

**RICH CAPITAL HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 199801660M)

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**PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR AT EXTRAORDINARY GENERAL MEETING CALLED BY SHAREHOLDERS PURSUANT TO SECTION 177 OF THE COMPANIES ACT (CAP 50)**

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The Board of Directors (the “**Board**”) of Rich Capital Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement made by the Company on 12 June 2020 and 25 June 2020 (the “**Previous Announcements**”) in relation to the calling of an EGM by the Requisitioning Shareholders pursuant to Section 177 of the Companies Act (Chapter 50 of Singapore).

*Unless otherwise defined, capitalised terms in this announcement shall have the same meanings as ascribed to them in the Previous Announcements.*

As set out in the Previous Announcements, the EGM is called for the purpose of considering and, if thought fit, passing (with or without modifications), *inter alia*, the following ordinary resolution:

**“ORDINARY RESOLUTION 1**

*That OH SIYANG be appointed as Director of the Company with effect from the date of the EGM.”*

The footnote reads as follows:

*“<sup>1</sup> Mr. Oh Siyang is an executive director of HCJ Construction Pte. Ltd. in the construction business and oversees its business development, administrative and financial departments. He is also a general manager of Lam Chee Land Pte. Ltd. in the business of property development and property management, and a director of Andori-Ken (F&B) Pte. Ltd. in the business of food and beverages. From 2013 to 2016, he worked at Leatherback Co Pte. Ltd. in the business of fashion and manufacturing as a business development advisor. Mr. Oh graduated with a Bachelor in Business Administration degree from The University of Newcastle in 2014. Mr. Oh is the son of Mr. Oh Keh Yew, a substantial shareholder of the Company. Upon appointment, Oh Siyang will be designated as Executive Director of the Company.”*

Ordinary Resolution 1 relates to the proposed appointment of Mr Oh Siyang as an Executive Director of the Company (the “**Proposed Appointment**”) and the Board wishes to announce that:

- (1) The Nominating Committee, comprising Giang Sovann and James Kho Chung Wah, had assessed the core qualifications and experience of Mr Oh Siyang and recommended that he is suitable to be appointed as an Executive Director of the Company. Mr Oh Siyang was previously introduced to the Nominating Committee by Mr Oh Keh Yew, a substantial shareholder of the Company and one of the Requisitioning Shareholders prior to the calling of the EGMs pursuant to Section 176 and Section 177 of the Companies Act (Cap. 50). The Board, comprising Giang Sovann and James Kho Chung Wah, had also concurred with the Nominating Committee in relation to his suitability with regards to the Proposed Appointment.
- (2) On 29 May 2020, following their interview and assessment of Mr Oh Siyang, the Sponsor has noted the (i) areas of potential conflicts of interest as set out below, (ii) noted that Mr Oh Siyang did not have any prior experience as a director of a Singapore Listed Entity, that the Nominating Committee

is recommended to ensure that Mr Oh Siyang attends trainings in the relevant modules as prescribed by the exchange within one year from the date of his appointment to the board and to be guided by the training requirements under Rule 406(3)(a) and Practice Note 4D of the Catalyst Rules, and (iii) concluded that “[s]ave for the above, we are pleased to inform that we have no other matters to highlight” in relation to the Proposed Appointment. The areas of potential conflicts of interest stated were: (i) competing businesses between Mr Oh Siyang and the Group in view of his immediate family businesses; and (ii) the commencement of legal proceedings against Mr Oh Sikai, a former director of the Company as announced by the Company on 28 February 2020 by virtue of Mr Oh Sikai being the brother of Mr Oh Siyang (“**Conflicts**”). In this regard, the Sponsor had highlighted that “the Nominating Committee should put in place measures to mitigate the Conflicts and update us prior to the Proposed Appointment” (“**Feedback**”).

- (3) Following the Feedback, on 3 June 2020, the Nominating Committee, in consultation with Solitaire LLP, bearing in mind the Section 216A Application filed by Mr Bryan Lim Soon Fang, proposed measures to mitigate the potential conflicts of interest. The Sponsor, noting these measures, had “no comments” on the contents of the draft Undertaking (as defined hereinafter). The Company proceeded to implement these measures and procured, on 4 June 2020, the execution of the Undertaking to its satisfaction. Taking into consideration the foregoing, its overall assessment of Mr Oh Siyang and the mitigating measures, the Nominating Committee concluded that it had no grounds to determine that Mr Oh Siyang would not act in the best interests of the Company. Mr Oh Siyang was due, at this point in time, to be appointed to the Board on 8 June 2020. An Appendix containing the key information set out in Appendix 7F is attached to this announcement for the shareholders’ reference.

#### **Potential Conflicts of Interest in respect of the Proposed Appointment and Mitigating Measures Undertaken**

##### ***Contemplated Litigation against Former Directors of the Company***

On or around 17 March 2020, Mr Bryan Lim Soon Fang, a substantial shareholder, had applied to the Court to be granted leave to bring or intervene in certain actions in the name of and on behalf of the Company, including an action against former directors, Wang Zhenwen, Soong Kar Leong and Oh Sikai (the “**Contemplated Litigation**”). (Please see the announcement on 18 March 2020 for further details). Mr Oh Siyang is the brother of Mr Oh Sikai, a former Executive Director of the Company.

In relation to the Contemplated Litigation, the Company has procured a Non-Compete Undertaking and First Right of Refusal from Mr Oh Siyang dated 4 June 2020 (the “**Undertaking**”). In the Undertaking, Mr Oh Siyang has undertaken to the Group that he will recuse himself from all discussions and undertake not to be involved in any decision in relation to any litigation undertaken by the Group against Mr Oh Sikai or to give any instructions to for the Company’s solicitors for the Contemplated Litigation, *i.e.*, M/s Solitaire LLP and M/s K&L Gates Straits Law LLC. The Company has also instructed M/s Solitaire LLP on 3 June 2020 and informed M/s K&L Gates Straits Law LLC on 8 June 2020 that Mr Oh Siyang is not to be involved or provide instructions on matters relating to the Contemplated Litigation.

##### ***Executive Functions in Companies with Competing Business***

Mr Oh Siyang, Mr Oh Sikai, and their father Mr Oh Keh Yew, a substantial shareholder of the Company, are current or former executives of HCJ Construction Pte Ltd and/or Lam Chee Land Pte Ltd whose principal business activities are similar to those of the Group (“**Potentially Competing Businesses**”).

Pursuant to the Undertaking procured by the Company, Mr Oh Siyang has also undertaken to the Group:

- (a) That he will, prior to his formal appointment as Executive Director of the Company, step down from all executive functions in the Potentially Competing Businesses and will not undertake any executive functions in the Potentially Competing Businesses throughout his tenure as an Executive Director of the Company;
- (b) That he will, pursuant to Sections 156 and 158 of the Companies Act (Cap. 50), make timely disclosures of any conflict of interests, and, if there is indeed a conflict of interests in relation to a transaction undertaken or to be undertaken by the Group, will recuse himself from all discussion and abstain from voting on that particular transaction; and
- (c) That he will, upon becoming aware of a business opportunity that directly or indirectly competes with any business carried on by the Group, notify and assist the Group in securing such business opportunity, with the Group to be granted a first right of refusal in taking up such opportunities.

The Company has done an independent search through the Accounting and Corporate Regulatory Authority system and as of 5 June 2020, Mr Oh Siyang no longer holds any directorship in the Potentially Competing Businesses.

- (4) On 5 June 2020, it was announced that Leave was been granted by the court to Mr Bryan Lim Soon Fang, a substantial shareholder of the Company, amongst others, to commence an action in the name of the Company against former directors of the Company for breaches of duties, pursuant to Section 216A of the Companies Act (Cap. 50) and to instruct M/s K&L Gates Straits Law LLC in relation to the said proceedings ("**Court Order**"). In view of the Court Order, the Sponsor had on 8 June 2020 sought clarification from the Nominating Committee whether the Nominating Committee (1) has considered the proposed ordinary resolution 4 of the Requisition Notice pursuant to Section 176 of the Companies Act (Cap. 50) that stated any Director of the Company who may be appointed between the date of the Requisition Notice and the date of EGM be removed and (2) reconsidered the rationale for the Proposed Appointment and consulted with M/s K&L Gates Straits Law LLC on whether the proposed undertaking to be executed by Mr Oh Siyang to mitigate the Conflicts is sufficient in relation to the Court Order and other legal action that may be contemplated. The Nominating Committee had on the same day provided the executed Undertaking by Mr Oh Siyang and determined that there were no developments in the Section 216A application that affects the Proposed Appointment and that the terms of Undertaking are sufficient in addressing the Conflicts.
- (5) The Sponsor had on 9 June 2020 informed the Company of its further request for, amongst others, confirmation that K&L Gates Straits Law LLC had been instructed not to involve Mr Oh Siyang or take any instructions from Mr Oh Siyang on the contemplated litigation and confirmation from K&L Gates Straits Law LLC that it has consented to the proposed sufficiency of the Undertaking in addressing the Conflicts and other legal action that may be contemplated.
- (6) By way of email from Mr Oh Kew Yew dated 11 June 2020, a group of shareholders gave notice to the Company of their intention to call for an EGM pursuant to section 177 of the Companies Act ("**Requisition Notice**").
- (7) On 15 June 2020, K&L Gates Straits Law LLC raised certain concerns on the suitability of Mr Oh Siyang (the "**Concerns**").

### **The Concerns**

- (a) That there is an Order of Court for the Company to institute legal proceedings against

former directors (including Mr Oh Sikai) and an employee of the Company for breaches of fiduciary duties to the Company.

- (b) That Mr Oh Sikai may be reported to regulatory bodies and to the authorities for his alleged egregious conduct and breaches of fiduciary duties;
- (c) That the proposed undertaking is grossly insufficient because of the close relationship of Mr Oh Sikai and Mr Oh Siyang as blood relatives and the mere fact of the family relationship makes him unsuitable to be a director.
- (d) The timing of the Proposed Appointment of a brother of an intended defendant is suspicious and indubitably presents a conflict of interests.
- (e) That the recusal by Mr Oh Siyang should extend to any other co-defendant or other co-third-parties to any litigation undertaken by the Company against Mr Oh Sikai.
- (f) That any undertaking from Mr Oh Siyang, who is proposed to be appointed Executive Director, would make it impractical for the operation of RCH, particularly if he would be the only executive director of RCH, since the Batam Project is the only project the Company is currently involved in. In this regard, the Company clarifies that it is also working on the Kim Chuan Project.
- (g) As an executive director, he would be privy to confidential communications and assisted by full-time staff who would be reporting to him as sole director.
- (h) That Mr Oh Siyang should undertake not to receive or communicate any information in relation to any Batam Project disputes.
- (i) In any case, given the matters set out above, no undertaking Mr Oh Siyang could provide would remedy the conflict of interest.

- (8) Notwithstanding the Undertaking together with the mitigation measures that may be implemented, and that nothing has come to the Sponsor's attention on matters that would legally disqualify Mr Oh Siyang from acting as a Director of the Company, the Sponsor has expressed clear reservations on the Proposed Appointment to the Nominating Committee. Such reservations were expressed in light of the Court Order granting leave for the Company to commence legal proceedings against former directors (including Mr Oh Sikai) and an employee of the Company for breaches of fiduciary duties to the Company and the fundamental Concerns raised by K&L Gates Straits Law to the Nominating Committee. As at the date of this announcement, the Sponsor believes that the Nominating Committee has yet to satisfactorily address the Concerns as to whether Mr Oh Siyang would be able to perform and discharge his duties effectively in the best interests of the Company in its recommendation of the Proposed Appointment.
- (9) On 25 June 2020, the Company received the Notice of EGM called pursuant to Section 177 of the Companies Act (Cap. 50) to be held by way of electronic means on 10 July 2020 at 11.00 am.
- (10) Having consulted its legal advisors, the Nominating Committee notes that Section 177 of the Companies Act (Cap. 50) gives members (with a minimum proportion of voting rights) the power to convene a general meeting themselves without the need to involve the Company's directors or officers. In this regard, in the event the shareholders of the Company resolves to pass the tabled Ordinary Resolution 1, the Nominating Committee will recommend to the Board to seek further advice from corporate governance professionals on additional measures that may need to be implemented to address the Concerns.

The Board will provide appropriate updates of any material developments in the matter.

BY ORDER OF THE BOARD  
**RICH CAPITAL HOLDINGS LIMITED**

Giang Sovann  
Interim Chairman and Independent Non-Executive Director

4 July 2020

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.*

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

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