KIAN HO BEARINGS LTD
(Incorporated in the Republic of Singapore)
(Company Registration No.: 197302030N)

ESTABLISHMENT OF A SUBSIDIARY COMPANY

The Board of Directors of Kian Ho Bearings Ltd (the "Company") wishes to announce that the Company had established a wholly-owned subsidiary company, Raffles Global Investments Pte Ltd ("RGI") on 9 June 2014 with a paid-up capital of SGD2/-.

The principal activities of RGI are mainly that of investment holdings and property investment.

The rationale for the establishment of RGI is to diversify the Company's business portfolio 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

Yeo Wee Kiong
Chairman
10 June 2014, Singapore