

BUSINESS UPDATE

INTRODUCTION

The Board of Directors (the “**Board**”) of Raffles Infrastructure Holdings Limited (the “**Company**”) and together with its subsidiaries, (the “**Group**”) would like to provide an update in relation to its new business avenue in digital infrastructure.

The Company first disclosed its plan to diversify its business in the Company’s last Annual General Meeting held in October 2021 with an objective of having additional revenue stream for its stakeholders, by venturing into digital infrastructure, an avenue identified as the next business segment with substantially high potential to embark onto, in view of the rapid demand in technology and digitalization in the market.

With the new business plan, the Company has appointed new members to the Board and management over the last two months, strengthening the structure in preparation for the additional inflow of businesses. It has also incorporated its wholly-owned subsidiary in Singapore; Raffles Digital Infrastructure Pte. Ltd. (“**Raffles Digital**”), the entity to develop and conduct the digital infrastructure business.

COLLABORATION AGREEMENT WITH DIGITAL TREASURES CENTER PTE. LTD.

The Company is pleased to update its stakeholders that Raffles Digital has, on 15 February 2022, entered into a collaboration agreement with Digital Treasures Center Pte. Ltd. (“**DTC**”) as its first payment gateway partner for Singapore and South-East Asia as part of Raffles Digital’s digital service eco-system (the “**Collaboration Agreement**”).

As part of the Collaboration Agreement, Raffles Digital and DTC will work together to develop and provide digital infrastructure systems and services that are built on blockchain and distributed ledger technology.

The salient terms of the Collaboration Agreement are as follows:

- (a) the scope of activities shall include, *inter alia*:
- i. reciprocal sharing of capabilities and products including technology, knowledge sharing and relevant data on a non-exclusive basis for the purpose of business and/or product development.
 - ii. co-develop best practices and procedures for the provision of shared services, and with the consent of Raffles Digital and DTC.
 - iii. the collection and sharing of customer feedback and data where applicable and subject to relevant regulatory and/or internal information and/or privacy controls and protections;

- iv. joint publicity of the partnership between the parties under the Collaboration Agreement; and
 - v. joint efforts to develop new businesses internationally especially in the crypto to fiat payment technology systems and services.
- (b) the Collaboration Agreement is a pre-cursor arrangement prior to the adoption of a formal contractual agreement or partnership agreement.
- (c) each party shall be responsible for bearing its own operating costs, unless both parties agree to share specific pre-production costs, and in a proportion to be agreed in advance.
- (d) the initial term of the Collaboration Agreement shall commence on the effective date of the Collaboration Agreement and continue for a period of six (6) months, which term shall automatically renew for successive annual periods unless terminated by either party upon at least thirty (30) days written notice prior to the end of any term (the initial term, plus any applicable renewal term); provided in the event of any change in control of the Company, DTC shall have the right to terminate the Collaboration Agreement upon seven (7) days' notice. Termination effected in accordance with this paragraph shall be without penalty to any party.
- (e) the Collaboration Agreement will be governed by and construed in accordance with the laws of Singapore, without regard to principles of conflicts of laws. The parties agree that any action relating to the Collaboration Agreement will be referred to and finally resolved by Singapore International Arbitration Center (SIAC) and each Party waives its right to a change of jurisdiction or venue.

ABOUT DIGITAL TREASURES CENTER PTE. LTD.

DTC is an enterprise payment service provider incorporated in Singapore with PCI-DSS level 1 certification and winner of the prestigious Fintech Partner Award at Singapore Fintech Festival. Its payment solution, DTC Pay, offers both individual and commercial users the ability to receive and settle payment, including cryptocurrency. The payment infrastructure allows merchants and consumers to interact with fiat and cryptocurrency seamlessly. For more information, please go to www.dtcpayment.com.

DTC is an independent third party and is not related to any of the Directors or controlling shareholders of the Company and their respective associates. As at the date of this announcement, DTC does not have any interest in the shares of the Company.

SOURCE OF FUNDS AND FINANCIAL IMPACT

The projects undertaken in connection with the Collaboration Agreement will be funded by the working capital of Raffles Digital as and when such projects are undertaken.

The Group's entry into the Collaboration Agreement is not expected to have a material impact on the earnings per share and the net tangible assets per share of the Group for the financial year ending 30

June 2022.

INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in relation to the entry into the Collaboration Agreement other than through their shareholdings (if any) in the Company.

FURTHER ANNOUNCEMENTS

As at the date of this announcement, the entry into the Collaboration Agreement is not expected to change the risk profile of the Company. Accordingly, the Company will convene a special general meeting to obtain shareholders' approval for the proposed diversification into the digital infrastructure business at the relevant time when such obligation arise in compliance with the Listing Manual.

The Company will make the necessary announcements in compliance with the Listing Manual as and when appropriate and where there are material developments.

The Board is supportive and is looking forward to seeing a fruitful collaboration between the Company and DTC in developing new relevant blockchain technologies and digital infrastructure in the South East Asia region.

By Order of the Board

Raffles Infrastructure Holdings Limited

Ryan Chiu Tzong Min

Executive Director and Deputy Chief Executive Officer

15 February 2022