

Raffles Digital Infrastructure signs agreements to partner with TossPayments and Iro Holdings, the platform provider of Pay2Pay



Singapore, 28 July 2022 – The Board of Directors (the “**Board**”) of Raffles Infrastructure Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that its wholly-owned subsidiary, Raffles Digital Infrastructure Pte. Ltd. (“**RDI**”) has, on 28 July 2022, entered into (a) a service agreement with Toss Payments Co., Ltd. (“**TossPayments**”) for provision of electronic payment processing services (the “**Service Agreement**”), and (b) a business collaboration agreement with Iro Holdings Co., Ltd. (“**Iro Holdings**”) for business and technical cooperation using the electronic payment agency services (“**PG**”) of Iro Holdings (the “**Business Collaboration Agreement**”) in order to support and facilitate the market expansion of international firms into the Republic of Korea. The Service Agreement and Business Collaboration Agreement will help RDI in providing advisory and payment API services for our clients to effectively expand and strengthen their footprint in the Republic of Korea.

The Republic of Korea is known for having fast and advanced internet networks in the world. This leads to one of the highest internet penetration rates in the world with 93% or approximately 47.32 million internet users.¹ With a relatively high internet penetration rate, this has effectively fueled the growth of the eCommerce industry in the Republic of Korea with US\$ 119 billion in revenue as of 2021.² In addition,

¹ <https://www.statista.com/statistics/432145/internet-users-in-south-korea/>

² <https://www.statista.com/outlook/dmo/ecommerce/south-korea>

the COVID-19 pandemic has further accelerated the growth of the eCommerce industry because of the adoption of online shopping. The borderless global economy has enticed international merchants to expand into the Republic of Korea and capitalize on the growing eCommerce market. To ensure a successful market entry, it is critical for merchants to understand the local payment landscape to keep up with trends or innovative ways to pay for goods and services.

As the payment ecosystem continues to transform quickly, RDI will partner with TossPayments and Iro Holdings to provide payment services to merchants in the Republic of Korea. TossPayments is a financial service platform with an Electronic Payment Agency (PG) License that is operated under a fintech startup, Viva Republica in the Republic of Korea. As one of the biggest payment providers in the country, TossPayments supports more than 20 different payment channels. Additionally, it has supported the payment functions of many international brands such as Costco, Gucci, and Samsung, to mention a few. Pay2Pay is a financial service platform of Iro Holdings through which, Iro Holdings operates online card payment system in the Republic of Korea. Iro Holdings has collaborated with major payment providers to support their payment functions to 40,000 merchants.

In accordance with the terms and conditions of the Service Agreement, TossPayments will serve as RDI's strategic payment gateway partner in the Republic of Korea. TossPayments has the expertise to help RDI's merchants navigate the local payment landscape and regulations by providing merchants with the relevant payment solutions in the Republic of Korea. The term of Service Agreement is for a period of 2 years and shall be automatically renewed by 1 year unless otherwise agreed or notified by either party. The Service Agreement may be terminated with 7 days' prior written notice or with immediate effect in accordance with the terms and conditions of the Service Agreement. The termination of the Service Agreement shall not have any effect on the other party's right to claim damages. Toss Payments reserves the right to withhold the payment of any unpaid settlement amount and to refuse the returns or discharge of any security interests submitted or established by RDI following Toss Payments' termination for the Service Agreement unless and until Toss Payments and RDI mutually confirm the cause for the withholding of payment or return of security interest has been resolved. RDI and Toss Payments shall address in good faith any claims or complaints raised by a user following the termination of the Service Agreement, with respect to the transaction carried out through the services prior to such termination.

In accordance with the terms and conditions of the Business Collaboration Agreement, Iro Holdings will provide payment solution technology, through its platform, Pay2Pay, to enhance the accessibility, convenience, and transaction stability of the merchants. Iro Holdings will, *inter alia*, (a) support the conclusion of PG contracts between domestic PG companies and RDI, which are affiliates of Iro Holdings, (b) provide stable support and cooperation of electronic payment agency services, (c) provide APIs that can be paid by domestic cardholders, and (d) provide support for data linkage management with PG company (related to RDI overseas payment settlement business). RDI will, *inter alia*, (a) conduct the partner recruitment work, (b) provide partner transaction data sharing with Iro Holdings, (c) manage soundness and risk management of transactions subject to partner settlement, (d) provide stable fund management and fixed business affairs for partners, and (e) prevent claims and support customer complaints. The term of the Business Collaboration Agreement is for a period of 3 years which shall be extended automatically unless otherwise agreed between parties. Iro Holdings and RDI may terminate the Business Collaboration Agreement by mutual consultation or if either party deems it to be in violation

or incapable of performing. In the event that the Business Collaboration Agreement is terminated, all monetary liabilities previously incurred shall lose the benefit of the term and shall be paid immediately.

The presences of TossPayments and Iro Holdings as our strategic payment partners play a significant role in providing merchants with value-added services and solutions for enabling eCommerce. The capability of providing comprehensive digital payment solutions helps to drive efficiency into the business operations, paving the way for a successful market expansion for the merchants into the Republic of Korea.

Furthermore, the partnerships allow TossPayments and Iro Holdings to expand further into other markets by leveraging on RDI's network. RDI is committed to extending full support to TossPayments and Iro Holdings to establish a presence in other markets.

The entry into the Service Agreement and Business 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 2023.

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

"We are happy to partner with TossPayments and Iro Holdings to provide payment service for our merchants in South Korea. RDI, TossPayments, and Iro Holdings share a common goal and are excited to collaborate to provide comprehensive digital payment services and solutions to these merchants. This partnership with TossPayments and Iro Holdings has certainly strengthen our confidence in solidifying our presence in the region, RDI will continue to help our merchants to achieve growth in the long term." **Ryan Chiu, Director of RDI, Deputy Chief Executive Officer of Raffles Infrastructure Holdings Limited.**

"Iro Holdings and TossPayments are happy to provide payment solutions to a wide range of customers based on its technology. As a leading payment solution provider in South Korea, Iro Holdings, through its Pay2Pay platform is focused on providing convenient and credible experience to the domestic card users in South Korea since 2005. We expect that RDI, Iro Holdings, and TossPayments will take a step forward in the card payment market by providing convenient and secure payments to global card users and RDI' merchants." **Iro Holdings and TossPayments**



About Raffles Digital Infrastructure Pte. Ltd.

Raffles Digital Infrastructure Pte. Ltd. is a subsidiary of Raffles Infrastructure Holdings Limited (SGX: LUY). With a focus of helping companies within the Regional Comprehensive Economic Partnership (RCEP) region, RDI looks to provide the digital technology infrastructural backbone, acting as the one stop platform for MSMEs, providing strategic expertise and equipping them with digitalization capabilities in a quick and affordable way. The company provides service such as market entry advisory services, RCEP supply chain infrastructure, Software as a Service (SaaS), Platform as a Service (PaaS), and Payment API solution.

For more information, visit <https://rafflesinfrastructure.com>

About TossPayments

TossPayments is a financial service platform that is operated by fintech startup group, Viva Republica Inc. Incorporated in 2020, TossPayments has acquired the Electronic Payment Agency (PG) License from the Republic of Korea. TossPayments provides the infrastructure to facilitate online payments with more than 20 payment channels such as credit card, e-money, virtual account. TossPayments is committed to providing a comprehensive digital payment ecosystem that enhances the financial convenience of both merchants and consumers.

For more information, visit <https://toss.im>

About Iro Holdings Co., Ltd.

Pay2Pay is a financial service platform of Iro Holdings that operates online card payment system in the Republic of Korea with more than 40,000 affiliates. Iro Holdings is committed to remove the difficulty and alleviate inconvenience of operating a conventional payment gateway through its payment solution technology. The company has collaborated with many major payment providers to provide easy payment functions such as card payment, SNS/blog payment, URL link payment for corporates and SMEs in the Republic of Korea.

For more information, visit <https://www.pay2pay.co.kr>