RAFFLES UNITED HOLDINGS LTD

(Company Registration No.: 197302030N)

(Incorporated in the Republic of Singapore)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST")

The Board of Directors of Raffles United Holdings Ltd (the "**Company**" or together with its subsidiaries, the "**Group**") refers to its announcement dated 5 December 2018 in relation to the notification of inclusion on the Watch-list pursuant to the Minimum Trading Price ("**MTP**") Entry Criteria pursuant to Listing Rule 1311(2) with effect from 5 December 2018.

Pursuant to Rule 1313(2) of the Listing Manual of the SGX-ST, the Company must, for the period in which it remains on the Watch-list, provide the market with a quarterly update on its efforts and the progress made in meeting the exit criterion of the Watch-list.

Pursuant to above, the Board of Directors (the "**Board**") of the Company wishes to provide an update on its efforts and the progress made in meeting the MTP exit criterion of the Watch-list in respect of the quarter ended 31 March 2019.

Update on Efforts for Satisfying MTP Exit Criteria

The Board has reviewed the available options to meet the MTP exit criterion. The Group is thereby focused on efforts to improve its profitability and strengthen its balance sheet. To this end, the Company announced its proposal to undertake a renounceable non-underwritten rights issue on the basis of one Rights Share for every one ordinary share in the issued and paid up capital of the Company held by Entitled Shareholders on 9 January 2019. A total of 161,043,118 Rights Shares are expected to be listed and quoted on the Main Board of the SGX-ST on 15 May 2019. The results of the rights issue would enable the Group to improve gearing ratio, reduce its bank borrowings, finance its working capital requirements and strengthen the balance sheet of the Group even though the Group now has sufficient facilities.

The Company will continue to make efforts and consider various options to meet the requirements of Rule 1314(2) of the SGX-ST's Listing Manual pursuant to the MTP exit criterion and would update its shareholders in due course.

BY ORDER OF THE BOARD

Teh Geok Koon
Director
13 May 2019