OFFER DOCUMENT DATED 19 JUNE 2014

THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt in relation to this Offer Document or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, or other professional adviser immediately.

Raffles United Pte. Ltd. (the "**Offeror**") does not purport to advise the shareholders of Kian Ho Bearings Ltd (the "**Company**" or "**KH**"). In preparing its letter to the shareholders of KH, the Offeror has not had regard to the general or specific investment objectives, tax position, risks profiles, financial situation or particular needs and constraints of any shareholder of KH.

Shareholders should note that they will receive this Offer Document together with the Form of Acceptance and Authorisation for the Offer Shares (as defined herein) ("**FAA**") or the Form of Acceptance and Transfer for the Offer Shares ("**FAT**"), as the case may be, in respect of the Offer (as defined herein).

If you have sold or transferred all your ordinary shares in the capital of KH (the "**Shares**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Offer Document and the accompanying FAA to the purchaser or transferee, as CDP will arrange for a separate Offer Document and FAA to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not held through CDP, you should immediately hand this Offer Document and the accompanying FAT to the purchaser or the transferee or the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The views of the directors of KH who are considered independent for the purpose of the Offer (the "Independent Directors") and the independent financial adviser to the Independent Directors on the Offer will be made available to you in due course. You may wish to consider their views before taking any action in relation to the Offer.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Document.

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

ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF THE OFFER AT 5.30 P.M. ON 17 JULY 2014 (THE "CLOSING DATE"). THE OFFEROR DOES NOT INTEND TO EXTEND THE OFFER BEYOND THAT DATE OR TO REVISE THE TERMS OF THE OFFER.

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.

The procedures for acceptance are set out in Appendix 5 to this Offer Document and in the accompanying FAA and/or FAT.

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Offer Document, the FAA and/or the FAT:

"**Acceptance Forms**"	:	The FAA and the FAT collectively, or either one of them (as the case may be)
"**Acquisition**"	:	Has the meaning ascribed to it in Section 1.1 of this Offer Document
"**Business Day**"	:	A day which is not a Saturday, a Sunday or a public holiday in Singapore
"**CDP**"	:	The Central Depository (Pte) Limited
"**Closing Date**"	:	5.30 p.m. on 17 July 2014, being the last day for the lodgement of acceptances of the Offer
"**Code**"	:	The Singapore Code on Take-overs and Mergers
"**Company**" or "**KH**"	:	Kian Ho Bearings Ltd
"**Companies Act**"	:	The Companies Act, Chapter 50 of Singapore
"**CPF**"	:	Central Provident Fund
"**CPF Agent Banks**"	:	Agent banks included under the CPFIS
"**CPFIS**"	:	Central Provident Fund Investment Scheme
"**CPFIS Investors**"	:	Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS
"**Despatch Date**"	:	19 June 2014, being the date of despatch of this Offer Document
"**Encumbrances**"	:	Has the meaning ascribed to it in Section 2.6 of this Offer Document
"**FAA**"	:	Form of Acceptance and Authorisation, which forms part of this Offer Document and which is issued to the Shareholders whose Shares are deposited with CDP
"**FAT**"	:	Form of Acceptance and Transfer, which forms part of this Offer Document and which is issued to the Shareholders whose Shares are not deposited with CDP
"**Independent Directors**"	:	Directors of KH who are considered independent for the purpose of the Offer

"**KCY**"	:	Has the meaning ascribed to it in Section 3.1 of this Offer Document
"**KHB**"	:	Has the meaning ascribed to it in Section 3.1 of this Offer Document
"**KHY**"	:	Has the meaning ascribed to it in Section 3.1 of this Offer Document
"**KSS**"	:	Has the meaning ascribed to it in Section 3.1 of this Offer Document
"**Last Trading Day**"	:	3 June 2014, being the last full Market Day on which there were trades on the SGX-ST prior to the Offer Announcement Date
"**Latest Practicable Date**"	:	10 June 2014, being the latest practicable date prior to the printing of this Offer Document
"**Listing Manual**"	:	Listing Manual of the SGX-ST
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**Offer**"	:	The mandatory unconditional cash offer by the Offeror to acquire all the Offer Shares on the terms and subject to the conditions set out in this Offer Document, the FAA and the FAT
"**Offer Announcement**"	:	The announcement relating to the Offer made by the Offeror on the Offer Announcement Date
"**Offer Announcement Date**"	:	4 June 2014, being the date of the Offer Announcement
"**Offer Document**"	:	This offer document dated 19 June 2014 issued by the Offeror, including the FAA and the FAT
"**Offer Period**"	:	The period from the Offer Announcement Date until the date the Offer is declared to have closed or lapsed
"**Offer Price**"	:	$0.235 in cash for each Offer Share
"**Offer Shares**"	:	All Shares to which the Offer relates, as more particularly defined in Section 2.5 of this Offer Document
"**Offeror**"	:	Raffles United Pte. Ltd.
"**Overseas Shareholders**"	:	Shareholders whose addresses are outside Singapore, as shown on the Register or in the records of CDP (as the case may be)
"**Register**"	:	The register of members of KH

"**Relevant Day**"	:	Has the meaning ascribed to it in paragraph 2.1 of Appendix 4 to this Offer Document
"**Relevant Persons**"	:	Teo Xian-Hui Amanda Marie, Teo Teck Yao Glenn Ashley and Teo Teng Beng
"**Relevant Securities**"	:	Has the meaning ascribed to it in paragraph 1.1 of Appendix 1 to this Offer Document
"**Securities Account**"	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account
"**SFA**"	:	The Securities and Futures Act, Chapter 289 of Singapore
"**Share Registrar**"	:	Boardroom Corporate & Advisory Services Pte. Ltd
"**Shareholders**"	:	Holders of Shares, including persons whose Shares are deposited with CDP or who have purchased Shares on the SGX-ST
"**Shares**"	:	The issued and paid-up ordinary shares in the capital of KH
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**SIC**"	:	Securities Industry Council of Singapore
"**S$**" and "**cents**"	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
"**Undertakings**"	:	The undertakings given by the Undertaking Shareholders, as described in Section 3 of this Offer Document
"**Undertaking Shareholders**"	:	Has the meaning ascribed to it in Section 3.1 of this Offer Document
"**%**" or "**per cent.**"	:	Percentage or per centum

The term "**acting in concert**" shall have the meaning ascribed to it in the Code, and references to "**concert parties**" shall be construed accordingly.

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

The terms "**subsidiaries**" and "**related corporations**" shall have the meanings ascribed to them respectively in the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

References to persons shall, where applicable, include corporations.

The headings in this Offer Document are inserted for convenience only and shall be ignored in construing this Offer Document.

Any discrepancies in this Offer Document between the listed amounts and the total thereof are due to rounding. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures that precede them.

Any reference in this Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Listing Manual or the Code or any statutory or regulatory modification thereof and not otherwise defined in this Offer Document, shall have the meaning assigned to it under the Companies Act, the Listing Manual or the Code or any such modification thereof, as the case may be, unless the context otherwise requires.

Any reference in this Offer Document to a time of the day and date shall be a reference to Singapore time and date respectively, unless otherwise stated.

CAUTIONARY NOTE ON FORWARD LOOKING STATEMENTS

All statements other than statements of historical facts included in this Offer Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. The Shareholders and investors should not place undue reliance on such forward-looking statements, and the Offeror does not undertake any obligation to update publicly or revise any forward-looking statements.

SUMMARY TIMETABLE

Date of despatch of Offer Document	:	19 June 2014
Last date for despatch of KH's circular to Shareholders	:	3 July 2014
Closing Date	:	5.30 p.m. on 17 July 2014
Date of settlement of consideration	:	Within ten (10) days after the date of receipt of each valid and complete acceptance

LETTER TO SHAREHOLDERS

RAFFLES UNITED PTE. LTD.

Business Reg No. 201333500K

19 June 2014

To: The Shareholders of Kian Ho Bearings Ltd

Dear Sir/Madam

MANDATORY UNCONDITIONAL CASH OFFER BY THE OFFEROR FOR THE OFFER SHARES

1. INTRODUCTION

1.1 **Offer Announcement**. On 4 June 2014, the Offeror announced that it had purchased a total of 73,192,000 ordinary shares in Kian Ho Bearings Ltd ("**KH**"), representing approximately 31.27% of the issued and paid-up share capital of KH, at S$0.235 in cash per share, excluding brokerage and other transaction cost (the "**Acquisition**").

Following the Acquisition, the Offeror, together with its concerted parties, owns 123,228,000 ordinary shares in the capital of KH ("**Shares**"), representing approximately 52.65% of its issued and paid-up capital. In accordance with Rule 14 of The Singapore Code on Take-overs and Mergers (the "**Code**"), and subject to the terms and conditions set out in this formal offer document issued by the Offeror (the "**Offer Document**"), the Offeror is required to make a mandatory unconditional cash offer (the "**Offer**") for all the remaining Shares in issue not already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it ("**Offer Shares**") at a price of S$0.235 in cash for each Offer Share (the "**Offer Price**").

A copy of the Offer Announcement is available on the website of the SGX-ST at www.sgx.com.

1.2 **Offer Document**. This Offer Document contains the formal Offer by the Offeror, for the Offer Shares, subject to the terms and conditions set out in this Offer Document. Shareholders are urged to read this Offer Document carefully and properly consider this Offer.

2. THE OFFER

The Offeror hereby offers to acquire all the Offer Shares in accordance with the Code. The Offer is being made subject to the terms and conditions set out in this Offer Document, the FAA and the FAT, on the following basis:

2.1 **Offer Price**. For each Offer Share: S$0.235 in cash.

2.2 **No Increase of Offer Price**. The Offeror does not intend to increase the Offer Price.

Shareholders should note that the Offer Price of S$0.235 per Offer Share is final and will not be revised.

2.3 **No Extensions**. The Offeror does not intend to extend the Offer beyond the Closing Date.

Accordingly, **the Offer will close at 5.30 p.m. on 17 July 2014**.

2.4 **No Conditions to the Offer**. The Offer is unconditional in all respects.

In the Offer Announcement, all references to the total number of Shares was to 234,060,000 Shares, based on information available to the Offeror as at 4 June 2014, and all percentage shareholdings were rounded to the nearest 2 decimal places.

2.5 **Offer Shares**. The Offer is extended to all the Shares not already owned, controlled or agreed to be acquired by the Offeror and the parties acting in concert with it.

2.6 **No Encumbrances**. The Offer Shares will be acquired (a) fully paid, (b) free from any mortgage, debenture, lien, charge, pledge, title retention, right to acquire, security interest, option, preemptive or similar right, right of first refusal and any other encumbrance or condition whatsoever ("**Encumbrances**"), and (c) with all such rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by KH on or after the Offer Announcement Date. If any dividend, distribution or return of capital is announced, declared, paid or made on or after the Offer Announcement Date, the Offeror reserves the right to reduce the Offer Price by the amount of such dividend, distribution or return of capital.

2.7 **Warranty**. Acceptance of the Offer will be deemed to constitute an unconditional and irrevocable warranty by the accepting Shareholder that each Offer Share tendered in acceptance of the Offer is sold by the accepting Shareholder, as or on behalf of the beneficial owner(s) thereof, (a) fully paid, (b) free from any Encumbrance, and (c) with all such rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by KH on or after the Offer Announcement Date.

2.8 **Further Details of the Offer**. Please refer to Appendix 4 to this Offer Document which sets out further details on (a) the settlement of the consideration for the Offer, (b) the requirements relating to the announcement of the level of acceptances of the Offer, and (c) the right of withdrawal of acceptances of the Offer.

2.9 **Procedures for Acceptance**. Please refer to Appendix 5 to this Offer Document which sets out the procedures for acceptance of the Offer.

3. UNDERTAKINGS

3.1 In respect of the Offer, each of (i) KHB Holdings Pte Ltd ("**KHB**") (ii) Kwek Che Yong ("**KCY**"), Deputy Chairman and Executive Director of KH; (iii) Koh Hai Yang ("**KHY**"), son-in-law of KCY and Head, Business Development and Subsidiaries of KH; and (iv) Kwek San San ("**KSS**"), daughter of KCY and Purchasing Manager of KH (collectively, the "**Undertaking Shareholders**"), has provided an irrevocable undertaking to the Offeror ("**Undertaking**") (a) **not** to sell, dispose or otherwise transfer any of the Shares held by each of them as at the Offer Announcement Date (unless consented to by the Offeror) from the Offer Announcement Date up to the close of the Offer; and (b) **not** to accept the Offer in respect of any Shares held by each of them as at the Offer Announcement Date.

3.2 As at the date of this Offer Document:–

(a) KHB owns 27,659,700 Shares, representing approximately 11.82% of the total issued Shares;

(b) KCY owns 1,193,000 Shares, representing approximately 0.51% of the total issued Shares;

(c) KHY owns 2,289,000 Shares, representing approximately 0.98% of the total issued Shares; and

(d) KSS owns 286,000 Shares, representing approximately 0.12% of the total issued Shares.

Save as disclosed in this Offer Document, the Offeror has not received any undertaking from any party to accept or reject the Offer as at the Latest Practicable Date.

4. INFORMATION ON THE OFFEROR AND THE PARTIES ACTING IN CONCERT

The Offeror was incorporated in the Republic of Singapore on 12 December 2013. It has an issued and paid up share capital of S$100,000 divided into 100,000 ordinary shares. The Offeror is a private exempt investment holding company held by Teo Xian-Hui Amanda Marie and Teo Teck Yao Glenn Ashley in equal proportions of 50% each.

Teo Teng Beng and Teo Teck Yao Glenn Ashley are the Directors of the Offeror. Teo Teng Beng is also the Managing Director and member of the Nominating Committee of KH. Teo Teng Beng holds directorships in private companies operating in industries such as property investment and foreign exchange management.

Teo Xian-Hui Amanda Marie and Teo Teck Yao Glenn Ashley are the children of Teo Teng Beng (collectively, the "**Relevant Persons**").

Additional information on the Offeror is set out in Appendix 2 to this Offer Document.

5. INFORMATION ON KH

Incorporated in Singapore on 3 November 1973, KH is one of the largest stockists, distributors and retailers of bearings and seal products in South-East Asia and the Far East, catering primarily to bearing wholesalers, replacement markets and original equipment manufacturers. KH was listed on the SGX-ST Dealing and Automated Quotation on 10 November 1995 and upgraded to the SGX-ST Mainboard on 2 February 1998.

For the financial year ended 31 December 2013, KH announced consolidated revenue and net profit after tax excluding minority interests of approximately S$78.8 million and S$1.3 million, respectively. As at 31 December 2013, KH's consolidated net tangible assets (excluding minority interests) amounted to approximately S$75.5 million.

Based on information available to the Offeror as at the Latest Practicable Date, KH's issued and paid-up share capital comprises S$31,658,000 divided into 234,060,000 Shares.

Additional information on KH is set out in Appendix 3 to this Offer Document.

6. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS FOR KH

6.1 **Rationale for the Offer**. The Offer is made to comply with the requirements of the Code because following the Acquisition, the Offeror together with its concerted parties hold an aggregate of 123,228,000 Shares, representing approximately 52.65% of the total number of Shares as at the Latest Practicable Date.

6.2 **The Offeror's Intentions for KH**. It is the intention of the Offeror that KH continues to carry on its existing business and maintains its listing status on the SGX-ST.

The Offeror, together with its concerted parties, may offer its experience and business contacts in property investment to KH for future growth prospects in addition to carrying on its existing businesses. As the controlling shareholder of KH, the Offeror intends to work with KH to increase shareholder value.

Save as disclosed in this Offer Document, the Offeror presently has no plans to (i) introduce any major changes to the existing businesses of KH or the operations of any of its subsidiaries, (ii) redeploy any of the fixed assets of KH or (iii) discontinue the employment of any of the employees of KH and its subsidiaries, other than in the ordinary course of business.

The intentions of the Offeror for KH as set out in this Section 6 are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Offeror. There is no assurance that the current intentions will be carried into effect, and the Offeror retains the flexibility at any time to consider any options in relation to KH which may present themselves and which the Offeror may regard to be in the interest of the Offeror or KH.

7. LISTING STATUS

7.1 **No Compulsory Acquisition**. Pursuant to Section 215(1) of the Companies Act, if an offeror (which is a corporation) receives valid acceptances pursuant to an offer in respect of not less than 90% of the total number of shares in a company (other than those already held by the offeror, its related corporations or their respective nominees as at the date of the offer, and excluding treasury shares), the offeror will be entitled to exercise the right to compulsorily acquire all the shares from the shareholders of that company who have not accepted the offer.

In this Offer Document, unless otherwise stated, all references to the total number of Shares as at the Latest Practicable Date shall be to 234,060,000 Shares based on information available to the Offeror as at 10 June 2014 and all percentage shareholdings are rounded to the nearest 2 decimal places.

7.2 **It is the intention of the Offeror to maintain the listing status of KH on the SGX-ST.**

Under Rule 1105 of the Listing Manual, upon the announcement by the Offeror that valid acceptances have been received pursuant to the Offer that bring the Shares owned by the Offeror and parties acting in concert with it to above 90% of the total number of Shares (excluding treasury shares), the SGX-ST may suspend the listing of the Shares until it is satisfied that at least 10% of the total number of Shares (excluding treasury shares) are held by at least 500 Shareholders who are members of the public. Rule 1303(1) of the Listing Manual also states that if the Offeror garners acceptances exceeding 90% of the total number of Shares (excluding treasury shares), thus causing the percentage of Shares held in public hands to fall below 10%, the SGX-ST may suspend the trading of the Shares at the close of the Offer.

In addition, under Rule 724 of the Listing Manual, if the percentage of Shares held in public hands falls below 10%, KH must, as soon as practicable, announce that fact, and the SGX-ST may suspend trading of all the Shares. Rule 724 of the Listing Manual further provides that the SGX-ST may allow KH a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which KH may be delisted from the SGX-ST.

As it is the current intention of the Offeror to maintain the listing status of KH on the SGX-ST, the Offeror reserves the right to take appropriate actions to procure that at least 10% of the total number of Shares are held by the public in accordance with the rules of the Listing Manual. The Offeror may engage a licensed intermediary to place out some or all of the Offer Shares acquired pursuant to the Offer following the close of the Offer. Further details on any such arrangements will be announced in due course as and when it is appropriate.

8. BENCHMARKING THE OFFER

The Offer Price of S$0.235 for each Offer Share:

(a) is equivalent to the last transacted price of S$0.235 per Share on the SGX-ST on the Latest Practicable Date;

(b) represents a premium of approximately 6.82 per cent. to the last transacted price of S$0.22 per Share on the SGX-ST on the Last Trading Day;

(c) represents a premium of approximately 12.71 per cent. over the average of the last transacted prices of Shares on the SGX-ST of S$0.21 at the end of each of the six (6) calendar months preceding the Last Trading Day.

9. CONFIRMATION OF FINANCIAL RESOURCES

Malayan Banking Berhad has confirmed that the Offeror has the necessary financial resources of up to S$19 million to meet its obligation in case of a full acceptance of the Offer.

10. OVERSEAS SHAREHOLDERS

10.1 **Availability to Overseas Shareholders**. The availability of the Offer to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions. It is currently not intended that the Offer will be made in or into, and the Offer is not capable of acceptance in or from, any jurisdiction in or from which the making of the Offer is prohibited or affected by the laws of that jurisdiction. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable legal requirements. For the avoidance of doubt, the Offer is open to all the Shareholders, including those to whom this Offer Document, the FAAs and/or the FATs have not been, or may not be, despatched.

10.2 **Overseas Jurisdiction**. It is the responsibility of any Overseas Shareholder who wishes to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on his behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on his behalf may be required to pay. Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction. In accepting the Offer, the Overseas Shareholder represents and warrants to the Offeror that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.

10.3 **Copies of the Offer Document**. The Offeror reserves the right not to send this Offer Document, the FAA and the FAT to any Overseas Shareholder due to potential restrictions on sending such documents to the relevant jurisdictions. Any affected Overseas Shareholder may, nonetheless, apply to obtain copies of this Offer Document, and the FAA or the FAT, as the case may be, and any related documents during normal business hours and up to the Closing Date, from the Offeror through the Share Registrar (if he is a scripholder), at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 or from CDP (if he is a Depositor) at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588. Alternatively, an Overseas Shareholder may write in to the Offeror through the Share Registrar (if he is a scripholder) at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 or to CDP (if he is a Depositor) at Robinson Road Post Office P.O. Box 1984 Singapore 903934 to request for this Offer Document, the FAA or the FAT, as the case may be, and any related documents to be sent to an address in Singapore by ordinary post at his own risk (the last date for despatch in respect of such request shall be a date falling three (3) Market Days prior to the Closing Date). It is the responsibility of any Overseas Shareholder who wishes to request for this Offer Document, the FAA, the FAT and any related documents to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for this Offer Document, the FAA, the FAT and any related documents, the Overseas Shareholder represents and warrants to the Offeror that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.

10.4 **Notice**. The Offeror reserves the right to notify any matter, including the fact that the Offer has been made, to any or all of the Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

11. GENERAL

11.1 **Accidental Omission**. Any omission relating to the despatch of this Offer Document, the FAA and/or the FAT, or any notice or announcement required to be given under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made or should be made shall not invalidate the Offer in any way.

11.2 **Governing Law and Jurisdiction**. The Offer, this Offer Document, the FAA and the FAT, all acceptances of the Offer, all contracts made pursuant thereto and all action taken or deemed to be taken in connection with any of the foregoing shall be governed by, and construed in accordance with, the laws of Singapore and all accepting Shareholders agree, by accepting the Offer, to submit to the non-exclusive jurisdiction of the Singapore courts.

11.3 **No Third Party Rights**. A person who is not a party to any contracts made pursuant to the Offer, this Offer Document, the FAAs and/or the FATs has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

11.4 **Valid Acceptances**. The Offeror reserves the right to treat acceptances of the Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated herein or in the FAA and/or the FAT, or if made otherwise than in accordance with the provisions herein and in the FAA and/or the FAT.

11.5 **Independent Advice**. The Offeror does not purport to advise the Shareholders. In preparing his letter to the Shareholders, the Offeror has not had regard to the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any Shareholder.

The views of the Independent Directors and the independent financial adviser to the Independent Directors will be made available by KH to the Shareholders in due course and in any event within 14 days of the posting of this Offer Document.

Shareholders may wish to consider their advice before taking any action in relation to the Offer.

Additional general information relating to the Offer is provided in Appendix 1 to this Offer Document. Your attention is drawn to all the Appendices to this Offer Document, the FAA and the FAT which form part of this Offer Document.

11.6 **Information Pertaining to CPFIS Investors**. CPFIS Investors will receive further information on how to accept the Offer from their respective 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.

12. RESPONSIBILITY STATEMENT

The Directors of the Offeror (including those who may have delegated detailed supervision of this Offer Document) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Offer Document are fair and accurate and that no material facts have been omitted from this Offer Document.

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 Offer Document.

By Order of the Board

Teo Teck Yao Glenn Ashley
Director

19 June 2014

APPENDIX 1 – ADDITIONAL GENERAL INFORMATION

1. DISCLOSURE OF INTERESTS AND DEALINGS IN SHARES

1.1 **Disclosure of Interests**. As at the Latest Practicable Date, the interests in Shares held by the Offeror and parties acting or deemed to be acting in concert with it ("**Relevant Securities**") are set out below:–

	Direct Interest		Deemed Interest	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**
Raffles United Pte. Ltd.	123,118,000	52.60	–	–
Teo Teng Beng	–	–	–	–
Teo Teck Yao Glenn Ashley[(1)]	–	–	123,118,000	52.60
Teo Xian-Hui Amanda Marie[(2)]	110,000	0.05	123,118,000	52.60

Notes:

(1) Teo Teck Yao Glenn Ashley holds 50% of the shares of the Offeror and is deemed to be interested in the Shares held by the Offeror by virtue of Section 4 of the SFA.

(2) Teo Xian-Hui Amanda Marie holds 50% of the shares of the Offeror and is deemed to be interested in the Shares held by the Offeror by virtue of Section 4 of the SFA.

1.2 **Dealings by the Relevant Persons**. Save as disclosed in this Offer Document, none of the Offeror and parties acting in concert with it (i) owns, controls or has agreed to acquire any, or (ii) has, during the period commencing six (6) months prior to the Offer Announcement Date and ending on the Latest Practicable Date, dealt for value in any Shares.

The dealings of the Offeror and parties acting in concert with it in respect of the Shares for the period commencing six (6) months prior to the Offer Announcement Date and ending on the Latest Practicable Date are as follows:

Name	**Date of Transaction**	**Transaction price per Share (S$)**	**No. of Shares acquired**	**No. of Shares sold**
Teo Teck Yao Glenn Ashley[(1)]	28 April 2014	0.21	45,000	N/A
Teo Xian-Hui Amanda Marie[(1)]	27 May 2014	0.215	44,000	N/A
Teo Xian-Hui Amanda Marie[(1)]	29 May 2014	0.22	44,000	N/A
Teo Xian-Hui Amanda Marie[(1)]	2 Jun 2014	0.21	58,000	N/A
Teo Xian-Hui Amanda Marie[(1)]	2 Jun 2014	0.22	8,000	N/A
Teo Teng Beng[(2)]	3 Jun 2014	0.22	N/A	5,207,000
Teo Teck Yao Glenn Ashley[(2)]	3 Jun 2014	0.22	N/A	11,163,000
Teo Xian-Hui Amanda Marie[(2)]	3 Jun 2014	0.22	N/A	33,556,000
Offeror[(3)]	3 Jun 2014	0.22	49,926,000	N/A
Offeror[(4)]	4 Jun 2014	0.235	73,192,000	N/A

Notes:

(1) This acquisition was not made in connection with the Offer.

(2) These disposals were made to the Offeror for the purposes of consolidating the Relevant Persons' holdings of Shares in the Offeror. These disposals were effected via off-market transactions and were reported to KH on 4 June 2014.

(3) These acquisitions were made by the Offeror for the purposes of consolidating the Relevant Persons' holdings of Shares in the Offeror. These acquisitions were effected via off-market transactions and were reported to KH on 4 June 2014.

(4) This was the Acquisition referred to in Section 1 of this Offer Document.

1.3 **Security and Other Arrangements**. As at the Latest Practicable Date, none of the Offeror and parties acting in concert with it has, in relation to the Relevant Securities:

(a) granted any security interest to another person, whether through a charge, pledge or otherwise;

(b) borrowed from another person (excluding borrowed Relevant Securities which have been on-lent or sold); or

(c) lent to another person.

1.4 **No Agreement having any Connection with or Dependence upon the Offer**. As at the Latest Practicable Date, save for the Undertakings as disclosed in Section 3 of this Offer Document, there is no agreement, arrangement or understanding between (i) the Offeror and/or parties acting in concert with it and (ii) any of the present or recent directors of KH or any of the present or recent Shareholders or any other person having any connection with or dependence upon the Offer.

1.5 **Indemnity and Other Arrangements**. As at the Latest Practicable Date, save as disclosed in this Offer Document, neither the Offeror nor any party acting in concert with it has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the Offer Shares which may be an inducement to deal or refrain from dealing in the Offer Shares.

1.6 **Transfer of Offer Shares**. As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any of the Offer Shares acquired by the Offeror pursuant to the Offer will or may be transferred to any other persons.

1.7 **No Payment or Benefit to Directors of KH**. As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of KH or any of its related corporations (as defined in the Companies Act) as compensation for loss of office or as consideration for, or in connection with, his retirement from office or otherwise in connection with the Offer.

1.8 **No Agreement Conditional upon Outcome of Offer**. As at the Latest Practicable Date, save for the Undertakings as disclosed in Section 3 of this Offer Document, there is no agreement, arrangement or understanding between the Offeror and any of the directors of KH or any other person in connection with or conditional upon the outcome of the Offer or otherwise connected with the Offer.

1.9 **Transfer Restrictions**. The Memorandum and Articles of Association of KH do not contain any restrictions on the right to transfer the Offer Shares.

1.10 **No Material Change in any Information**. Save as disclosed in this Offer Document, there has been no material change in any information previously published by the Offeror during the period commencing from the Offer Announcement Date and ending on the Latest Practicable Date.

2. GENERAL

2.1 **Consent**. Malayan Banking Berhad, as a financing bank to the Offeror, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion of its name and all references to itself, in the form and context in which they respectively appear in this Offer Document.

2.2 **Costs and Expenses**. All costs and expenses of or incidental to the Offer including the preparation and circulation of this Offer Document, the FAA and the FAT (other than professional fees and other costs relating to the Offer or any revision thereof incurred or to be incurred by KH) and stamp duty and transfer fees resulting from acceptances of the Offer will be paid by the Offeror.

3. MARKET QUOTATIONS

3.1 **Closing Prices**. The following table sets out the closing prices of Shares on the SGX-ST (as reported by Bloomberg L.P.) on (a) a monthly basis for the six (6) calendar months preceding the Offer Announcement Date; (b) the Last Trading Day; and (c) the Latest Practicable Date:

Date	Last Closing Price (S$)	Highest Closing Price (S$)	Lowest Closing Price (S$)
December 2013	0.21	0.22	0.20
January 2014	0.20	0.215	0.20
February 2014	0.20	0.22	0.198
March 2014	0.215	0.22	0.20
April 2014	0.21	0.215	0.20
May 2014	0.21	0.22	0.185
3 June 2014 (the Last Trading Day)	0.22	–	–
10 June 2014 (the Latest Practicable Date)	0.235	–	–

3.2 **Highest and Lowest Prices**. The highest and lowest closing prices of Shares on the SGX-ST (as reported by Bloomberg L.P.) for the period commencing six (6) months prior to the Offer Announcement Date and ending on the Latest Practicable Date are as follows:

	Price (S$)	Date(s)
Highest Closing Price	0.25	4 June 2014
Lowest Closing Price	0.185	26 May 2014

4. DOCUMENTS FOR INSPECTION

4.1 Copies of the following documents may be inspected at the office of the Share Registrar, being Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, during normal business hours, while the Offer remains open for acceptance:

(a) the Offer Announcement;

(b) the Undertakings referred to in Section 3 of this Offer Document; and

(c) the letter of consent from Malayan Banking Berhad referred to in paragraph 2.1 of this Appendix 1.

APPENDIX 2 – ADDITIONAL INFORMATION ON THE OFFEROR

1. DIRECTORS

The names, addresses and descriptions of all the directors of the Offeror as at the Latest Practicable Date are as follows:

Name	Address	Description
Teo Teng Beng	1A Camden Park Singapore 299818	Director
Teo Teck Yao Glenn Ashley	109A Lorong J Telok Kurau Singapore 425939	Director

2. PRINCIPAL ACTIVITIES AND SHARE CAPITAL

The Offeror was incorporated in the Republic of Singapore on 12 December 2013. It has an issued and paid up share capital of S$100,000 divided into 100,000 ordinary shares as at the date of this Offer Document. The Offeror is a private exempt investment holding company held by Teo Xian-Hui Amanda Marie and Teo Teck Yao Glenn Ashley in equal proportions of 50% each.

3. FINANCIAL INFORMATION

The Offeror has not filed any financial statements since its incorporation and up to the date of this Offer Document. At incorporation date and as at the date of this Offer Document, the issued and paid-up capital of the Offeror is S$10 and S$100,000 respectively and save for the Shares held by it, the Offeror has no other major assets or material liabilities.

4. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save as a result of the Offeror acquiring 73,192,000 Shares on 4 June 2014 pursuant to the Acquisition and 49,926,000 Shares on 4 June 2014 from the Relevant Persons for purposes of consolidating the Relevant Persons' holdings of Shares of the Offeror, there has been no material change in the financial position of the Offeror since its incorporation.

5. REGISTERED OFFICE

The registered office of the Offeror is at 20 Malacca Street, #05-00 Malacca Centre, Singapore 048979.

APPENDIX 3 – ADDITIONAL INFORMATION ON KH

1. DIRECTORS

Based on information available to the Offeror, the names, addresses and description of the directors of KH as at the Latest Practicable Date are as follows:

Name	Address	Description
Yeo Wee Kiong	26 Yarwood Avenue Singapore 587998	Independent Chairman
Kwek Che Yong	2 Marine Vista #12-71 Singapore 449026	Executive Deputy Chairman
Teo Teng Beng	1A Camden Park Singapore 299818	Managing Director
Teh Geok Koon	9 Evergreen Gardens Singapore 468885	Executive Director cum Chief Operating Officer
Lee Joo Hai	3 Meyer Place #17-02 Singapore 437991	Non-executive Independent Director
Tan Saik Hock	45 Mount Sinai Rise #09-02 Singapore 276958	Non-executive Independent Director

2. REGISTERED OFFICE

The registered office of KH is at 5 Changi South St 3, Singapore 486117.

3. MATERIAL CHANGES IN FINANCIAL POSITION

Save as disclosed in this Offer Document, in the audited consolidated financial statements of KH for the financial year ended 31 December 2013 and any other information on KH which is publicly available (including, without limitation, the announcements released by KH on the SGX-ST), there has not been, within the knowledge of the Offeror, any material change in the financial position or prospects of KH since 28 April 2014, being the date of the last consolidated set of financial information laid before the Shareholders in general meeting.

4. SHARE CAPITAL

As at the Latest Practicable Date, KH has an issued and paid-up share capital of S$31,658,000 comprising 234,060,000 Shares.

APPENDIX 4 – FURTHER DETAILS OF THE OFFER

1. SETTLEMENT

1.1 **Settlement**. Subject to the receipt by the Offeror of valid acceptances, complete in all respects and in accordance with the instructions given in this Offer Document and the relevant FAA and/or FAT (as the case may be), and in the case of Depositors, the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares are standing to the credit of the "Free Balance" of the Depositors' Securities Accounts at the relevant times, remittances in the form of S$ cheques for the appropriate amounts will be despatched (or by such other manner as the accepting Shareholders may have agreed with CDP for the payment of any cash distribution), pursuant to Rule 30 of the Code, to the accepting Shareholders (or, in the case of Shareholders holding share certificate(s) which are not deposited with CDP, their designated agents (if any)) by ordinary post, at the risk of the accepting Shareholders, as soon as practicable, and in any case within ten (10) days after receipt of such acceptances.

2. ANNOUNCEMENTS

2.1 **Timing and Contents**. Pursuant to Rule 28.1 of the Code, by 8.00 a.m. on the dealing day immediately after the day on which the Offer is due to expire, or is revised or extended (if applicable) (the "**Relevant Day**"), the Offeror will announce and simultaneously inform the SGX-ST of the total number of Offer Shares (as nearly as practicable):

(a) for which valid acceptances of the Offer have been received;

(b) held by the Offeror and parties acting in concert with it before the Offer Period; and

(c) acquired or agreed to be acquired by the Offeror and parties acting in concert with it during the Offer Period, and will specify the percentages of the total number of Shares in issue represented by such numbers.

2.2 **Suspension**. Under Rule 28.2 of the Code, if the Offeror is unable within the time limit to comply with paragraph 2.1 of this Appendix 4, the SIC will consider requesting the SGX-ST to suspend dealings in Shares until the relevant information is given.

2.3 **Announcements**. In this Offer Document, references to the making of any announcement or the giving of notice by the Offeror include the release of an announcement by advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone or facsimile or through SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

2.4 **Valid Acceptances of Offer Shares**. In computing the number of Offer Shares represented by acceptances, the Offeror will, at the time of making an announcement, take into account acceptances which are valid in all respects. Acceptances of the Offer will only be treated as valid for the purposes of the acceptance condition if the relevant requirements of Note 2 on Rule 28.1 of the Code are met.

3. RIGHT OF WITHDRAWAL

3.1 **Right of Withdrawal**. Except as expressly provided in this Offer Document and the Code, acceptances of the Offer shall be irrevocable. If the Offeror fails to comply with any of the requirements of Rule 28.1 of the Code by 3.30 p.m. on the Relevant Day, then immediately thereafter:

(a) Shareholders holding Shares which are deposited with CDP and accepting the Offer will be entitled to withdraw their acceptances by written notice to Raffles United Pte Ltd, c/o The Central Depository (Pte) Limited, Robinson Road Post Office P.O. Box 1984, Singapore 903934; and

(b) Shareholders holding Shares which are not deposited with CDP and accepting the Offer will be entitled to withdraw their acceptances by written notice to Raffles United Pte Ltd, c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 (such notice of withdrawal shall be effective only when actually received by the Offeror). Subject to Rule 22.9 of the Code, this right of withdrawal may be terminated not less than eight (8) days after the Relevant Day by the Offeror confirming (if that be the case) that the Offer is still unconditional and complying with Rule 28.1 of the Code.

APPENDIX 5 – PROCEDURES FOR ACCEPTANCE OF THE OFFER

1. DEPOSITORS

1.1 **Depositors whose Securities Accounts are credited with Offer Shares**. If you have Offer Shares standing to the credit of your Securities Account, you should receive this Offer Document together with a FAA.

Acceptance. If you wish to accept the Offer, you should:

(i) complete and sign the FAA in accordance with the provisions in this Offer Document and the instructions printed on the FAA. In particular, you must state in Part A of the FAA, the number of Offer Shares in respect of which you wish to accept the Offer. If you:

(a) do not specify such number; or

(b) specify a number which exceeds the number of Offer Shares standing to the credit of the "Free Balance" of your Securities Account as at 5.00 p.m. on the date of receipt of the FAA by CDP (the "**Date of Receipt**") or, in the case where the Date of Receipt is on the Closing Date, as at 5.30 p.m. on the Closing Date (provided always that the Date of Receipt is on or before the Closing Date),

you shall be deemed to have accepted the Offer in respect of all the Offer Shares standing to the credit of the "Free Balance" of your Securities Account as at 5.00 p.m. on the Date of Receipt or 5.30 p.m. on the Closing Date (if the FAA is received by CDP on the Closing Date); and

(ii) deliver the completed and signed original FAA:

(a) **by hand** to Raffles United Pte Ltd, c/o The Central Depository (Pte) Limited, at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588; or

(b) **by post**, in the enclosed pre-addressed envelope at your own risk, to Raffles United Pte Ltd, c/o The Central Depository (Pte) Limited, Robinson Road Post Office P.O. Box 1984, Singapore 903934.

In either case so as to arrive not later than 5.30 p.m. on the Closing Date. If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope.

If you have sold or transferred all your Offer Shares held through CDP, you need not forward this Offer Document and the accompanying FAA to the purchaser or transferee, as CDP will arrange for a separate Offer Document and FAA to be sent to the purchaser or transferee.

1.2 **Depositors whose Securities Accounts will be credited with Offer Shares**. If you have purchased Offer Shares on the SGX-ST, and such Offer Shares are in the process of being credited to the "Free Balance" of your Securities Account, you should also receive this Offer Document together with a FAA.

Acceptance. If you wish to accept the Offer, you should, after the "Free Balance" of your Securities Account has been credited with such number of Offer Shares:

(i) complete and sign the FAA in accordance with paragraph 1.1 of this Appendix 5 and the instructions printed on the FAA; and

(ii) deliver the completed and signed original FAA:

(a) **by hand** to Raffles United Pte Ltd, c/o The Central Depository (Pte) Limited, at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588; or

(b) **by post**, in the enclosed pre-addressed envelope at your own risk, to Raffles United Pte Ltd, c/o The Central Depository (Pte) Limited, Robinson Road Post Office P.O. Box 1984, Singapore 903934.

In either case so as to arrive not later than 5.30 p.m. on the Closing Date. If the completed and signed FAA is delivered by post to Raffles United Pte Ltd, please use the enclosed pre-addressed envelope.

Rejection. If upon receipt by CDP, for and on behalf of the Offeror, of the FAA, it is established that such Offer Shares have not been credited to the "Free Balance" of your Securities Account (for example, where you sell or have sold such Offer Shares), your acceptance will be rejected and none of CDP and the Offeror accepts any responsibility or liability for such a rejection, including the consequences of such a rejection.

If you purchase Offer Shares on the SGX-ST on a date close to the Closing Date, your acceptance in respect of such Offer Shares is liable to be rejected if the "Free Balance" of your Securities Account is not credited with such Offer Shares by 5.00 p.m. on the Date of Receipt or 5.30 p.m. on the Closing Date (if the FAA is received by CDP on the Closing Date). None of CDP and the Offeror accepts any responsibility or liability for such a rejection, including the consequences of such a rejection.

1.3 **Depositors whose Securities Accounts are and will be credited with Offer Shares**. If you have Offer Shares credited to the "Free Balance" of your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to your Securities Account, you may accept the Offer in respect of the Offer Shares standing to the credit of the "Free Balance" of your Securities Account and may accept the Offer in respect of the additional Offer Shares purchased which are in the process of being credited to your Securities Account only after the "Free Balance" of your Securities Account has been credited with such number of Offer Shares. The provisions set out above in relation to acceptance shall apply in the same way to your acceptance(s).

1.4 **General**. No acknowledgement will be given for submissions of the FAA made by hand at CDP's counters, by post to CDP or deposited into boxes located at CDP's premises. All communications, notices, documents and payments to be delivered or sent to you will be sent by ordinary post at your risk to your address as it appears in the records of CDP. For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You can verify such number through: (a) CDP Online, if you have registered for the CDP Internet Access Service, or (b) CDP Phone Service, if you have a T-PIN. Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Offer Shares credited to your Securities Account.

1.5 **Suspense Account**. Upon receipt of the FAA which is complete and valid in all respects, CDP will transfer the Offer Shares in respect of which you have accepted the Offer from the "Free Balance" of your Securities Account to a "Suspense Account". Such Offer Shares will be held in the "Suspense Account" until the consideration for such Offer Shares has been despatched to you.

1.6 **Offer Notification**. CDP will send you a notification letter stating the number of Offer Shares debited from your Securities Account together with payment of the Offer Price by way of a cheque drawn on a bank in Singapore for the appropriate amount, or in such other manner as you may have agreed with CDP for the payment of any cash distributions.

1.7 **No Securities Account**. If you do not have any existing Securities Account in your own name at the time of acceptance of the Offer, your acceptance as contained in the FAA will be rejected.

2. SCRIP HOLDERS

2.1 **Shareholders whose Offer Shares are not deposited with CDP**. If you hold Offer Shares which are not deposited with CDP ("**in scrip form**"), you should receive this Offer Document together with a FAT.

2.2 **Acceptance**. If you wish to accept the Offer, you should:

(i) complete and sign the FAT in accordance with this Offer Document and the instructions printed on the FAT. If you:

(a) do not specify a number in Part (A) of the FAT; or

(b) specify a number in Part (A) of the FAT which exceeds the number of Offer Shares represented by the attached share certificate(s),

you shall be deemed to have accepted the Offer in respect of all the Offer Shares represented by the share certificate(s) accompanying the FAT; and

(ii) deliver:

(a) the completed and signed FAT in its entirety (no part may be detached or otherwise mutilated);

(b) the share certificate(s), other document(s) of title and/or relevant document(s) required by the Offeror relating to the Offer Shares in respect of which you wish to accept the Offer. If you are recorded in the Register as holding Offer Shares but do not have the relevant share certificate(s) relating to such Offer Shares, you, at your own risk, are required to procure KH to issue such share certificate(s) in accordance with the Memorandum and Articles of Association of KH and then deliver such share certificate(s) in accordance with the procedures set out in this Offer Document and in the FAT; and

(c) where such Offer Shares are not registered in your name, a transfer form, duly executed by the person in whose name such share certificate(s) is/are registered and stamped, with the particulars of transferee left blank (to be completed by the Offeror or a person authorised by it),

either **by hand** to Raffles United Pte Ltd, c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623; or **by post**, in the enclosed pre-addressed envelope at your own risk, to Raffles United Pte Ltd, c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, **in either case so as to arrive not later than 5.30 p.m. on the Closing Date**.

2.3 **Receipt**. No acknowledgement of receipt of any FAT, share certificate(s) or any other document(s) will be given by the Offeror or the Share Registrar.

3. GENERAL

3.1 **Disclaimer**. The Offeror, CDP or the Share Registrar (as the case may be) will be authorised and entitled, in their absolute discretion, to reject any acceptances of the Offer which are not entirely in order or which do not comply with the terms of this Offer Document and the relevant Acceptance Forms or which are otherwise incomplete, incorrect, unsigned or invalid in any respect. If you wish to accept the Offer, it is your responsibility to ensure that the FAA and/or FAT, as the case may be, is properly completed in all respects, signed and all required documents are provided. Any decision to reject any acceptance will be final and binding and none of the Offeror, CDP and the Share Registrar accepts any responsibility or liability in relation to such a decision, including the consequences thereof.

3.2 **Discretion**. The Offeror reserves the right to treat acceptances of the Offer as valid if received by or on behalf of it at any place or places determined by them otherwise than as stated in this Offer Document or in the FAA and/or the FAT, as the case may be, or if made otherwise than in accordance with the provisions of this Offer Document and in the FAA and/or the FAT, as the case may be.

Except as specifically provided for in this Offer Document and the Code, acceptance of the Offer is irrevocable.

3.3 **Scrip and Scripless Offer Shares**. If you hold some Offer Shares in scrip form and others with CDP, you should complete the FAT for the former and the FAA for the latter in accordance with the respective procedures set out in this Appendix 5 if you wish to accept the Offer in respect of all such Offer Shares.

3.4 **Acceptances received on Saturday, Sunday or public holidays**. Acceptances in the form of the FAA and/or the FAT received by the Offeror, CDP and/or the Share Registrar, on a Saturday, Sunday or public holidays will only be processed and validated on the next Business Day.

3.5 **Deposit Time**. If you hold Offer Shares in scrip form, the Offer Shares may not be credited into your Securities Account with CDP in time for you to accept the Offer if you were to deposit your share certificate(s) with CDP after the Despatch Date. If you wish to accept the Offer in respect of such Offer Shares, you should complete the FAT and follow the procedures set out in paragraph 2 of this Appendix 5.

3.6 **Correspondences**. All communications, notices, documents and remittances to be delivered or sent to you (or your designated agent or, in the case of joint accepting Shareholders who have not designated any agent, to the one first named in the Register) will be sent by ordinary post to your respective addresses as they appear in the records of CDP or the Share Registrar, as the case may be, at the risk of the person entitled thereto (or for the purposes of remittances only, to such different name and addresses as may be specified by you in the FAT, as the case may be, at your own risk).

3.7 **Evidence of Title**. Delivery of the duly completed and signed FAA and/or FAT to CDP and/or the Share Registrar and/or the Offeror, as the case may be, shall be conclusive evidence in favour of CDP, the Share Registrar and the Offeror of the right and title of the person signing it to deal with the same and with the Offer Shares to which it relates.