

## RAFFLES FINANCIAL SHAREHOLDERS UPDATE

Singapore, 6 July 2023. **Raffles Financial Group Limited** (CSE: RICH) ("RFG" or the "Company") This is to give shareholders an update on the corporate and business status of the Company.

### 1. Resumption of trading

Further to our News Release on 7 June 2023, we are now communicating with the shortlisted auditors on the assignment agreement which we had secured with a financial institution ("FI") based in China. To Recap, according to the assignment arrangement agreed with the FI, FI shall take over all the rights and liabilities of the SaaS agreement, and in consideration, the FI shall arrange to refund RFG the C\$20 million deposit in the form of IPO shares of an overseas company that is to be listed on Nasdaq Capital Market in 2023. The assignment arrangement has not been approved by the Board as the Board is still conducting a due diligence work to ensure the condition precedents in accepting the refund as follows are fulfilled.

The shortlisted auditors are assessing the implications and effects of the assignment arrangement to the two outstanding audit for the financial year ended June 30<sup>th</sup>, 2021 and 2022. Neither of them has offered an acceptance of audit engagement to the Company. Nevertheless, we expect the completion of the assignment of SaaS Agreement will simplify and expedite the necessary audit procedures for the outstanding audits as it would eliminate the need of a physical on-site audit by auditors in China. Thereafter, the Company will request for the resumption of trading of the company's shares. Once all the audit reports are completed, the Company will seek to resume trading on the Canadian Securities Exchange.

### 2. Update on our USA related company - Apex Financial Group Limited ("Apex")

Apex is an investment holding company registered in Wyoming, United States in October 2022 with 50,150,000 shares of US\$0.0001 par value each issued. As explained in our News Release on March 10<sup>th</sup>, 2023, the intent is to distribute all Apex shares in specie to all RFG shareholders.

Due to filing and legal encumbrances we experienced, there would be a further delay in distributing Apex shares to RFG shareholders. Our Canada and US legal counsels are still reviewing our filing document and registration statements to fulfil the requirement under SEC to allocate these Apex shares to RFG shareholders, *free of charge*.

### 3. Redesignation of the role of Dr Charlie In, the Director and Chairman of the Company

Dr In Nany Sing Charlie ("**Dr Charlie In**"), the Director and Chairman of the Board of the Company (the "**Board**"), has informed the Board that due to his age and current medical condition, in particular, discovery of urology problems that required immediate comprehensive diagnosis and treatment at hospital, he was no longer able to serve as a director and chairman of the Company. He served a resignation letter for his retirement from these roles, at the same time he offered himself to act as the Board's Advisor to provide strategic advice and insight to the Board on ad-hoc basis. The redesignation of these roles was effective on 1 July 2023.

Dr Charlie In nominated the current CEO of the Company, Mr. Huang Chuan ("**Mr. Huang**") to take over Dr Charlie In's executive and managerial duties. Since the appointment of Mr. Huang on November 8<sup>th</sup>, 2022, he has been in charge of bringing business, profit and working capital to the Company as well as resolving audit issues in China for the sake of removing the cease trade order. Therefore, the Board is

of the view that the redesignation of Dr Charlie's roles will not produce significant impacts to the operation and business development of the Company.

The Board takes this opportunity to express its deepest concern and sympathy for Dr Charlie In and his family in these difficult circumstances, and wishes him a speedy recovery and good health in the future. The Board also extends its appreciation for the valuable contributions made by Dr Charlie In during his tenure as a director and chairman of the Board.

We will keep all stakeholders duly updated on the Company's developments.

About **Raffles Financial Group Limited** (CSE: RICH) Raffles Financial Group is listed on the Canadian Securities Exchange Purchasable under the stock symbol (RICH:CN).

On behalf of the RFG Board of Directors

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