

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

**RECEIPT OF WARNING LETTER FROM PRESIDENT COMMISSIONER OF JOINT VENTURE
PARTNER OF AN INDIRECT SUBSIDIARY**

The Board of Directors (the “**Board**”) of Rich Capital Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcements dated 17 May 2019, 23 May 2019, 4 June 2019, 14 June 2019, 16 June 2019, 5 July 2019, 18 July 2019, 30 July 2019, 14 August 2019, 13 September 2019, 24 January 2020, and 4 February 2020 (collectively, the “**Previous Announcements**”) in relation to issues raised by PT Karya Indo Batam (“**KIB**”), the joint venture partner of the indirect subsidiary, Oxley Batam Pte. Ltd. (“**OBPL**”), over the management and payment of the project at the Oxley Convention City, Batam (the “**Project**”).

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

The Company wishes to announce that OBPL has been copied in a letter dated 7 February 2020 from Poni Madjukie, in his capacity as President Commissioner of PT OKIB, addressed to Mr Wang Zhen Wen, the former Non-Independent Non-Executive Chairman in his capacity as President Director of PT OKIB (the “**7 February Letter**”). The 7 February Letter contains allegations that:

- (i) OBPL has breached its obligations under the Shareholders Agreement dated 12 August 2016 and the Joint Operations Agreement dated 12 August 2016 through gross mismanagement of the sales of the Project by selling units in the Project, under direct orders from the President Director(s) of PT OKIB, without complying with an Indonesian law which provides that Sale and Purchase Agreements (“**SPAs**”) with buyers can only be entered into once building construction progress has reached 20%;
- (ii) The illegal signing of the SPAs have been ongoing since the inception of the Project in 2016; and
- (iii) The President Director of PT OKIB, the signatories of the SPAs and/or PT OKIB could be convicted of a maximum of 4 years’ imprisonment and a maximum fine of Rp4,000,000,000.

Following the aforementioned, the 7 February Letter demanded that:

- (i) PT OKIB within seven (7) calendar days fully refunds all of the buyers’ deposits and cancel all the SPAs that have been made with the buyers as the building construction has not reached 20% and the issuance of the SPA is a criminal act; and
- (ii) In the event that cash in PT OKIB is insufficient to refund buyers, a capital call be requested from OBPL as stipulated in the Shareholders Agreement and Joint Operations Agreement.

The Company wishes to clarify that it only acquired an indirect interest in OBPL on or about 16 March 2018, being the date of a Sale and Purchase Agreement between Rich Batam Private Limited (“**RBPL**”), a wholly subsidiary of the Company, and Oxley International Holdings Pte Ltd (“**OIHL**”) for the purchase of 80% of the issued share capital of OBPL. Pursuant to a Shareholders’ Agreement between RBPL, OIHL, and OBPL dated 18 May 2018, OIHL undertook to be jointly responsible with RBPL for all necessary marketing channels and material in respect of the Project, including putting up the Project for sale.

In addition, Mr Wang Zhen Wen was only appointed as the President Director of PT OKIB, as nominated by OBPL, on or about 19 November 2018. Mr Wang Zhen Wen’s resignation as President Director had been submitted to the shareholders of PT OKIB during the Extraordinary General Meeting held on 26 November 2019. However, the said resignation had not been approved.

OBPL is currently seeking Indonesian legal advice on the 7 February Letter. The Company will update the shareholders when there are further material developments in the said matter.

BY ORDER OF THE BOARD
RICH CAPITAL HOLDINGS LIMITED

Giang Sovann
Interim Chairman and Independent Non-Executive Director

11 February 2020

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.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg)