



(Company Registration No. 191200018G)
(Incorporated in Singapore)

MANDATORY CONDITIONAL CASH OFFER FOR UNITED ENGINEERS LIMITED

1. Introduction

- 1.1 The board of directors (the “**Board**”) of United Engineers Limited (the “**Company**”) refers shareholders of the Company (“**Shareholders**”) to the announcement (the “**Offer Announcement**”) issued on 13 July 2017 by United Overseas Bank Limited (“**UOB**”), for and on behalf of Yanlord Perennial Investment (Singapore) Pte. Ltd. (the “**Offeror**”), relating to:
- 1.1.1 a mandatory conditional cash offer (the “**UEL Ordinary Share Offer**”) for all the issued and paid-up ordinary stock units (“**UEL Ordinary Shares**”) in the capital of the Company, 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**”);
 - 1.1.2 a comparable offer for all the issued and paid-up preference shares (the “**UEL Preference Shares**”) and, collectively with the UEL Ordinary Shares, the “**UEL 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 “**UEL Preference Share Offer**”) and together with the Ordinary Share Offer, the “**UEL Offers**”); and
 - 1.1.3 (in the event that the UEL Ordinary Share Offer becomes unconditional as to acceptances or the Offeror acquires statutory control of the Company, whether pursuant to the UEL Ordinary Share Offer or otherwise) the mandatory unconditional cash offer (the “**WBL Chain Offer**”) to be made by the Offeror pursuant to the chain principle in note 7 to Rule 14.1 of the Code for all the issued and paid-up ordinary shares (“**WBL Shares**”) in the capital of WBL Corporation Limited (“**WBL**”), other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with the Offeror.
- 1.2 According to the Offer Announcement, the formal offer document to be issued by UOB for and on behalf of the Offeror (the “**Offer Document**”) setting out the terms and conditions of the UEL Offers and enclosing the appropriate form(s) of acceptance of the UEL Offers, will be despatched to Shareholders not earlier than 14 days and not later than 21 days from 13 July 2017, which is the date of the Offer Announcement.
- 1.3 A copy of the Offer Announcement is available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com. Shareholders are advised to refer to the full text

of the Offer Announcement for, *inter alia*, the principal terms of the UEL Offers and (if applicable) the WBL Chain Offer.

2. Independent Financial Adviser

- 2.1** The Board will appoint an independent financial adviser to advise the independent directors of the Company in connection with the UEL Offers. An announcement relating to the same will be made by the Company in due course.
- 2.2** A circular containing the advice of the independent financial adviser and the recommendation of the independent directors of the Company in respect of the UEL Offers will be sent to Shareholders within 14 days from the date of the despatch of the Offer Document to be issued by the Offeror.

In the meantime, Shareholders are advised to refrain from taking any action in relation to their UEL Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations of the independent directors of the Company as well as the advice of the independent financial adviser which will be set out in the circular to be issued by the Company in due course.

3. Undertaking

- 3.1** The Company has an interest in 190,056,316 WBL Shares, representing approximately 67.6 per cent. of the total number of issued WBL Shares (based on 281,200,630 WBL Shares in issue as at the date of this Announcement), all of which are directly held by UE Centennial Venture Pte. Ltd. ("**UECV**"), a wholly-owned subsidiary of the Company.
- 3.2** In connection with the UEL Offers, UECV has provided an irrevocable undertaking to the Offeror dated 13 July 2017 (the "**Undertaking**") not to, among other matters, directly or indirectly offer, sell, transfer, give or otherwise dispose of, grant any option, right or warrant to purchase in respect of, charge, mortgage, pledge or otherwise create an encumbrance over, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the legal, beneficial or economic consequences of ownership ("**Transfer**"), all or any of the WBL Shares held by UECV (or any interest therein) at a price per WBL Share that is below the offer price being offered in the WBL Chain Offer as set out in the Offer Announcement (the "**WBL Offer Price**") (the "**Transfer Restriction**"). The Transfer Restriction applies during the period from the date of the Undertaking to the close, lapse or withdrawal of the UEL Ordinary Share Offer, i.e. the duration of the UEL Ordinary Share Offer.
- 3.3** For the avoidance of doubt, the Undertaking does not restrict any Transfer at a price per WBL Share which is at or above the WBL Offer Price.
- 3.4** The Undertaking will terminate upon the close, lapse or withdrawal of the UEL Ordinary Share Offer.
- 3.5** The Undertaking was requested by the Offeror, and the Board agreed to procure that UECV provide the Undertaking in order to facilitate the making of the UEL Ordinary Share Offer to the Shareholders, taking into account that:
- 3.5.1** under Rule 5 of the Code, the Board would have been required in any case not to, among other matters, sell, dispose of or acquire or agree to sell, dispose of or acquire any assets of material amount. Such assets would include the WBL Shares; and

3.5.2 the Undertaking does not prohibit UECV from effecting any Transfer at a price per WBL Share which is at or above the WBL Offer Price.

4. 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 in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement (the omission of which would render any statement in this Announcement misleading in any material aspect), and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Announcement), the sole responsibility of the directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement

By Order of the Board

TAN SWEE HONG
Company Secretary
13 July 2017