RAFFLES UNITED HOLDINGS LTD

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

ESTABLISHMENT OF SUBSIDIARY COMPANIES IN BEAUTY BUSINESS

The Board of Directors of Raffles United Holdings Ltd (the "**Company**") wishes to announce that the Company has established a wholly-owned subsidiary company, Raffles Beaute Pte Ltd ("**RB**") on 1 August 2017 with a paid-up capital of SGD100,000/-.

The principal activities of RB are mainly that of investment holdings, beauty and other personal care products and services. RB is expected to hold the beauty business companies of the Group.

Accordingly, RB has also established two wholly-owned subsidiary companies as follows:
- Allure Beaute International Pte Ltd ("**ABI**") established on 1 August 2017 with a paid-up capital of SGD100,000/-; and
- Allureate Beaute Pte Ltd ("**Allureate**") established on 1 August 2017 with a paid-up capital of SGD100,000/-.

The rationale for the establishment of RB and its subsidiary companies is for the Group's expansion into nail and beauty business with the aim of increasing shareholder value.

The investment was funded through internal resources and is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year.

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

BY ORDER OF THE BOARD

Tan Saik Hock
Chairman
1 August 2017