MANDATORY UNCONDITIONAL CASH OFFER

by

RAFFLES UNITED PTE. LTD.

(Company Registration No. 201333500K)

to acquire all the issued and paid-up ordinary shares in the capital of

KIAN HO BEARINGS LTD

(Incorporated in the Republic of Singapore)

(Company Registration Number: 197302030N)

other than those already owned, controlled or agreed to be acquired by Raffles United Pte Ltd and parties acting in concert with it

DESPATCH OF OFFER DOCUMENT

1. INTRODUCTION

Despatch of Offer Document. The Board of Directors of Raffles United Pte. Ltd. (the "**Offeror**"), wishes to announce that the Offeror has today dispatched to the shareholders ("**Shareholders**") of Kian Ho Bearings Ltd ("**KH**") the offer document (the "**Offer Document**") dated 19 June 2014, which contains details of the mandatory unconditional cash offer (the "**Offer**") for all the issued ordinary shares of KH ("**Shares**") other than those Shares which are owned, controlled or agreed to be acquired, directly or indirectly, by the Offeror and parties acting in concert with it (the "**Offer Shares**").

An electronic copy of the Offer Document and the FAA (as defined below) is available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com.

Capitalised terms used and not defined herein shall have the same meanings ascribed thereto in the Offer Document.

2. OFFER DOCUMENT

Acceptance Forms. Included with the Offer Document is a Form of Acceptance and Authorisation for Offer Shares ("**FAA**").

3. REQUEST FOR OFFER DOCUMENT AND ACCEPTANCE FORMS

3.1 Non-receipt. If you are a Shareholder and do not receive the Offer Document and FAA within a week of the date of this announcement ("**Announcement**"), please contact CDP immediately at the addresses and telephone numbers below:

The Central Depository (Pte) Limited

Telephone number:	6535 7511
Address:	9 North Buona Vista Drive #01-19/20, The Metropolis Singapore 138588

3.2 Request for Documents. Shareholders and Overseas Shareholders (as defined below) may obtain copies of the Offer Document, the FAA and any related documents, during normal business hours up to the Closing Date (as defined below) from CDP at 9 North Buona Vista Drive, #01-19/20, The Metropolis, Singapore 138588. Alternatively, an Overseas Shareholder may (subject to compliance with applicable laws) write to CDP at Robinson Road Post Office P.O.

Box 1984, Singapore 903934, to request for the Offer Document, the FAA and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three (3) Market Days prior to the Closing Date.

A Shareholder may also download a copy of the Offer Document and the FAA from www.sgx.com.

3.3 Overseas Shareholders. The availability of the Offer to Shareholders whose mailing addresses are outside Singapore as shown in the records of CDP (an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe any applicable legal requirements in their own jurisdictions. For the avoidance of doubt, the Offer is made to all Shareholders including those to whom the Offer Document and the FAA have not been, or will not be, sent.

4. PROCEDURES FOR ACCEPTANCE

The procedures for acceptance of the Offer are set out in Appendix 5 of the Offer Document and in the FAA.

5. CLOSING DATE

The Offer will be open for acceptance until 5.30 p.m. (Singapore time) on 17 July 2014 (the "**Closing Date**"). The Offeror does not intend to extend the Offer beyond the Closing Date. **NOTICE IS HEREBY GIVEN THAT THE OFFER WILL CLOSE AT 5:30 P.M. ON THE CLOSING DATE AND WILL NOT BE OPEN FOR ACCEPTANCE BEYOND 5:30 P.M. ON THE CLOSING DATE AND WILL NOT BE REVISED, SAVE THAT SUCH NOTICE SHALL NOT BE CAPABLE OF BEING ENFORCED IN A COMPETITIVE SITUATION.**

6. CPFIS INVESTORS

CPFIS Investors will receive further information on how to accept the Offer from the CPF Agent Banks directly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice. CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks. CPFIS Investors who accept the Offer will receive the Offer Price payable in respect of their Offer Shares in their CPF investment accounts.

7. RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement. Where any information has been extracted from published or otherwise publicly available sources or obtained from KH, the sole responsibility of the directors of the Offeror has been to ensure that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

By Order of the Board

Teo Teck Yao Glenn Ashley
Director
19 June 2014