



## OXPAY FINANCIAL LIMITED

(Company Registration Number: 200407031R)

(Incorporated in the Republic of Singapore)

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### CLARIFICATION ON ARTICLES REFERRING TO MR CHING CHIAT KWONG

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The board of directors (the “**Board**” or “**Directors**”) of OxPay Financial Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to:

- (a) the article published on the website of ANSA.it on 16 July 2024 entitled “Venice Mayor probed, his transport chief arrested” ([https://www.ansa.it/english/news/politics/2024/07/16/venice-mayor-probed-his-transport-chief-arrested\\_f0c9c14e-dfa6-4d18-b778-8712e5832ebe.html](https://www.ansa.it/english/news/politics/2024/07/16/venice-mayor-probed-his-transport-chief-arrested_f0c9c14e-dfa6-4d18-b778-8712e5832ebe.html));
- (b) the article published on the website of AP News on 17 July 2024 entitled “Venice mayor under investigation in wide-ranging corruption scandal. He denies wrongdoing” (<https://apnews.com/article/venice-corruption-investigation-mayor-brugnaro-fb981c7c12cdcde8ae10de737f3af18f>); and
- (c) the article published on the website of Gutzy Asia on 24 July 2024 entitled “Singapore magnate involved in Venice corruption scandal” (<https://gutzy.asia/2024/07/24/singapore-magnate-involved-in-venice-corruption-scandal/>) (the “**GA Article**”)

(collectively, the “**Articles**”).

The Articles refer to the alleged involvement of Mr Ching Chiat Kwong (“**Mr Ching**”), the Non-Executive Non-Independent Chairman of the Company, in a corruption investigation against certain public officials in Venice, Italy (the “**Investigation**”).

Mr Ching has informed the Board that:

- (1) Mr Ching's name has been added in the register of persons against whom investigations are in progress and such registration constitutes, in the applicable procedural regime, a due measure intended to guarantee the defensive rights of those involved in a criminal investigation. The entry is a result of allegations made to the Venetian judicial authorities in respect of Mr Ching's personal investment projects in Tuscany and Venice. It has been alleged that Mr Ching allegedly reached an agreement with the Mayor of Venice to obtain, in exchange for an increased purchase price of the waterfront area (the “**Pili Land**”), a change in the building indexes and a favourable price for the purchase of two buildings at that time owned by the Municipality of Venice (Palazzo Donà and Palazzo Papadopoli).
- (2) With regard to the Pili Land, the contacts between Mr Ching and the Mayor of Venice took place between 2016 and 2017. The contacts that took place never resulted in either a negotiation or in any design phase.
- (3) With regard to Palazzo Papadopoli, its acquisition by Mr Ching was through public and competitive procedures. Previous attempts by the Municipality of Venice to sell it at a higher auction base had failed (proving that the sale price that had been set was excessive).
- (4) There is no document proving that the alleged payment of Euro 73,000 to Councillor Renato Boraso is related to the sale of Palazzo Papadopoli, nor is there any evidence that Mr Ching or his managers in Italy are aware and ever played a role in such payment.

- (5) The allegations against Mr Ching are unfounded and untrue. No charges have been brought against Mr Ching by the Venice Public Prosecutor's Office. Investigative and defensive activities are being carried out by the lawyers appointed by Mr Ching, aimed at proving and demonstrating the full integrity of Mr Ching's actions in the real estate acquisitions in the city of Venice.
- (6) Based on the case files of the ongoing investigation in Venice reviewed by Mr Ching's lawyer, the investigation by the Venice Public Prosecutor's Office started in November 2021 after the complaint filed by Claudio Vanin. Mr Ching's lawyer has advised that according to the Italian Code of Criminal Procedure, investigations are carried out in secret, which means that the person who is under investigation does not have the right to know immediately about the investigation. Mr Ching had not received any information, whether official or informal, about the existence of the investigation by the Public Prosecutor's Office at the Court of Venice. After Mr Ching received the GA Article on 24 July 2024, he enquired with his manager in Italy and he was subsequently briefed by the lawyers on his personal involvement in the ongoing investigation based on the case files reviewed.
- (7) Mr Ching's lawyer has advised that no precautionary measure restricting personal liberty has been requested by the Public Prosecutor or ordered by the Court of Venice against Mr Ching. Mr Ching is thus not subject to any personal restrictions in Italy. Mr Ching's lawyer also informed that no person has been arrested in connection with the Pili Land negotiation or the purchase of Palazzo Dona and Palazzo Papadopoli. The arrests of Venetian public administrators mentioned in the press concern facts totally unrelated to Mr Ching's investment activities in Venice. Mr Ching has further informed that he had been in Florence in November 2022 to attend and receive the Special Ambassador Asia title from the President of Tuscany to promote Tuscany commerce, culture and tourism, without incident.

The Board wishes to clarify that the Group is not involved in the transactions referred to in the Articles in any capacity and the Investigation does not relate to the Company or the Group. The business and operations of the Group are also not affected by the Investigation.

Based on the information provided by Mr Ching and in view that the Investigation is ongoing, the Nominating Committee of the Company (the "**NC**") and the Board (excluding Mr Ching and Mr Shawn Ching Wei Hung ("**Mr Shawn Ching**"), the Non-Executive Non-Independent Deputy Chairman of the Company who is the son of Mr Ching) are of the view that the Investigation does not at this juncture suggest any adverse finding on the character and integrity of Mr Ching nor does it compromise his capabilities as the Non-Executive Non-Independent Chairman of the Company. As such, the NC and the Board (excluding Mr Ching and Mr Shawn Ching) are of the view that Mr Ching remains suitable to continue in his role as Non-Executive Non-Independent Chairman of the Company and believe that his continued appointment is in the interests of the Group. As Mr Ching is not involved in the day-to-day business and operations of the Group, the Board (excluding Mr Ching and Mr Shawn Ching) is of the view that it is not necessary to put in place any measures to safeguard against risks associated with Mr Ching's continued appointment.

Mr Ching has undertaken to keep the Board updated on the progress of the Investigation and the Company will make further announcements on subsequent developments as and when appropriate. The Board will continue to monitor the progress of the Investigation as informed by Mr Ching and evaluate his continued suitability as the Non-Executive Non-Independent Chairman of the Company based on any updated information.

#### **By Order of the Board**

**Yick Li Tsin**

Executive Director and Chief Executive Officer

30 July 2024

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*This announcement 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 announcement has not been examined or approved by the SGX-ST and 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 Ms. Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.*