**RAFFLES UNITED HOLDINGS LTD**
(Incorporated in the Republic of Singapore)
(Company Registration No.: 197302030N)

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## ACQUISITION OF PROPERTY

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The board of directors (the "**Board**") of Raffles United Holdings Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the wholly-owned subsidiary of the Company, Kian Ho Pte Ltd (the "**Purchaser**"), has successfully bid at the Auction in acquiring a property located at 359 Jalan Besar Singapore 208992 ("the **Property**") at a consideration of S$5,230,000 ("**Consideration**") which was arrived at the higher bid price by the Purchaser. A Subjoined Memorandum of Contract from the Auctioneer, Edmund Tie & Company (SEA) Pte Ltd, has been duly confirmed and executed by the Purchaser on 28 June 2017 ("**Acquisition**").

The Property is a 2-storey shophouse which has a freehold tenure with a land area of 142 sq m. The Property is sold with vacant possession and will be delivered on an "as is where is" basis on completion. No valuation was undertaken for the purpose of this transaction.

The Company intends to acquire the Property for the purpose of the Group's branch operations for the sale of bearings, seals, gearbox and electrical products.

The Consideration for the Acquisition was arrived at as a result of a successful bid by the Purchaser at the Auction in accordance with the relevant Singapore laws and regulations. Such Consideration, which is payable in cash, will be financed by the Group through its internal resources.

The Group has paid to the vendor, Hupsteel Limited, the deposit of S$523,000 amounting to 10% of the aggregate Consideration for the Property. On completion, the Purchaser shall pay the balance 90% of the aggregate Consideration.

The sale and purchase of the Property shall be completed within eight (8) weeks from the date of the Auction Sale Agreement and the title shall be properly deduced and free from encumbrances on completion.

This announcement is made pursuant to Rule 1010 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Proposed Acquisition is a discloseable transaction under Chapter 10 of the Listing Manual of the SGX-ST as the Consideration constitutes more than 5% of the Company's market capitalization of S$32,768,000 as at 28 June 2017 based on the closing price the Company's shares traded on the SGX-ST on such date of S$0.14 and the Company's issued share capital of 234,060,000 shares.

The Acquisition 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.

Save as disclosed in this announcement, none of the directors or substantial shareholders of the Company (other than in their capacity as directors or shareholders of the Company) have any interests (direct or indirect) in the Acquisition.

A copy of the Auction Sale Agreement and the Subjoined Memorandum of Contract are available for inspection at the Company's registered office at 5 Changi South Street 3, Singapore 486117 during normal business hours for a period of three months from the date of this announcement.

BY ORDER OF THE BOARD

Tan Saik Hock
Chairman
29 June 2017, Singapore