
SIGNING OF FINAL AGREEMENT - TRUST GREEN CITY

The Board of Directors (the “**Board**”) of Raffles Infrastructure Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refer to the announcement made on 08 May 2020 and wish to provide an update on the progress on the township development project in Dhaka, Bangladesh with the Army Welfare Trust of the People’s Republic of Bangladesh.

1. BACKGROUND

- 1.1 The Army Welfare Trust of the People’s Republic of Bangladesh (“**AWT**”) is the owner of the plot of land, measuring approximately 51.93 acres in size, (the “**Project Land**”) designated for the development of an integrated residential town (the “**Project**” or “**Trust Green City**”) in Baunia, Dhaka, Bangladesh, as per the Master Plan (as attached to the Final Agreement). The value of the Project is estimated to be about US\$ 1.0 billion.
- 1.2 In 2019, AWT undertook a selection procedure to engage a developer for the designing, financing, construction, marketing, operation and maintenance of the township development. The Company, amongst several other participants, submitted proposals for this Project.
- 1.3 In February 2020, the Company’s proposal was eventually selected and approved by the AWT, and the Company was invited to formulate a memorandum of understanding (“**MOU**”) with the AWT.
- 1.4 On 7 May 2020, the Company inked the Framework MOU with the AWT which set the framework for a final agreement (“**Final Agreement**”) to be entered into by the Company and the AWT. The MOU was announced as mentioned on 08 May 2020.
- 1.5 On the day of this announcement, the Company has executed the Final Agreement with the AWT. Upon execution of the Final Agreement, the Company is officially engaged by the AWT as the exclusive developer for the Residential Zone 02, 03 & 04 for Trust Green City, subject to certain conditions precedent to be satisfied by the Company as well as AWT which are specified below.

2. SIGNIFICANT TERMS OF THE FINAL AGREEMENT

- 2.1 The Final Agreement sets out the commercial terms and the obligations and responsibilities of each party thereto in respect of the Project, including the technical specifications and requirements of the Project.
- 2.2 The Final Agreement also contains certain conditions precedent to be satisfied by each party thereto as follows:

- 2.2.1 In respect of AWT, it shall, among other conditions, submit the following documents to the Company:
- (a) Documents/papers showing that the Project Land has been mutated (transferred) in the name of AWT, and that land revenue payment receipts showing up-to-date payment of land revenue in the name of AWT;
 - (b) Master Plan showing the Approach Roads connecting Project area;
 - (c) Digital Survey Map of the Project Land demarcating distinctively the area of the Project and the concerned dag/plot numbers under which the Project Land is situated;
 - (d) Physical demarcation of the Project Land;
 - (e) Documents showing that necessary arrangements for adequate supply of water, power, gas and sewage connection from the municipal system up to the boundary of Zone 2, 3 & 4 has been made as per the requirement of the Project; and
 - (f) Execute a power of attorney (“**POA**”) in favour of the Company within 60 days from the date of the Final Agreement for the purpose of undertaking various tasks in relation to the Project in accordance with the terms and conditions of the Final Agreement.
- 2.2.2 In respect of the Company, it shall, among other conditions, submit the following documents to AWT:
- (a) Certain corporate and incorporation papers relating to itself; licenses to be applied for and obtained from the relevant Bangladeshi authorities, in particular, the approval from the Bangladesh Investment Development Authority (“**BIDA**”);
 - (b) Incorporation paper and relevant permits for the local Bangladeshi local company that will be incorporated for the purposes of the Project; and
 - (c) Financing plans for the implementation of the Project, including agreements and contracts executed by the Company with its financing partners for accomplishing the Project; and also agreements and memorandums of understanding executed by the Company with its affiliated partners, such as contractors and architects.
- 2.3 In accordance with the terms of the Final Agreement, the Company is required to make payment to AWT amounting to a total of US\$13 million (“**Signing Money**”) which will be paid by the Company after it has received all required approvals of the BIDA and all relevant authorities.
- 2.4 The commencement date of the Project shall be set by both AWT and the Company

upon certain pre-commencement work having been completed after the handover of the Project Land by AWT (“**Commencement Date**”).

- 2.5 Completion of the Project is slated to be not later than five (5) years from the Commencement Date.
- 2.6 It is to be noted that while the Company is engaged as the developer of the Project, the financing of the Project will be provided by sub-contractors and various partners the Company will assign the construction and development of the Project to. As with the Group’s current project in Xingwen county in the Peoples’ Republic of China, the Company’s main role will be one of active management of the Project.
- 2.7 The Company’s anticipated principal outlay is limited to the Signing Money which will be funded from internal resources and borrowings. In addition to the Signing Money, there will be costs and expenses to be incurred in relation to legal, technical and other fees payable to professional advisors retained for the Project.

3. THE GROUP’S EXISTING CORE BUSINESS

- 3.1 The Group is principally engaged in the businesses of:

- (a) infrastructure investments and developments in Asia; and
- (b) management of such infrastructure investments and developments.

(“**Existing Core Business**”).

- 3.2 In the circular addressed to shareholders dated 28 August 2018 (“**2018 Circular**”), the Company had sought and received shareholders’ approval for the Proposed Business Diversification (as defined in the 2018 Circular). The Proposed Business Diversification is defined to mean:

“the investment by the Company in the three (3) major sectors of infrastructure that provide essential services and help drive economic growth and productivity, comprising (i) the utilities sector (electricity, gas, communications and water), (ii) the transport sector (airports, roads, seaports and rail) and (iii) the social sector (education facilities, hospitals and other community facilities)”.

- 3.3 As at the latest completed financial year, the Existing Core Business is the sole revenue contributor to the Group.
- 3.4 Although the entry into by the Company of the Project is not substantially different from the Existing Core Business and the Company will work with partners who have wide experience throughout Asia, the Company intends to consult the Singapore Exchange Regulation Pte. Ltd (“**SGX Regco**”) as to whether shareholders’ specific approval is required for the entry into of this Project on the grounds that the Company’s risk profile may be considered to have changed owing to the geographical expansion of its Existing Core Business.

- 3.5 The Company will update shareholders once it has the outcome of its consultation with the SGX Regco, as discussed in paragraph 3.4 above.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

No director has any interest in the Project, and other than the shareholding interests of the substantial shareholders of the Company, no substantial shareholder has any interest in the Project either.

5. FURTHER UPDATES AND TRADING CAUTION

The Group will make further announcement when there are material developments in the Project. In the meantime, the Company would like to advise all shareholders and investors to trade in the Company's securities with caution as any of the conditions precedent set out in paragraph 2.2 may not be fulfilled or able to be fulfilled some conditions such as approvals from the BIDA may be subject to further conditions to be fulfilled.

By Order of the Board

Eric Choo Han Kiat

Executive Director and Chief Executive Officer

30 November 2020