

## ENTRY INTO OF A NON-BINDING MEMORANDUM OF UNDERSTANDING

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The Board of Directors (the "**Board**") of Raffles Infrastructure Holdings Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that it has entered into a non-legally binding memorandum of understanding (the "**MOU**") with KORAMCO Fund, a real estate & energy/infrastructure fund and asset management company established in the Republic of Korea ("**KOR**") on 13 December 2019.

### Background

The Company has been engaging the Bangladesh Army Welfare Trust ("**Bangladesh AWT**") with a view to being selected a finalist for the purposes of tendering for a contract for a township development project (the "**Baunia Project**") that the Bangladesh AWT is leading.

The Baunia Project sits on approximately 50 acres of land, with a construction area of about 10.8 million square feet in land area. The project value is estimated to be about USD 0.8 Billion. The objective of the Baunia Project is to develop accommodation for the middle to low-income group with civil and community facilities.

If awarded a contract under the Baunia Project, the Company could be appointed the master planner, developer and manager of Zones 2,3,4 comprised within the Baunia Project. The Company will work alongside other companies of renown such as Surbana Jurong Pte. Ltd. and CNQC Engineering & Construction Pte Ltd who are anticipated to participate in the Baunia Project.

### The MOU

Under the MOU, the Company and KOR have agreed to partner each other by jointly submitting proposals to the Bangladesh AWT and/or any other relevant authority to participate in the Baunia Project by presenting themselves as the partner that has financial funding expertise, and the expertise to manage the development of the Baunia Project under a private public partnership ("**PPP**") with the Bangladesh AWT. KOR is prepared to provide funding up to USD 80 Million with reference to the Project.

As at the date of the MOU, the Company and KOR have not determined the legal form of how they will partner each other in the Baunia Project. The partnership could take the form of a new joint venture company to be jointly owned by the Company and KOR, or it could take the form of a contractual partnership.

### About KOR

KOR is a real estate & energy/infrastructure fund and asset management company established in the Republic of Korea. It has USD 4.6 billion worth of assets under its management, with 70 different funds and USD 1.3 billion in total new fund. For more information, details can be found at <https://www.koramcofund.co.kr/eng/mainPage.do>.

### Conditions Precedent to Participation of the Baunia Project by the Company

Participation in the Baunia Project is, however, subject to the following matters having been satisfactorily determined by the Company and/or KOR (in their sole discretion):

- (a) confirmation that the Baunia Project is listed under the initiative of the Bangladesh AWT to look for joint venture partner(s) for the said project, and that the appointment of joint venture partners may proceed with direct negotiation with the office of the Bangladesh

AWT, and/or such other relevant Bangladeshi authorities in relation to a definitive agreement being signed by all parties concerned;

- (b) confirmation of an invitation from the Bangladesh AWT having been received by the Company to submit a final proposal for the Baunia Project;
- (c) all required licences, permits and approvals having been granted (at least on an in-principal approval basis) after a contract under the Baunia Project has been awarded to the Company and its partners to invest and/or arrange financing for the project; and
- (d) where applicable, relevant board and shareholders' approvals of the Company and/or KOR shall have been received prior to execution and/or completion of any definitive agreement in relation to the Baunia Project.

None of the Directors, substantial shareholders of the Company and any of their respective associates has any interest, direct or indirect, in the proposed partnership by the Company with KOR, other than through their shareholdings in the Company.

The Company will provide relevant update announcements as and when there are material developments.

As the MOU is non-binding and may or may not lead to the entry into of any formalised agreements, shareholders and potential investors should exercise caution when trading in the Company's shares. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

**By Order of the Board**  
**Eric Choo Han Kiat**  
**Executive Director and Chief Executive Officer**

13 December 2019