

RAFFLES INFRASTRUCTURE HOLDINGS LTD

(the “**Company**”)

(Company Registration No. 40381)

(Incorporated in Bermuda)

RELEASE OF THE REPORT BY THE SPECIAL AUDITOR

1 INTRODUCTION AND BACKGROUND

- 1.1 The Board of Directors (the “**Board**”) of Raffles Infrastructure Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement on 7 May 2018 (the “**7 May Announcement**”) and the announcement on 23 November 2018 (the “**23 November Announcement**”) (collectively, the “**2018 Announcements**”) in relation to the commissioning by the Company of a special audit on transactions concerning the payment of claims by its wholly-owned subsidiary, Shishi Sinwa Knitting and Dyeing Co., Ltd (石狮市新华针织漂染有限公司, “**Shishi Sinwa**”), to three (3) customers of the Group, namely, 石狮市爱利奴服饰有限公司 (“**Ai Li Nu**”), 晋江市滨浪制衣织造有限公司 (“**Bin Lang**”) and 石狮市金太屋纺织服饰有限公司 (“**Jin Tai Wu**”) (collectively, the “**Claimants**”),
- 1.2 Shareholders may recall that on 25 November 2015 and 26 November 2015, the Company announced that Shishi Sinwa received notices from the Claimants alleging that substantial damages and financial losses had been sustained by each of them resulting from quality issues in products purchased from Shishi Sinwa.
- 1.3 On 19 July 2016, the Company announced that further notices received from the Claimants requested from the Company a total compensation of RMB 466 million (the “**Purported Compensation**”) to be paid by 31 July 2016.
- 1.4 On 29 September 2016, the Company announced that the Purported Compensation had been paid on 28 September 2016 and that the Company was notified of the payment in an email from Zhang Dufang (“**Mr Zhang**”), the finance manager of Shishi Sinwa, to Mak Chi Shing, the former Senior Finance Manager of the Group, on 29 September 2016. The purpose of making the payment on 28 September 2016 was to avoid further compensation and interest claims from the Claimants.
- 1.5 The Company’s announcement dated 29 September 2016 also stated that the resolution of the compensation payments to the Claimants was not proposed to the Company’s Board of Directors (“**BOD**”) for approval.

2 UPDATE ON SPECIAL AUDIT ON THE PURPORTED COMPENSATION

- 2.1 As announced in the 7 May Announcement, the Company appointed KPMG Services Pte. Ltd. on 12 December 2017 to conduct special audit works to review transactions relating to the Purported Compensation (“**Special Audit**”). For the purpose of this announcement, KPMG Services Pte. Ltd. and the team of assigned to work on this assignment will be referred to as the “**Special Auditor**” or

the “**Review Team**” as the context allows or is applicable.

- 2.2 The Company would like to inform shareholders that KPMG has completed the Special Audit and has submitted the full report on its findings to the SGX-ST and the AC (the “**Special Audit Report**”).
- 2.3 The executive summary to the Special Audit Report dated 13 August 2019 is attached as **Annex A** to this announcement. The key facts and findings are summarised here in paragraph 3 below.

3 SUMMARY OF THE SPECIAL AUDITOR’S KEY FINDINGS

- 3.1 The Special Auditor conducted fieldwork in Shishi, Fujian province, People’s Republic of China and at Shishi Sinwa’s premises at Shishi City, Wubao Industrial Zone (石狮市伍堡污染工业区) during the following periods:
- (a) 22 October 2018 to 23 October 2018; and
 - (b) 14 January 2019 to 16 January 2019.
- 3.2 Before the commencement of fieldwork, the Special Auditor requested information and documents (the “**Supporting Documents**”) for their review. The Supporting Documents requested included Shishi Sinwa’s full accounting books and records, source documents which could substantiate the recorded transactions, the accounting system used in the maintenance of Shishi Sinwa’s accounting books and records, and computers assigned to employees of Shishi Sinwa. During their fieldwork, the Special Auditor interviewed individuals, appearing to the Special Auditor, to have the information necessary to explain the operations of the Group. Representatives of the Company and its external legal counsel facilitated the Special Auditor’s requests for information and fieldwork.
- 3.3 **Key Events: (Fieldwork):** Set out below are key events that took place during the visits made by the Review Team to the offices of Shishi Sinwa and the places where the Claimants were thought to be operating their businesses in China:
- 3.3.1 On the Company’s instruction and confirmation that the Supporting Documents were available, the Special Auditor sent its Review Team and commenced its fieldwork on 22 October 2018 in China, at the offices of Shishi Sinwa and the places where the Claimants were thought to be operating their businesses (the “**First Onsite Review**”).
 - 3.3.2 At 8:45 am on 22 October 2018, the Review Team was informed by Mr Zhang, that Wu Xinhua (“**Mr Wu**”), the Legal Representative of Shishi Sinwa, was not contactable and requested the Review Team to remain at their hotel. Nonetheless, the Review Team requested Mr Zhang to facilitate a visit by the Review Team at the office and factory of Shishi Sinwa.
 - 3.3.3 At the premises of Shishi Sinwa, Mr Zhang represented to the Review Team that:
 - (a) he was the personal assistant of Mr Wu;
 - (b) he had received neither instructions nor information from Mr Wu for the preparation of the Supporting Documents; and
 - (c) The accounting books and records of Shishi Sinwa were not available at Shishi Sinwa’s premises because the preparation and maintenance of accounting books and records had always been outsourced to an external contractor, whose identity and business premises were unknown to him.
 - 3.3.4 At 8:30 am on the next day, Mr Zhang informed the Review Team that Mr Wu would not be contactable over the next few days and could not meet the Review Team.

- 3.3.5 Accordingly, the First Onsite Review was suspended on 25 October 2018 by the Review Team as the Supporting Documents were not available and there was no immediate certainty that Mr Wu would facilitate the Special Audit. The cooperation of Mr Wu, in his capacity as Shishi Sinwa's Legal Representative, was critical for the Special Audit as many of the Special Auditor's procedures required his express authorisation. For example, banks normally require authorisation from an entity's Legal Representative and/or the production of the Legal Representative's stamp before allowing access to that entity's banking records. In the absence of Mr Wu's cooperation, the Review Team was unable to perform review procedures such as obtaining Shishi Sinwa bank statements directly from the banks.
- 3.3.6 The Review Team re-commenced fieldwork on 14 January 2019 (the "**Second Onsite Review**") at the Company's instruction. Following the abortive First Onsite Review, the Company appointed Dentons China as its external legal counsel to facilitate their fieldwork and requests for information during the Second Onsite Review.
- 3.3.7 The Review Team met Mr Wu briefly on 14 January 2019, during which he agreed to facilitate the provision of certain information. With the assistance of Mr Wu and his representatives, the Review Team obtained the following information directly from the relevant banks:
- (a) A listing of all bank accounts operated by Shishi Sinwa from Fujian Shishi Rural Commercial Bank Co., Ltd. (福建石狮农村商业银行股份有限公司); and
 - (b) Bank statements of certain bank accounts operated by Shishi Sinwa from 1 September 2013 to 14 January 2019 (the "**Verified Bank Statements**") from the following banks:
 - Fujian Shishi Rural Commercial Bank Co., Ltd. (福建石狮农村商业银行股份有限公司);
 - Agricultural Bank of China (中国农业银行石狮市支行鸿山分理处); and
 - Bank of Quanzhou (泉州银行石狮凤里支行).
- 3.3.8 A complete listing of a company's Renminbi-denominated bank accounts within the People's Republic of China can be obtained by a People's Bank of China ("PBOC") process using the company's basic Renminbi bank account (基本存款账户). Using this process, the Review Team obtained a complete listing of all Shishi Sinwa's Renminbi-denominated bank accounts through Fujian Shishi Rural Commercial Bank Co., Ltd. where Shishi maintains its basic Renminbi bank account.
- 3.3.9 During the course of the Second Onsite Review, the Review Team requested through the Company's external legal counsel, Dentons China, for additional information, including bank statements prior to 1 September 2013, the outstanding Supporting Documents, and a formal interview with Mr Wu.
- 3.3.10 Additionally, the Review Team did not have access to Shishi Sinwa's finance team, accounting books and records, the accounting systems used to maintain its accounting books and records and computers assigned to its employees. The Second Onsite Review was suspended on 16 January 2019 by the Review Team as the requests for additional information were declined by Mr Wu.
- 3.3.11 During our interviews with individuals formerly in-charge of the Group's financial reporting process ("**Finance Heads**") based in Singapore, we were informed that Mr Zhang was the finance manager in charge of the preparation and maintenance of

Shishi Sinwa’s accounting books and records and that he was assisted by a team of finance staff members. We were also informed that the Group’s consolidated financial statements were prepared in Singapore based on Shishi Sinwa financial information (the “**Shishi Sinwa Management Accounts**”) provided by Mr Zhang. This contradicts the representations Mr Zhang provided to the Review Team during the First Onsite Review that he was the personal assistant of Mr Wu and the accounting books and records of Shishi Sinwa were prepared and maintained by an external contractor.

3.4 **Key Matters: (Shishi Sinwa Cash Balance Reconciliation):** Set out below are key matters and findings in relation to the reconciliation between the bank statements obtained by the Review Team and the balances as stated by the management accounts of Shishi Sinwa for the period from September 2013 to December 2016:

3.4.1 The Review Team obtained the Shishi Sinwa Management Accounts and the Company’s consolidation workings from Mr Leow, Lead Independent Director of the Group. The Shishi Sinwa Management Accounts only contained summarized information on Shishi Sinwa’s financial position and performance, without individual transaction details or supporting source documents. The cash balances recorded in the Shishi Sinwa Management Accounts and the Company’s consolidation workings for the period from September 2013 to December 2016 were consistent with those disclosed in the Group’s quarterly results announcements and annual reports.

3.4.2 The Review Team compared the total month-end bank balances recorded in the Verified Bank Statements with the Shishi Sinwa Management Accounts from September 2013 to December 2016. Between September 2013 and August 2016, the Verified Bank Statements’ month-end balances were significantly lower than those recorded in the Shishi Sinwa Management Accounts by an average of RMB 406,559,030. The discrepancies were largely eliminated after the Purported Compensation payments to the Claimants on 28 September 2016.

3.4.3 The aggregate month-end cash balances of selected months are tabulated below to illustrate the extent of the discrepancies between the Verified Bank Statements and the Shishi Sinwa Management Accounts:

Month	Year	The Verified Bank Statements (RMB)	The Shishi Sinwa Management Accounts (RMB)	Discrepancy (RMB)
September	2013	30,534	443,751,694	(443,721,160)
December	2013	264,464	447,180,356	(446,915,892)
December	2014	97,494	455,956,395	(455,858,901)
December	2015	485,163	450,072,238	(449,587,075)
August	2016	604,350	450,306,861	(449,702,511)
September	2016	129,418	166,202	(36,784)
October	2016	176,290	179,420	(3,130)
November	2016	955,864	974,039	(18,175)
December	2016	619,031	621,477	(2,446)

3.4.4 A substantial portion of the discrepancies originated from the following two Bank accounts:

- (a) Bank account number 13540301040001660 at the Agricultural Bank of China (the “**ABC Current Account**”); and
- (b) a fixed deposit account at the Agricultural Bank of China (the “**ABC Fixed**”)

Deposit Account”).

- 3.4.5 The month-end bank balances of the ABC Current Account recorded in the Verified Bank Statements were significantly lower than the balances recorded in the Shishi Sinwa Management Accounts from September 2013 to August 2016. The month-end cash balances of the ABC Current Account of selected months are tabulated to illustrate the extent of the discrepancies:

Month	Year	The Verified Bank Statements (RMB)	The Shishi Sinwa Management Accounts (RMB)	Discrepancy (RMB)
September	2013	22,014	443,723,833	(443,701,819)
December	2013	236,221	447,151,113	(446,914,892)
December	2014	88,537	455,946,889	(455,858,352)
December	2015	358,653	249,950,310	(249,591,657)
August	2016	603,373	450,285,426	(449,682,053)
September	2016	124,856	124,856	-
October	2016	21,608	21,608	-
November	2016	705,198	705,198	-
December	2016	320,031	320,031	-

- 3.4.6 On 27 November 2014, the Securities Investors Association (Singapore) (“SIAS”) disclosed a summary of a meeting with Lim Yoke Hean (“Mr Lim”), former Independent Director of the Group, Mr Low, former Independent Director of the Group and Mr Mak regarding certain shareholders’ queries. The statement stated, inter alia, that Mr Lim and Mr Low were “pursuing with the management of the company to place the monies in fixed deposit.”
- 3.4.7 The Shishi Sinwa Management Accounts and the Group’s quarterly results announcements and annual reports record that the ABC Fixed Deposit Account was held from March 2015 to May 2016. According to these documents, the ABC Fixed Deposit Account contained cash balances of RMB 100,000,000 during the period March 2015 to September 2015 and May 2016, and RMB 200,000,000 during the period October 2015 to April 2016. No other documentary evidence substantiating the existence of the ABC Fixed Deposit Account was available for review and the Review Team was unable to establish the existence of ABC Fixed Deposit Account. Had the ABC Fixed Deposit Account existed, it should have been included in the listing of Shishi Sinwa’s Renminbi-denominated bank accounts obtained using its basic Renminbi bank account maintained at Fujian Shishi Rural Commercial Bank Co., Ltd.
- 3.4.8 The Review Team recovered a copy of Shishi Sinwa’s December 2014 bank statement for account number 13540301040001660 with the Agricultural Bank of China from a Company computer assigned to Mr Mak. The recovered bank statement recorded daily balances that were significantly higher than the correspondence balances recorded in the Verified Bank Statements. The bank’s authorizing stamp on this statement also differed from those observed on the Verified Bank Statements obtained directly from the bank. We were informed by Mr Mak that this bank statement was provided by Mr Zhang.
- 3.4.9 The Company also provided the Review Team with a bank confirmation from the Agricultural Bank of China confirming a cash balance of RMB 456,142,508 as of 31 October 2014 in the ABC Current Account. The Review Team was informed by the Group’s former Independent Director, Low Wai Cheong (“Mr Low”) that the bank confirmation was obtained from the Group’s former external auditor. The authorizing

stamp of this bank confirmation differed from that used by the bank at that point in time and the authorizing signature from the bank's branch manager was also absent.

3.4.10 When compared with the Verified Bank Statements, the bank balances in the Group's quarterly results announcements and annual reports were significantly inflated. Based on the balances recorded in the Verified Bank Statements, Shishi Sinwa would not have had sufficient funds to make the Purported Compensation payments of RMB 466,047,038 on 28 September 2016.

3.5 **Key Matters: (Interested person transactions):** Set out below are key matters and findings in relation to the withdrawals and deposit made by Wu Xin Hua and Wu Xin Da as recorded in the Verified Bank Statements:

3.5.1 The Verified Bank Statements also record a large number of deposits and withdrawals made by Mr Wu and Wu Xin Da, the son of Mr Wu, totalling RMB 65,601,025 and RMB 68,561,787 respectively, as tabulated below:

Name	Number of withdrawal transactions	Total withdrawal transactions (RMB)	Number of deposit transactions	Total deposit transactions (RMB)	Net outflow (RMB)
Wu Xin Hua	40	(20,000,000)	8	34,115,000	14,115,000
Wu Xin Da	431	(48,561,787)	223	31,486,025	(17,075,762)
Sub Total	471	(68,561,787)	231	65,601,025	(2,960,762)
Total transactions recorded in Verified Bank Statements	3,391	(384,307,662)	1,973	384,011,261	(296,401)

3.5.2 Neither the Shishi Sinwa Management Accounts nor the Group's quarterly results announcements and annual reports reported these "*interested person transactions*". The Review Team did not have access to Shishi Sinwa's accounting books and records, nor other documents substantiating these transactions. As a result, it was not possible to establish the commercial substance, if any, of these transactions between the two individuals and Shishi Sinwa. If the withdrawals were not made for the purposes of the commercial activities of the Group, they might constitute improper payments.

3.6 **Key Matter: (The Claimants):** Set out below are key matters and findings in relation to the Claimants during the visits by the Review Team to the places where the Claimants were thought to be operating their businesses in China:

3.6.1 The Review Team made unscheduled visits to the Claimants at their registered address in October 2018 and January 2019, without the prior knowledge of Shishi Sinwa local management. No prima facie indication that the Claimants' business operations were not authentic was observed.

3.6.2 During the Second Onsite Review, the Review Team interviewed the respective legal representatives of the Claimants. The legal representatives stated that their companies had neither requested nor received the Purported Compensation from Shishi Sinwa, and provided signed confirmations to that effect. The Verified Bank Statements also record no payments to the bank accounts of the Claimants.

- 3.6.3 Various notifications of damages, compensation claim notices, settlement agreements and bank transfer receipts related to the Purported Compensation were recovered from the Company computer assigned to Mr Mak. These documents (the “**Purported Compensation Documents**”) were inconsistent with other documentation reviewed as follows:
- (a) the Claimants’ authorizing stamps and signatures on the Purported Compensation Documents did not match those on the confirmation letters obtained directly from the Claimants by the Review Team; and
 - (b) the bank’s authorizing stamp on the Purported Compensation Documents was inconsistent with that used on bank confirmations obtained independently by the Review Team.
- 3.6.4 The Review Team also recovered emails, from the same Company computer assigned to Mr Mak, from an email account “simwa@126.com” containing the Purported Compensation Documents. Mr Mak informed the Review Team that the Purported Compensation Documents were provided by Mr Zhang and the email account “simwa@126.com” was used by Mr Zhang.
- 3.6.5 The Purported Compensation Documents appear to have been created to substantiate the Purported Compensation payments. The Purported Compensation payments had the effect of eliminating the artificially inflated cash balances in the Shishi Sinwa Management Accounts described in section 3.4.1 to 3.4.10.
- 3.6.6 Taken together, this would appear to indicate that the Company’s announcements on the Purported Compensation and its subsequent payments to the Claimants were factually inaccurate and, if taken at face value, would have been misleading to a reader of the announcements.
- 3.7 **Key Matter: (Disposal of Land and Property 2014):** Set out below are key matters and findings in relation to a Sale and Purchase Agreement with Xiamen Shende Property Management Co., Ltd (厦门深德资产管理有限公司, “Xiamen Shende”) for the disposal of land and property held by Shishi Sinwa for a consideration of RMB 48,689,000:
- 3.7.1 The Company announced on 5 August 2014 that it had entered into a Sale and Purchase Agreement (“**SPA**”) with Xiamen Shende Property Management Co., Ltd (厦门深德资产管理有限公司, “Xiamen Shende”) for the disposal of land and property held by Shishi Sinwa for a consideration of RMB 48,689,000 (the “**Property Disposal**”). A deposit of RMB 8,689,000 was due within three working days upon signing of the SPA on or before 6 August 2014, and the remaining RMB 40,000,000 due within 10 working days upon obtaining approval from shareholders on or before 29 September 2014.
- 3.7.2 On 9 October 2014, the Company further announced that RMB 40,000,000 of the sales proceeds had been received from Xiamen Shende following shareholder’s approval of the Property Disposal.
- 3.7.3 The Verified Bank Statements record three deposits totalling RMB 45,000,000 from Xiamen Shende in Shishi Sinwa’s bank account with Agricultural Bank of China (Shishi Hongshan Branch) (中国农业银行股份有限公司石狮鸿山支行) between 3 January 2014 and 15 April 2014. Another RMB 3,689,000 was deposited in the same bank account by Xiamen Shende on 15 August 2014, bringing the total transfers from Xiamen Shende to RMB 48,689,000, the same sum as the consideration for the Property Disposal.

- 3.7.4 The deposits from Xiamen Shende totalling RMB 45,000,000 were, therefore, received prior to the Company's announcement and execution of the SPA on 5 August 2014. No other payments were recorded from Xiamen Shende in the Verified Bank Statements. If these payments were for the Property Disposal, the Company's disclosure on 5 August 2014 and 9 October 2014 were factually inaccurate and, if taken at face value, would be misleading to a reader of the announcements.
- 3.7.5 Furthermore, the deposits from Xiamen Shende were used to repay Shishi Sinwa's corporate loan with Agricultural Bank of China and make payments to Mr Wu and two other individuals. The withdrawals paid to Mr Wu and the two individuals amounted to RMB 28,420,000 and were made in multiple tranches, each not exceeding RMB 500,000 as tabulated below:

Date	Withdrawals from Shishi Sinwa (RMB)	Counterparty	Counterparty bank	Bank account number	Other observations
23 to 27 January 2014	20,000,000	Mr Wu	Shishi Hongshan Branch, Fujian Province 福建省石狮鸿山支行	6228460680 000146715	The withdrawals during this period were made via 40 separate transfers of RMB 500,000.
15 April 2014	5,000,000	Individual 1	Fujian Shishi Lingxiu Branch 福建省石狮灵秀支行	6228480688 183394172	The withdrawals were made via 10 separate transfers of RMB 500,000.
18 August 2014	3,420,000	Individual 2	Fujian Shishi Haofu Sub-branch 福建省石狮豪富支行	6228480682 230398211	The withdrawals were made via 7 separate transfers not exceeding RMB 500,000.
Total	28,420,000				

- 3.7.6 The Special Auditor was unable to establish the identity of the two individuals or their relationship with Mr Wu, Shishi Sinwa or the Group. The Review Team did not have access to Shishi Sinwa's accounting books and records nor supporting documents substantiating the transactions. As a result, it was not possible to establish the commercial substance, if any, of the transactions with these individuals or rationale for the multiple payment tranches. If the withdrawals were not made for the purposes of the commercial activities of the Group, they might have constituted improper payments.

4 IMPLICATION OF THE FINDINGS IN RESPECT TO THE CASH BALANCES AND THE DISPOSAL OF LAND AND PROPERTY

- 4.1 In relation to the Purported Compensation, when compared with the Verified Bank Statements, the bank balances in the Group's quarterly results announcements and annual reports were significantly inflated. Based on the balances in the Verified Bank Statements, Shishi Sinwa could not have had sufficient funds to make the Purported Compensation payments of RMB 466,047,038 on 28 September 2016.
- 4.2 In relation to the disposal of land and property in 2014, based on the Verified Bank Statements, the deposits from Xiamen Shende totalling RMB 45,000,000 were received before the Company's announcement of 5 August 2014 which stated the SPA was

executed on the same day. No other payments were recorded from Xiamen Shende in the Verified Bank Statements. If these payments were related to the Property Disposal, the Company's disclosure on 5 August 2014 and 9 October 2014 would appear to be factually inaccurate and misleading to a reader of the announcements.

- 4.3 The factually inaccurate disclosures by the Company and non-disclosure of what appeared to be interested person transactions were, prima facie, in breach of the following rules set out in the SGX-ST Listing Manual (the "**Listing Rules**"); in particular, the following:
- (a) An issuer must announce any information known to the issuer concerning it or any of its subsidiaries or associated companies which is necessary to avoid the establishment of a false market in the issuer's securities – Listing Rules 703(1)(a);
 - (b) An issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited net tangible assets – Listing Rules 905(1);
 - (c) If the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the group's latest audited net tangible assets, the issuer must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year – Listing Rules 905(2);
 - (d) An issuer must disclose the aggregate value of interested person transactions entered into during the financial year under review in its annual report – Listing Rules 907; and
 - (e) An issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than, of a value equal to, or more than:
 - (i) 5% of the group's latest audited net tangible assets; or
 - (j) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation – Listing Rules 906(1).
- 4.4 **Remedial Actions:** While the Special Auditor was able to review and investigate into certain matters and obtain certain documents, such as the Verified Bank Statements, a considerable number of documents that were requested as part of the Supporting Documents have not been available to the Review Team. Further, as Mr Wu did not cooperate fully with the Review Team, in particular, having failed to provide documents requested by the Review Team and to attend a formal interview with the Review Team, the Special Auditor has not been able to determine conclusively the findings set out above, other than to draw the conclusions that they have done so, referred to in paragraphs 4.1 and 4.2.
- 4.5 While there are no specific recommendations in the Special Audit Report for any particular remedial action to be taken, the Company will consult with SGX Regulation Pte Ltd ("**SGX RegCo**"), and if necessary convene an extraordinary general meeting to seek shareholders' approval to commence legal actions against persons who have caused loss and damage to the Company arising from the Purported Compensation and the Property Disposal.
- 4.6 It is also to be noted that in the reply dated 23 February 2018 received from SGX RegCo which raised no objection to an application made by the Company to resume trading of its shares, one of the conditions of SGX RegCo's approval was that the

Company might be subject to disciplinary action for its past breaches of the Listing Rules.

5 FURTHER ANNOUNCEMENTS

The Company will make further announcements on the Special Audit as appropriate or when there are further material developments on the same.

6 CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their shares as a result of the findings of the Special Audit as set out in this announcement. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

On behalf of the Board

RAFFLES INFRASTRUCTURE HOLDINGS LTD

Choo Han Kiat, Eric
Executive Director
13 August 2019