

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

RESPONSE TO LETTER FROM 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, 4 February 2020, 11 February 2020, 25 February 2020, and 9 March 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 received a letter dated 10 March 2020 from Poni Madjukie (the “**10 March Letter**”), in his capacity as President Director of KIB, which was sent in reply to OBPL’s letter dated 6 March 2020. The 10 March Letter stated that:

- (i) It was never KIB’s intention to “mutually terminate” the joint venture;
- (ii) As OBPL has allegedly agreed and acknowledged that the pre-sale and purchase agreements (“**PPJBs**”) are illegal under Indonesian law, all buyer’s agreements are void and OKIB must immediately return all buyers’ monies;
- (iii) KIB is advised that “the joint venture between Oxley Batam and KIB are accordingly also void because of this illegality act of criminal under Indonesian law”; and
- (iv) KIB shall proceed to immediately refund all buyers.

OBPL also received an email on 17 March 2020 (the “**17 March Email**”) from Poni Madjukie, in his capacity as President Commissioner of PT OKIB, requesting approval of the issuance of cheques from PT OKIB to refund the buyers and seeking OBPL’s cooperation to sign the cheques.

OBPL has since replied to the 10 March Letter and 17 March Email by way of a letter dated 26 March 2020, stating as follows:

- (i) Mr Poni Madjukie has failed to reply to OBPL’s letter dated 6 March 2020 on obtaining further legal advice on various issues relating to the refund;
- (ii) Oxley International Holdings Pte Ltd (“**OIHL**”) has since written to both KIB and PT OKIB on 13 March 2020 denying that the sales transactions are illegal or that OIHL’s representatives had committed any illegal acts;
- (iii) Given the conflicting assertions by KIB and OIHL, OBPL would like PT OKIB to obtain independent legal advice from a reputable Indonesian legal expert, and for the expert to investigate the facts and render an opinion;
- (iv) If the sales transactions are not illegal as contended by OIHL, then there is no basis for a refund;
- (v) KIB’s position on the termination of the joint venture and allegation that the joint venture is void because of the apparent illegality of the sales transactions will be addressed separately;
- (vi) PT OKIB must comply with the law, and that Indonesian legal advice is necessary for PT OKIB to ascertain what its obligations are under the law and how to discharge its obligations to the buyers; and
- (vii) PT OKIB should take immediate steps towards appointing a reputable and independent legal advisor urgently.

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

31 March 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 Catalist.

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)