



(Incorporated in Singapore)  
(Company Registration Number 191200018G)

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

**APPROVAL FOR THE PROPOSED DELISTING OF THE UEL SHARES**

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**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 “**Response to Offeror’s Intentions Announcement**”) made by the Company on 16 December 2019 in relation 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;
- (m) the announcement issued on 20 December 2019 by DBS for and on behalf of the Offeror relating to, *inter alia*, the despatch of the notice in the form prescribed under the Companies Act pursuant to Section 215(3) of the Companies Act (“**Form 58**”) and the cover letter which states that Non-Assenting UEL Preference Shareholders have the right, within three months from the date of Form 58 (that is, on or before 20 March 2020), to require the Offeror to acquire their UEL Preference Shares (the “**Sale Right**”), and the Offeror shall be entitled and bound to acquire those UEL Preference Shares on the same terms as those set out in the Offer Document and the Notification of Revision of Offer (the “**UEL Preference Shares Section 215(3) Letter**”);
- (n) 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 the UEL Ordinary Shares under Section 215(3) of the Companies Act;
- (o) the announcement (the “**Response to Loss of Free Float Announcement**”) made by the Company on 27 December 2019 in relation to, *inter alia*, the loss of free float;

- (p) 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;
- (q) the announcement (the “**Response to Extension of Closing Dates Announcement**”) made by the Company on 30 December 2019 in relation to, *inter alia*, the extension of closing dates of the UEL Offers;
- (r) 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;
- (s) the announcement (the “**Response to Compulsory Acquisition Announcement**”) made by the Company on 3 January 2020 in relation to, *inter alia*, the compulsory acquisition in relation to the UEL Ordinary Shares;
- (t) 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 the notice in the form prescribed under the Companies Act pursuant to Section 215(1) of the Companies Act (“**Form 57**”), the cover letter which states that the Offeror will exercise its right to compulsorily acquire all the UEL Ordinary Shares held by the Non-Assenting UEL Ordinary Shareholders pursuant to Section 215(1) of the Companies Act (the “**Compulsory Shares Section 215(1) Letter**”), and documents relating to the rights of holders of the UEL Ordinary Shares under Section 215(3) of the Companies Act;
- (u) 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;
- (v) the announcement (the “**Response to Close of the UEL Offers Announcement**”) made by the Company on 21 January 2020 in relation to, *inter alia*, the close of the UEL Offers; and
- (w) the announcement (the “**Request for Suspension Announcement**”) made by the Company on 21 January 2020 in relation to, *inter alia*, the suspension of trading of UEL’s listed securities with effect from 9.00 a.m. on 21 January 2020,

(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. APPLICATION FOR DELISTING OF THE COMPANY

2.1 On 7 February 2020, an application was made to the SGX-ST to seek:

- (a) approval to delist the UEL Ordinary Shares from the Official List of the SGX-ST after completion of the Compulsory Acquisition; and
- (b) approval to delist the UEL Preference Shares from the Official List of the SGX-ST concurrently with the delisting of the UEL Ordinary Shares.

2.2 The reasons for seeking approval to delist the UEL Ordinary Shares from the Official List of the SGX-ST are set out below:

- (a) Pursuant to Rule 1308(1)(b) of the Listing Manual, Rules 1307 and 1309 of the Listing Manual do not apply to a delisting pursuant to an offer under the Code provided that the offeror is exercising its right of compulsory acquisition.
- (b) As stated in the UEL Ordinary Shares Section 215(1) Letter, the Offeror will exercise of its right of Compulsory Acquisition in respect of the UEL Ordinary Shares on the terms set out in Form 57 and accordingly, Rule 1308(1)(b) of the Listing Manual applies.
- (c) The Offeror has stated in the Notification of the Offeror's Intentions that in the event that the Free Float Requirement is not satisfied, it does not intend to preserve the listing status of the Company and it 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. It has further stated in the Loss of Free Float Announcement that it intends to take steps to delist the Company from the SGX-ST following the close of the UEL Offers.

2.3 The reasons for seeking approval to delist the UEL Preference Shares from the Official List of the SGX-ST are set out below:

- (a) As stated in the Close of the UEL Offers Announcement, as at the close of the UEL Offers, the Offeror and its concert parties owned, controlled or had agreed to acquire an aggregate of 867,635 UEL Preference Shares, representing approximately 99.16%<sup>1</sup> of the total number of UEL Preference Shares. The balance 7,365 UEL Preference Shares are held by 11 other holders of UEL Preference Shares (the "**Remaining UEL Preference Shareholders**"). In view of the small number of holders of UEL Preference Shares remaining in the Company, it is not meaningful to continue the listing of the UEL Preference Shares on the Main Board of the SGX-ST after the delisting of the UEL Ordinary Shares.
- (b) The UEL Preference Share Offer was open for acceptance from 13 November 2019 to 20 January 2020. In addition, the Offeror had despatched, *inter alia*, the UEL Preference Shares Section 215(3) Letter and Form 58 to the Non-Assenting UEL Preference Shareholders to notify them of the Sale Right which is exercisable on or before 20 March 2020. Copies of such documents were also released on SGXNet. The Remaining UEL Preference Shareholders were given sufficient time to accept the UEL Preference Share Offer and the Offeror has made reasonable efforts to inform the Remaining UEL Preference Shareholders of the Sale Right, which would allow the Remaining UEL Preference Shareholders to require the Offeror to acquire their UEL Preference Shares after the close of the UEL Preference Share Offer.
- (c) Pursuant to Rule 1309 of the Listing Manual, if an issuer is seeking to delist from the Official List of the SGX-ST:
  - (i) an exit offer must be made to the issuer's shareholders and holders of any other classes of listed securities to be delisted. The exit offer must (A) be fair and reasonable, and (B) include a cash alternative as the default alternative; and
  - (ii) the issuer must appoint an independent financial adviser to advise on the exit offer and the independent financial adviser must opine that the exit offer is fair and reasonable.

<sup>1</sup> 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.

- (d) As stated in the UEL Preference Shares Section 215(3) Letter, Non-Assenting UEL Preference Shareholders are entitled, pursuant to the Sale Right, to require the Offeror to acquire the UEL Preference Shares held by them at the Final Preference Share Offer Price for each UEL Preference Share. Accordingly, an exit offer in cash has been made to the holders of the UEL Preference Shares.
- (e) SAC Capital Private Limited, the independent financial adviser to the Recommending Directors, has in its letter dated 26 November 2019 (reproduced in Appendix A to the Offeree Circular) opined that the financial terms of the UEL Offers are fair and reasonable. Accordingly, the requirement for the Company to appoint an independent financial adviser to advise on the UEL Preference Share Offer has been satisfied and the holders of the UEL Preference Shares would have been apprised on whether the terms of the UEL Preference Share Offer are fair and reasonable.

2.4 The Board wishes to announce that the SGX-ST has, on 17 February 2020, advised that based on the aforesaid submissions and representations to the SGX-ST, and subject to an announcement via SGXNet of the SGX-ST's decision:

- (a) as the Offeror and its concert parties hold, in aggregate, more than 90% of all UEL Ordinary Shares, resulting in the Company's free float falling below 10%, and taking into consideration the Offeror's intention to exercise its right of Compulsory Acquisition, the SGX-ST has no objection to the proposed delisting of the UEL Ordinary Shares from the Official List of the SGX-ST; and
- (b) the SGX-ST has no objection to the proposed delisting of the UEL Preference Shares from the Official List of the SGX-ST.

The SGX-ST's decision is not an indication of the merits of the proposed delisting of the UEL Ordinary Shares and the UEL Preference Shares from the Official List of the SGX-ST.

### 3. DELISTING OF UEL SHARES

3.1 The date and time of the delisting of the UEL Ordinary Shares and the UEL Preference Shares from the Official List of the SGX-ST will be announced in due course.

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

4.1 To-date, the Company 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.

4.2 **As stated in the Response to Close of the UEL Offers Announcement, the Notes will continue to be listed on the SGX-ST notwithstanding the delisting of the UEL Shares.**

4.3 **As stated in the notice issued by the Company on 4 February 2020 (the "Notice to Noteholders") to holders of the Notes (the "Noteholders"), the Noteholders have the right, at the option of the Noteholder to require the Company to redeem all (and not some only) of their Notes pursuant to the terms and conditions of the Notes.**

4.4 A copy of the Notice to Noteholders is available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com). Noteholders are advised to refer to the full text of the Notice to Noteholders together with, *inter alia*, the exercise notice and the procedures for exercise of the option for further details.

**5. DIRECTORS' RESPONSIBILITY STATEMENT**

- 5.1 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.
- 5.2 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

17 February 2020