

MANDATORY CONDITIONAL CASH OFFER

to acquire all the issued and paid-up ordinary stock units

and

MANDATORY UNCONDITIONAL CASH OFFER

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

UNITED ENGINEERS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No.: 191200018G)

other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with the Offeror

by



UNITED OVERSEAS BANK LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No.: 193500026Z)

for and on behalf of

YANLORD PERENNIAL INVESTMENT (SINGAPORE) PTE. LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No.: 201715887D)

LEVEL OF ACCEPTANCES OF PREFERENCE SHARE OFFER RIGHTS OF HOLDERS OF UEL PREFERENCE SHARES UNDER SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

United Overseas Bank Limited ("**UOB**") refers to the Offer Document dated 1 August 2017 (the "**Offer Document**") issued by UOB, for and on behalf of Yanlord Perennial Investment (Singapore) Pte. Ltd. (the "**Offeror**"), in connection with:

- (a) the mandatory conditional cash offer for all the issued and paid-up ordinary stock units ("**UEL Ordinary Shares**") in the capital of United Engineers Limited ("**UEL**") other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with the Offeror in accordance with Rule 14 of the Singapore Code on Take-Overs and Mergers (the "**Code**"); and
- (b) the comparable offer for all the issued and paid-up preference shares ("**UEL Preference Shares**") in the capital of UEL other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with the Offeror in accordance with Rule 18 of the Code (the "**Preference Share Offer**").

All capitalised terms used and not defined in this announcement (this "**Announcement**") shall have the same meanings given to them in the Offer Document, unless otherwise expressly stated or the context otherwise requires.

2. LEVEL OF ACCEPTANCES OF PREFERENCE SHARE OFFER

UOB wishes to announce, for and on behalf of the Offeror, that:

- (a) **Acceptances of the Preference Share Offer.** As at 5:00 p.m. (Singapore time) on 24 August 2017, the Offeror has received valid acceptances amounting to 179,176 UEL Preference Shares, representing approximately 20.5%¹ of the total number of UEL Preference Shares.
- (b) **UEL Preference Shares held on or before the Offer Announcement Date.** As at the Offer Announcement Date, (i) the Offeror owned, controlled or had agreed to acquire 614,050 UEL Preference Shares representing approximately 70.2% of the total number of UEL Preference Shares; and (ii) the parties acting in concert with it did not own, control or agree to acquire any UEL Preference Shares.
- (c) **UEL Preference Shares acquired or agreed to be acquired after the Offer Announcement Date and up to 5:00 p.m. (Singapore time) on 24 August 2017 (other than pursuant to valid acceptances of the Preference Share Offer).** Following the Offer Announcement Date and up to 5:00 p.m. (Singapore time) on 24 August 2017, the Offeror and parties acting in concert with it have not acquired or agreed to acquire any UEL Preference Shares (other than pursuant to valid acceptances of the Preference Share Offer).

3. RESULTANT SHAREHOLDINGS

Accordingly, as at 5:00 p.m. (Singapore time) on 24 August 2017, the total number of (a) UEL Preference Shares owned, controlled or agreed to be acquired by the Offeror; and (b) valid acceptances to the Preference Share Offer, amount to an aggregate of 793,226 UEL Preference Shares, representing approximately 90.7% of the total number of UEL Preference Shares.

As disclosed in the Offer Document, the Offeror and parties acting in concert with it also own 213,205,539 UEL Ordinary Shares, representing approximately 33.4% of the total number of UEL Ordinary Shares.

4. RIGHTS OF HOLDERS OF UEL PREFERENCE SHARES UNDER SECTION 215(3) OF THE COMPANIES ACT

Pursuant to Section 215(3) of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**"), if the Offeror acquires such number of UEL Preference Shares which, together with the UEL Preference Shares held by it, its related corporations and their respective nominees, comprise 90% or more of all the UEL Preference Shares, Shareholders who have not accepted

¹ In this Announcement, all references to the percentage shareholding of the issued and paid-up preference shares in the capital of UEL are based on the total number of issued and paid-up UEL Preference Shares, being 875,000 UEL Preference Shares.

the Preference Share Offer (the "**Non-Assenting Shareholders**") have a right to require the Offeror to acquire their UEL Preference Shares at the Preference Share Offer Price.

Accordingly, as the Offeror has as at 5:00 p.m. on 24 August 2017 received acceptances pursuant to the Preference Share Offer which, together with the UEL Preference Shares held by it, its related corporations and their respective nominees, comprise 90% or more of all of the UEL Preference Shares, **the Non-Assenting Shareholders have the right, under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their UEL Preference Shares at the Preference Share Offer Price of S\$2.60 for each UEL Preference Share.**

Non-Assenting Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

5. **DIRECTORS' RESPONSIBILITY STATEMENT**

The directors of the Offeror (including those who may have delegated detailed supervision of preparation 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 there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from UEL and its subsidiaries, the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The directors of the Offeror jointly and severally accept full responsibility accordingly.

Issued by
United Overseas Bank Limited

For and on behalf of
YANLORD PERENNIAL INVESTMENT (SINGAPORE) PTE. LTD.
24 August 2017

Any inquiries relating to this Announcement should be directed during office hours to the UOB helpline at (65) 6539 7066.

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Announcement 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", "target" 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 or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and none of the Offeror, Consortium Members or UOB undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.