategy facing the great uncertainty over the pandemic and recovery of economy. The Directors are cautiously optimistic and convince that the Group will soonest get through the plight with its strategy and achieve sustainable growth in long run.

## **Gaming and Entertainment Business**

The Group generated revenue from commission on rolling turnover of the Gaming and Entertainment Business of approximately HK\$19.6 million for the year ended 30 June 2021 as compared to that of approximately HK\$21.8 million for the year ended 30 June 2020.

Following the cessation of the cooperation with a junket operator in Macau, which had decided not to seek an extension of its collaboration contract with the casino operator of Grand Lisboa upon expiry in March 2020, the Group entered into a conditional joint venture agreement with independent third parties to explore the junket business in the Philippines on 27 April 2020. On 30 December 2020, all the conditions precedent under the joint venture agreement have been fulfilled and the transaction contemplated under the joint venture agreement has completed. The Gaming and Entertainment Business resumed since 1 January 2021.

Due to the prolonged social distancing and travel restriction measures imposed by the government of Manila amid the Coronavirus pandemic, the Gaming and Entertainment Business had been undermined to certain extent. Furthermore, with more stringent local compliance requirements and intense market competition in the industry, it is expected that the business environment will become more and more challenging. In order to cope with such declining trend, the Group has been actively diversifying its businesses and conducting strategic transformation from a gaming-reliance company to a conglomerate focusing on money lending, hotel operations and property leasing.

## **Money Lending Business**

As one of the key segments of the Group's diversifying strategy over the income streams, its money lending business had been distributed increasing amount of funds for its expansion. The Group continues to offer flexible and competitive loan packages to enlarge its customer base during the year. The loans receivable as at 30 June 2021 amounted to approximately HK\$107.6 million, representing a decrease of approximately HK\$312.4 million as compared to that of approximately HK\$420.0 million as at 30 June 2020 due to the repayment of two mortgage loans of approximately HK\$316.0 million during the year. The interest income generated for the year ended 30 June 2021 amounted to approximately HK\$25.9 million, representing an increase of approximately HK\$2.0 million as compared to that of approximately HK\$23.9 million generated for the year ended 30 June 2020. The Company provides diversified loan services such as personal loan, mortgage loan, property owner loan, balance transfer and revolving credit. During the year, the Company broke through the traditional framework of money lending business and launched an online lending platform with smart technology to provide customers with brand-new loan experience. According to their personal preferences and schedule, customers can opt to either complete the entire loan application through the Company's online platform, or visit the Company's office in person and withdraw cash instantly.

As at the date of this announcement, the Company has over 100 customers and the loans receivables was approximately HK\$82.2 million. There was a decrease in loans receivables of approximately HK\$25.4 million as compared to that as at 30 June 2021 due to the repayment of a mortgage loan of approximately HK\$42.0 million after the year ended 30 June 2021, which was partially offset by recent loans granted of approximately HK\$19.1 million. The Company is one of the members of TransUnion. By referencing to customers' credit report, having internal guidelines and credit review policies in place, the Company manages to maintain a low default rate.

With strong financial capability and effective management, the Group has both the potential and ability to further expand its money lending business and broaden its customer base with increased loan products and integration of Fin Tech elements. Despite the economic uncertainty in Hong Kong, the Board considers that the money lending market in Hong Kong has good business prospect, and the money lending business will become the pillar business of the Group.

### **Hotel Operations Business**

Hotel operations business is another segment of the Group with an aim to diversify the income stream. With the huge drop in the number of visitors resulting from the Coronavirus pandemic since 2020, the occupancy rate of the hotel remained low.

The Group recorded a loss before taxation from the hotel operations business amounted to approximately HK\$40.2 million for the year ended 30 June 2021, representing an improvement when compared to that for the year ended 30 June 2020 of approximately HK\$88.9 million, and was mainly attributable to the reduction in impairment loss made for the year on property, plant and equipment of approximately HK\$43.7 million due to slight decrease in fair value of the hotel property.

The Directors consider that the loss from hotel operations was due to the pandemic of Coronavirus and remain cautiously optimistic on the hotel business in Hong Kong in long term.

### **Property Leasing Business**

The hotel property is mainly used for the hotel operations business of the Group, leaving the shops on the ground floor of the hotel property leased to independent third parties so as to generate another source of income stream for the Group. The underlying loss before taxation from the property leasing business amounted to approximately HK\$18,000 for the year ended 30 June 2021 as compared to that for the year ended 30 June 2020 of approximately HK\$11.8 million, which was primarily due to the decrease in fair value loss on investment properties of approximately HK\$12.5 million.

### **FUNDING AND TREASURY POLICY AND FOREIGN EXCHANGE RISK**

The Group adopts a prudent funding and treasury policy. All assets and liabilities of the Group were denominated in Hong Kong dollars. The functional currency of the Company and its major subsidiaries is Hong Kong dollars of which most of their transactions and assets are denominated. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the needs arise.

## CAPITAL STRUCTURE

There was no material change in the capital structure of the Group from that disclosed in the annual report for the year ended 30 June 2020. As at 30 June 2021, the total number of issued shares of the Company was approximately 1,938,823,000 (as at 30 June 2020: 1,938,823,000 shares).

## LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

The Group had net current assets of approximately HK\$562.8 million as at 30 June 2021 (as at 30 June 2020: approximately HK\$570.7 million). The total cash and bank balances were approximately HK\$463.6 million as at 30 June 2021 as compared to that of approximately HK\$160.0 million as at 30 June 2020. The Group has currently no other external funding source, and therefore resulting no borrowings as at 30 June 2021 (as at 30 June 2020: nil).

The total equity attributable to owners of the Company as at 30 June 2021 amounted to approximately HK\$1,162.2 million (as at 30 June 2020: approximately HK\$1,192.5 million).

As at 30 June 2021, the total liabilities amounted to approximately HK\$10.4 million (as at 30 June 2020: approximately HK\$9.2 million), comprising current tax liabilities of approximately HK\$4.2 million, other payables of approximately HK\$2.8 million and deferred tax liabilities of approximately HK\$3.4 million. The gearing ratio, calculated on the basis of total debts over total equity attributable to owners of the Company was nil as at 30 June 2021 (as at 30 June 2020: nil).

## PLEDGE OF ASSETS

As at 30 June 2021, none of the Group's leasehold land and buildings has been pledged as collateral (as at 30 June 2020: nil).

## SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS OF ASSETS

On 18 June 2021, the Company as purchaser, Power Able International Holdings Ltd. and Original Praise Investment Development Ltd. as vendors (the “**Vendors**”) and Mr. Wang Chi Hung and Ms. Chau Lan Yan as the Vendors' guarantors entered into the sale and purchase agreement, pursuant to which the Company conditionally agreed to acquire, and the Vendors conditionally agreed to sell, the 51% of the issued share capital of Fast Advance Resources Limited (the “**Target Company**”) at an aggregate initial consideration of HK\$74,220,000. The principal asset of the Target Company and its subsidiaries (collectively, the “**Target Group**”) is the relevant land use rights and building ownership relating to the properties situated at the north side of Jinyan Road, Pudong New District, Shanghai, the PRC\* (中國上海市浦東新區錦延路北側), and have been called as Shanghai Zhang Jiabang Yifei Creativity Street\* (上海張家浜逸飛創意街) or Shanghai Jin Xiu Fun\* (上海錦繡坊) and the valuation of which amounted to RMB492,700,000 (equivalent to approximately HK\$591,240,000) as at 30 June 2021. Upon completion (i.e., on or before 30 September 2021), the Target Company will become a non-wholly owned subsidiary of the Company and the financial results of the Target Group will be consolidated into the financial statements of the enlarged group.

For details, please refer to the Company's announcements dated 22 September 2020, 18 June 2021, 23 June 2021 and 30 August 2021; and the Company's circular dated 24 September 2021.

### **IMPORTANT EVENTS AFTER THE YEAR END**

For details of the Company's material acquisition after the year end, please refer to the paragraph headed "Significant investment, material acquisitions and disposals of assets" in this management discussion and analysis.

### **CONTINGENT LIABILITIES**

The Company did not have any material contingent liabilities as at 30 June 2021.

### **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 June 2021, the total number of employees of the Group was 43. The emolument policy regarding the Directors, senior management and other employees of the Group was formulated and is reviewed by the remuneration committee of the Company from time to time. Employees are remunerated according to their qualifications, experience, job nature and performance and under the pay scales aligned with prevailing market conditions. Other benefits to employees include mandatory provident funds, medical insurance coverage, share option scheme and retirement scheme.

### **CORPORATE GOVERNANCE AND OTHER INFORMATION**

The Company strives to attain and maintain high standards of corporate governance best suited to the needs and interests of the Group as it believes that effective corporate governance practices are fundamental to safeguard the interests of shareholders and other stakeholders and enhance shareholder value. An effective system of corporate governance requires that the Board approves strategic direction, monitors performance to exercise the Group's stewardship responsibilities with due skill and care.

### **COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICES**

The Board is committed to the maintenance of good corporate governance practices and procedures. The corporate governance principles of the Company emphasises a quality Board, sound internal controls, and transparency to all shareholders.

The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") throughout the year ended 30 June 2021, except that Mr. Lin Chuen Chow Andy has been both the Chairman and Chief Executive of the Company with effect from 24 July 2019, which deviated from code provision A.2.1 of the CG Code stipulating that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The Board is of the opinion that the

arrangement enhances the leadership for managing the Group and enables greater effectiveness and efficiency in formulating business plans and strategies for future development of the Group. The Board believes that the balance of power and authority is adequately ensured by the composition of the existing Board, with half of the Board members being independent non-executive Directors.

## **COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS**

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules as the code of conduct regulating Directors' dealings in securities of the Company. In response to specific enquiries made, all Directors of the Company have confirmed compliance with such code in their securities dealings throughout the accounting period covered by this announcement.

## **AUDIT COMMITTEE**

The Company has established an audit committee (the “**Audit Committee**”) and adopted the written terms of reference in compliance with the CG Code. The primary duties of the Audit Committee are to review and approve the Group's financial reporting process, risk management and internal control system. The Audit Committee comprises all independent non-executive Directors, namely Mr. Cheung Yat Hung, Alton (chairman of the Audit Committee), Mr. Yue Fu Wing and Ms. Yeung Hoi Ching.

The Group's annual results for the year ended 30 June 2021 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made. The Audit Committee recommended the Board to adopt the same.

## **REMUNERATION COMMITTEE**

The remuneration committee of the Company comprises two independent non-executive Directors, namely Mr. Cheung Yat Hung, Alton (chairman of the remuneration committee) and Mr. Yue Fu Wing; and one non-executive Director, Mr. Nicholas J. Niglio.

## **NOMINATION COMMITTEE**

The Company has established a nomination committee. The Board is tasked with ensuring that it has a balanced composition of skills and experience appropriate for the requirements of the businesses of the Group and that appropriate individuals with the relevant expertise and leadership qualities are appointed to the Board to complement the capabilities of existing Directors of the Company. The nomination committee comprises one executive Director, Mr. Lin Chuen Chow Andy (chairman of the nomination committee), and two independent non-executive Directors, Mr. Cheung Yat Hung, Alton and Mr. Yue Fu Wing.



## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

During the year ended 30 June 2021, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

## **ANNUAL GENERAL MEETING**

It is proposed that the annual general meeting of the Company (the "AGM") will be held on Tuesday, 30 November 2021 and the notice of the AGM will be published and issued to the shareholders of the Company in due course.

## **FINAL DIVIDEND**

The Board has resolved not to declare any final dividend for the year ended 30 June 2021 (for the year ended 30 June 2020: nil).

## **CLOSURE OF REGISTER OF MEMBERS FOR AGM**

The register of members of the Company will be closed from Thursday, 25 November 2021 to Tuesday, 30 November 2021 (both dates inclusive), during which period no transfer of the shares of the Company will be effected. In order to be eligible to attend and vote at the AGM or any adjournment of such meeting, all properly completed transfer documents of shares accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 24 November 2021.

## **SCOPE OF WORK OF RSM HONG KONG ON THIS PRELIMINARY ANNOUNCEMENT**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 30 June 2021 as set out in this preliminary announcement have been agreed by the auditor, RSM Hong Kong, to the amounts set out in the audited consolidated financial statements of the Group for the year ended 30 June 2021. The work performed by RSM Hong Kong in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by RSM Hong Kong on this preliminary announcement.

## **PUBLICATION OF INFORMATION ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

The results announcement is published on the websites of the Stock Exchange at <http://www.hkexnews.hk> and of the Company at <http://www.richgoldman.com.hk>, respectively. The annual report of the Company for the year ended 30 June 2021 will be despatched to the shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board  
**Rich Goldman Holdings Limited**  
**Lam Yick Man**  
*Executive Director*

Hong Kong, 29 September 2021

\* *for identification purposes only*

*As at the date of this announcement, the Board comprises Mr. Lin Chuen Chow Andy (Chairman) and Mr. Lam Yick Man as executive Directors; Mr. Nicholas J. Niglio as non-executive Director; and Mr. Cheung Yat Hung, Alton, Mr. Yue Fu Wing and Ms. Yeung Hoi Ching as independent non-executive Directors.*