
**MANDATORY CONDITIONAL CASH OFFER FOR ORDINARY STOCK UNITS AND
MANDATORY UNCONDITIONAL CASH OFFER FOR PREFERENCE SHARES
OF UNITED ENGINEERS LIMITED**

**CLOSE OF THE UEL OFFERS
LEVEL OF ACCEPTANCES OF THE UEL OFFERS**

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**”) of United Engineers Limited (the “**Company**” or “**UEL**”) refers shareholders of the Company (“**Shareholders**”) to:
- (a) the announcement (the “**Offer Announcement**”) issued on 25 October 2019 by DBS Bank Ltd. (“**DBS**”) for and on behalf of Yanlord Investment (Singapore) Pte. Ltd. (formerly known as Yanlord Perennial Investment (Singapore) Pte. Ltd.) (the “**Offeror**”) relating to, *inter alia*:
 - (i) the mandatory conditional cash offer for all the issued and paid-up ordinary stock units in the capital of the Company (the “**UEL Ordinary Shares**”) 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**”) (the “**UEL Ordinary Share Offer**”); and
 - (ii) the comparable offer for all the issued and paid-up preference shares in the capital of the Company (the “**UEL Preference Shares**” and collectively with the UEL Ordinary Shares, the “**UEL Shares**”) 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 “**UEL Preference Share Offer**” and together with the UEL Ordinary Share Offer, the “**UEL Offers**”);
 - (b) the announcement (the “**Response to Offer Announcement**”) made by the Company on 25 October 2019 in relation to, *inter alia*, the UEL Offers;
 - (c) the announcement (the “**Revision of Offer Announcement**”) issued on 12 November 2019 by DBS for and on behalf of the Offeror relating to, *inter alia*, the revision of the UEL Offers;
 - (d) the announcement (the “**Response to Revision of Offer Announcement**”) made by the Company on 12 November 2019 in relation to, *inter alia*, the revision of the UEL Offers;
 - (e) the offer document (the “**Offer Document**”) issued on 13 November 2019 by DBS for and on behalf of the Offeror containing, *inter alia*, details of the UEL Offers;
 - (f) the announcement (the “**UEL Ordinary Share Offer Declared Unconditional Announcement**”) issued on 15 November 2019 by DBS for and on behalf of the Offeror relating to, *inter alia*, the UEL Ordinary Share Offer becoming unconditional as to acceptances and being declared unconditional in all respects on 15 November 2019;

- (g) the notification (the “**Notification of Revision of Offer**”) issued on 21 November 2019 by DBS for and on behalf of the Offeror relating to, *inter alia*, the revision of the UEL Offers;
- (h) the circular (the “**Offeree Circular**”) issued on 26 November 2019 by the Company containing, *inter alia*:
 - (i) the advice of SAC Capital Private Limited, the independent financial adviser appointed by the Company to advise the directors of the Company who are considered to be independent for the purpose of making a recommendation to Shareholders in respect of the UEL Offers (the “**Recommending Directors**”); and
 - (ii) the recommendation of the Recommending Directors in respect of the UEL Offers;
- (i) the announcement (the “**Level of Acceptances of the UEL Preference Share Offer Announcement**”) issued on 27 November 2019 by DBS for and on behalf of the Offeror relating to, *inter alia*, the level of acceptances of the UEL Preference Share Offer and the rights of holders of the UEL Preference Shares under Section 215(3) of the Companies Act, Cap. 50 of Singapore (the “**Companies Act**”);
- (j) the announcement (the “**Offeror’s Intentions Announcement**”) issued on 16 December 2019 by DBS for and on behalf of the Offeror relating to, *inter alia*, the Offeror’s intentions with regard to the listing status of the Company on the Main Board of the SGX-ST and the Offeror’s intentions with regard to the exercise of its rights of compulsory acquisition under Section 215(1) of the Companies Act;
- (k) the notification (the “**Notification of the Offeror’s Intentions**”) issued on 16 December 2019 by DBS for and on behalf of the Offeror relating to, *inter alia*, the Offeror’s intentions with regard to the listing status of the Company on the Main Board of the SGX-ST and the Offeror’s intentions with regard to the exercise of its rights of compulsory acquisition under Section 215(1) of the Companies Act;
- (l) the announcement (the “**Loss of Free Float Announcement**”) issued on 27 December 2019 by DBS for and on behalf of the Offeror relating to, *inter alia*, the loss of free float, the level of acceptances of the UEL Offers and the rights of holders of UEL Ordinary Shares under Section 215(3) of the Companies Act;
- (m) the announcement (the “**Extension of Closing Dates Announcement**”) issued on 30 December 2019 by DBS for and on behalf of the Offeror relating to, *inter alia*, the extension of closing dates of the UEL Offers and the level of acceptances of the UEL Offers;
- (n) the announcement (the “**Compulsory Acquisition Announcement**”) issued on 2 January 2020 by DBS for and on behalf of the Offeror relating to, *inter alia*, the level of acceptances of the UEL Offers, the compulsory acquisition in relation to the UEL Ordinary Shares and the final closing dates;
- (o) the announcement (the “**Despatch of Documents relating to the Compulsory Acquisition Announcement**”) issued on 16 January 2020 by DBS for and on behalf of the Offeror relating to, *inter alia*, the despatch of documents relating to the compulsory acquisition of UEL Ordinary Shares pursuant to Section 215(1) of the Companies Act and the rights of holders of UEL Ordinary Shares under Section 215(3) of the Companies Act; and
- (p) the announcement (the “**Close of the UEL Offers Announcement**”) issued on 20 January 2020 by DBS for and on behalf of the Offeror relating to, *inter alia*, the close of the UEL Offers and the level of acceptances of the UEL Offers,

(collectively, the “**Previous Announcements**”).

- 1.2 All capitalised terms used but not defined in this announcement (“**Announcement**”) shall have the same meanings given to them in the Previous Announcements, unless otherwise expressly stated or the context otherwise requires.

2. CLOSE OF THE UEL OFFERS

- 2.1 According to the Close of the UEL Offers Announcement:

- (a) the UEL Offers closed at 5.30 p.m. (Singapore time) on 20 January 2020; and
- (b) **the UEL Offers are no longer open for acceptance and any acceptances received after 5.30 p.m. (Singapore time) on 20 January 2020 will be rejected.**

3. LEVEL OF ACCEPTANCES OF THE UEL OFFERS

- 3.1 According to the Close of the UEL Offers Announcement:

3.1.1 UEL Ordinary Share Offer

- (a) **Acceptances of the UEL Ordinary Share Offer.** As at 5.30 p.m. (Singapore time) on 20 January 2020, the Offeror has received valid acceptances amounting to 278,593,720 UEL Ordinary Shares, representing approximately 43.70%¹ of the total number of UEL Ordinary Shares.
- (b) **UEL Ordinary Shares held on or before the Offer Announcement Date.** As at the Offer Announcement Date, the Offeror and parties acting in concert with it owned, controlled or had agreed to acquire 224,872,206 UEL Ordinary Shares, representing approximately 35.27% of the total number of UEL Ordinary Shares.
- (c) **UEL Ordinary Shares acquired or agreed to be acquired after the Offer Announcement Date and up to 5.30 p.m. (Singapore time) on 20 January 2020 (other than pursuant to valid acceptances of the UEL Ordinary Share Offer).** Following the Offer Announcement Date and up to 5.30 p.m. (Singapore time) on 20 January 2020, save for the acquisitions of an aggregate of 108,005,592 UEL Ordinary Shares, representing approximately 16.94% of the total number of UEL Ordinary Shares,² the Offeror and parties acting in concert with it have not acquired or agreed to acquire any UEL Ordinary Shares (other than pursuant to valid acceptances of the UEL Ordinary Share Offer).

3.1.2 UEL Preference Share Offer

- (a) **Acceptances of the UEL Preference Share Offer.** As at 5.30 p.m. (Singapore time) on 20 January 2020, the Offeror has received valid acceptances amounting to 12,642 UEL Preference Shares, representing approximately 1.44%³ of the total number of UEL Preference Shares.

¹ All percentage shareholdings of UEL Ordinary Shares in this Announcement are computed on the basis of 637,520,399 UEL Ordinary Shares, and rounded to the nearest two decimal places.

² As stated in the announcements issued on 12 November 2019, 13 November 2019, 14 November 2019 and 15 November 2019 by DBS for and on behalf of the Offeror, an aggregate of 103,207,292 UEL Ordinary Shares were acquired by Yanlord Commercial Property Investments Pte. Ltd. (“**YCPI**”) on behalf of the Offeror. All of the UEL Ordinary Shares acquired by YCPI on behalf of the Offeror have been transferred to the Offeror.

³ All percentage shareholdings of UEL Preference Shares in this Announcement are computed on the basis of 875,000 UEL Preference Shares, and rounded to the nearest two decimal places.

- (b) **UEL Preference Shares held on or before the Offer Announcement Date.** As at the Offer Announcement Date, the Offeror and parties acting in concert with it owned, controlled or had agreed to acquire 854,993 UEL Preference Shares, representing approximately 97.71% of the total number of UEL Preference Shares.
- (c) **UEL Preference Shares acquired or agreed to be acquired after the Offer Announcement Date and up to 5.30 p.m. (Singapore time) on 20 January 2020 (other than pursuant to valid acceptances of the UEL Preference Share Offer).** Following the Offer Announcement Date and up to 5.30 p.m. (Singapore time) on 20 January 2020, 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 UEL Preference Share Offer).

3.1.3 Resultant Shareholding

Accordingly, as at 5.30 p.m. (Singapore time) on 20 January 2020:

- (a) the total number of (i) UEL Ordinary Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it; and (ii) valid acceptances of the UEL Ordinary Share Offer, amount to an aggregate of 611,471,518 UEL Ordinary Shares, representing approximately 95.91% of the total number of UEL Ordinary Shares; and
- (b) the total number of (i) UEL Preference Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it; and (ii) valid acceptances of the UEL Preference Share Offer, amount to an aggregate of 867,635 UEL Preference Shares, representing approximately 99.16% of the total number of UEL Preference Shares.

4. LOSS OF FREE FLOAT, TRADING SUSPENSION AND LISTING STATUS

4.1 Rule 723 of the Listing Manual provides that an issuer must ensure that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public (the "**Free Float Requirement**").

4.2 According to the Close of the UEL Offers Announcement:

- (a) As the Offeror has, through acceptances of the UEL Ordinary Share Offer or otherwise, succeeded in holding more than 90% of the total number of UEL Ordinary Shares (excluding any UEL Ordinary Shares held in treasury), thus causing the percentage of the total number of UEL Ordinary Shares (excluding any UEL Ordinary Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the UEL Shares at the close of the UEL Offers pursuant to Rule 1303(1) of the Listing Manual.
- (b) As stated in the Loss of Free Float Announcement, the Free Float Requirement is not satisfied and as stated in the Notification of the Offeror's Intentions, **the Offeror does not intend to preserve the listing status of UEL and has no intention of undertaking or supporting any action to satisfy the Free Float Requirement and/or for any trading suspension of the UEL Shares by the SGX-ST to be lifted.**
- (c) The Offeror intends to take steps to delist UEL from the SGX-ST following the close of the UEL Offers.

4.3 As the UEL Offers have closed at 5.30 p.m. (Singapore time) on 20 January 2020, UEL has requested the suspension of trading of the UEL Shares with effect from 9.00 a.m. on 21 January 2020.

5. LISTING STATUS OF UEL'S S\$150,000,000 3.68% FIXED RATE NOTES DUE 2021

- 5.1 To-date, UEL has issued S\$150,000,000 3.68% Fixed Rate Notes due 2021 (the "Notes") pursuant to its S\$1,000,000,000 Multicurrency Debt Issuance Programme, which are outstanding and listed on the SGX-ST. **The Notes will continue to be listed on the SGX-ST notwithstanding the delisting of the UEL Shares.**

6. COMPULSORY ACQUISITION IN RELATION TO THE UEL ORDINARY SHARES

- 6.1 According to the Close of the UEL Offers Announcement:

6.1.1 Compulsory Acquisition under Section 215(1) of the Companies Act

As stated in the Compulsory Acquisition Announcement, as at 5.00 p.m. (Singapore time) on 2 January 2020, the Offeror has received valid acceptances pursuant to the UEL Ordinary Share Offer and acquired such number of UEL Ordinary Shares otherwise than through valid acceptances of the UEL Ordinary Share Offer in respect of not less than 90% of the total number of UEL Ordinary Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Offer Announcement Date and excluding any UEL Ordinary Shares held in treasury). As such, the Offeror is entitled to compulsorily acquire all the UEL Ordinary Shares of holders of UEL Ordinary Shares who have not accepted the UEL Ordinary Share Offer (the "**Non-Assenting UEL Ordinary Shareholders**") pursuant to Section 215(1) of the Companies Act, at the Final Ordinary Share Offer Price for each UEL Ordinary Share.

The Offeror has on 16 January 2020 despatched to the Non-Assenting UEL Ordinary Shareholders the relevant documentation together with the prescribed forms required under the Companies Act in relation to the exercise of its right of compulsory acquisition under Section 215(1) of the Companies Act, and the rights of the Non-Assenting UEL Ordinary Shareholders under Section 215(3) of the Companies Act as set out in paragraph 6.1.2 below.

6.1.2 Rights of Non-Assenting UEL Ordinary Shareholders

Pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of UEL Ordinary Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Offer Announcement Date and excluding any UEL Ordinary Shares held in treasury) which, together with the UEL Ordinary Shares held by it, its related corporations and their respective nominees, comprise more than 90% of the total number of UEL Ordinary Shares, the Non-Assenting UEL Ordinary Shareholders will have the right to require the Offeror to acquire their UEL Ordinary Shares at the Final Ordinary Share Offer Price for each UEL Ordinary Share.

As the Offeror will be proceeding to compulsorily acquire all the UEL Ordinary Shares of the Non-Assenting UEL Ordinary Shareholders pursuant to Section 215(1) of the Companies Act, the Non-Assenting UEL Ordinary Shareholders need not take any action in relation to their rights under Section 215(3) of the Companies Act. Non-Assenting UEL Ordinary Shareholders who wish to exercise their rights under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.

Any holder of UEL Ordinary Shares who is in doubt in relation to the matters referred to above or as to the action he/she should take should consult his/her stockbroker, bank manager, solicitor or other professional adviser immediately.

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

7.1 According to the Close of the UEL Offers Announcement:

- (a) As stated in the Level of Acceptances of the UEL Preference Share Offer Announcement, as the Offeror has, as at 5.00 p.m. on 27 November 2019, received acceptances pursuant to the UEL Preference Share Offer which, together with the UEL Preference Shares held by it, its related corporations and their respective nominees, comprise more than 90% of the total number of UEL Preference Shares, the holders of UEL Preference Shares who have not accepted the UEL Preference Share Offer (the “**Non-Assenting UEL Preference 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 Final Preference Share Offer Price for each UEL Preference Share.
- (b) The Offeror has on 20 December 2019 despatched the relevant documentation together with the prescribed forms under the Companies Act in relation to the rights of the Non-Assenting UEL Preference Shareholders under Section 215(3) of the Companies Act to the Non-Assenting UEL Preference Shareholders.
- (c) **Non-Assenting UEL Preference Shareholders who wish to exercise their rights under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.**

8. DIRECTORS’ RESPONSIBILITY STATEMENT

- 8.1 The directors of the Company (including any director who may 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, and they jointly and severally accept responsibility accordingly.
- 8.2 Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the directors of the Company has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

By Order of the Board of
United Engineers Limited

Tan Chee Keong Roy
Group Managing Director and Non-Independent and Executive Director

21 January 2020