RAFFLES UNITED HOLDINGS LTD

(Company Registration No.197302030N)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT TO THE SINGAPORE EXCHANGE LTD (the "SGX")
DISPOSAL OF EQUITY INVESTMENT IN SUBSIDIARY
- ASCEND BEARINGS CO., LTD

The Board of Directors of Raffles United Holdings Ltd (the "Company" or the "Group") wishes to announce that the Company has entered into a sale and purchase agreement dated 30 November 2016 to dispose its 60% of the ordinary shares held by the Company in its Taiwan subsidiary, Ascend Bearings Co., Ltd ("ABC") on 30 November 2016 at the fair value consideration of S$1,037,000/- to Comet Enterprise Corp., a company in which the non-controlling shareholders of ABC have an interest in ("the Disposal"). The consideration was arrived at on a willing buyer willing seller basis, based on the unaudited net book value of ABC as at 31 October 2016. The consideration for the Disposal to be paid by the Purchaser will be settled in 4 instalments by May 2017.

The Disposal is expected to result in a material loss on disposal of subsidiary, which would contribute to the expected net loss for the Group for the financial year ending 31 December 2016. The Disposal is not expected to have any material financial impact on the consolidated net tangible assets per share but would have a material financial impact on the consolidated loss per share of the Group for the current financial year. It does not, however, constitute a discloseable transaction under Chapter 10 of the Singapore Exchange Securities Trading Limited's Listing Manual based on the 30 June 2016 latest announced consolidated accounts.

None of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Disposal transaction.

BY ORDER OF THE BOARD

Teo Teng Beng
30 November 2016