KIAN HO BEARINGS LTD

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

ANNOUNCEMENT

MANDATORY UNCONDITIONAL CASH OFFER FOR KIAN HO BEARINGS LTD – APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

1. Appointment of Independent Financial Adviser

The Board of Directors (the "**Board**") of Kian Ho Bearings Ltd ("**KH**" or the "**Company**") refers to the announcement dated 4 June 2014 in respect of a mandatory unconditional cash offer (the "**Offer**") made by Raffles United Pte Ltd (the "**Offeror**"), for all the ordinary shares in the capital of the Company (the "**KH Shares**") not already owned, controlled or agreed to be acquired by the Offeror.

The Board wishes to inform shareholders of the Company (the "**Shareholders**") that it has on 10 June 2014 appointed Asiasons WFG Capital Pte. Ltd. (the "**IFA**") as the independent financial adviser to advise the Directors of the Company who are considered independent for the purposes of the Offer (the "**Independent Directors**"). A circular (the "**Offeree Circular**") containing, *inter alia*, the advice of the IFA and the recommendation of the Independent Directors will be sent to Shareholders within 14 days from the date of despatch of the offer document to be issued by the Offeror in connection with the Offer.

In the meantime, Shareholders are advised to refrain from taking any action in relation to their KH Shares which may be prejudicial to their interests until they or their professional advisers have considered the information and the recommendations of the Independent Directors as well as the advice of the IFA set out in the Offeree Circular to be issued by the Company in due course. Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

2. Directors' Responsibility Statement

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

By Order of the Board

Yeo Wee Kiong
Chairman
10 June 2014, Singapore