

**UPDATE ON LEGAL ACTION BY JOINT VENTURE PARTNER  
AGAINST JOINT VENTURE OF THE COMPANY**

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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 PT Oxley Karya Indo Batam (“**PT OKIB**”), the joint venture between indirect subsidiary, Oxley Batam Pte. Ltd. (“**OBPL**”), and PT Karya Indo Batam (“**PT KIB**”) for the project at the Oxley Convention City, Batam (the “**Project**”) and the Company’s announcements on 11 September 2020, 17 September 2020 and 30 September 2020 and its response to SGX queries on 22 September 2020 relating to, *inter alia*, the legal action commenced by PT KIB against PT OKIB in Indonesia (“**Suit 230**”) (collectively, the “**Previous Announcements**”).

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

As disclosed in the Previous Announcements, PT KIB commenced Suit 230 against PT OKIB at the District Court of Batam on 27 August 2020, without the knowledge of Company or OBPL. On 9 September 2020, PT KIB and PT OKIB reached a settlement agreement following a successful mediation. On 15 September 2020, a hearing took place in which the parties reported the successful mediation to the panel of judges. OBPL had, in its letters dated 7 September 2020 and 15 September 2020 to PT OKIB and PT KIB, demanded information relating to Suit 230 and the mediation and PT OKIB’s response on how it intends to defend its interests and assets in Suit 230. To date, the Company/OBPL has not received any substantive response to these demands for information.

The Board wishes to announce that on 28 September 2020, the Company received from its Indonesian counsel a copy of the settlement decision in Suit 230 dated 16 September 2020 in Bahasa Indonesia (the “**Settlement Decision**”) and gave instructions for its translation on the same day. The Company received the English translation of the Settlement Decision on 6 October 2020 and consulted its legal advisers on its contents, which include the terms of the settlement agreement entered into between PT KIB and PT OKIB (the “**Settlement Agreement**”) and the orders made by the panel of judges in Suit 230 (the “**Court Orders**”).

**Terms of the Settlement Agreement**

Based on the English translation of the Settlement Decision, the material terms of the Settlement Agreement are as follows:

- (1) To terminate the Joint Operation Agreement between PT OKIB and PT KIB dated 12 August 2016 and the Joint Operation Deed between PT OKIB and PT KIB dated 1 November 2016;
- (2) To annul all powers of attorney (“**POAs**”) granted by PT KIB to PT OKIB;
- (3) To order PT OKIB to refund the customers’ money and to immediately annul all conditional sale and purchase agreements (*Perjanjian Pengikatan Jual Beli*) which were drawn up and signed by the President Director of PT OKIB and their representatives;
- (4) PT KIB will provide a loan, to a maximum of 50%, to refund the customers’ money; the loan carries an interest rate of 6% per annum or 0.5% per month, in addition to a penalty of 7% per month which accrues 15 days from the due date of the loan.

## Terms of the Court Orders

The panel of judges made the following orders:

- (1) To adjudge both parties, the plaintiff Poni Madjukie, director of PT KIB and Winston Madjukie, director of PT OKIB, to fulfil the Settlement Agreement;
- (2) To adjudge Poni Madjukie, director of PT KIB, to pay the costs of Suit 230 in the amount of Rp 236,000 (or approximately S\$ 21.70).

Based on the management accounts of PT OKIB as at 30 June 2020, *i.e.*, the last accounts available to the Company, the total amount due to buyers was Rp 151,190,316,801.33 (or approximately S\$ 13,924,023.42). The Company is not able to assess the financial impact of the Settlement Agreement and/or the refund at this juncture as the Company continues to be in consultation with its Singapore and Indonesian legal counsel with a view to taking such steps as may be necessary for the recovery of its investment in the Project. The Company will make further announcements as appropriate to update shareholders accordingly.

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

Giang Sovann  
Interim Chairman and Independent Non-Executive Director

13 October 2020

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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