



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

CLARIFICATION ANNOUNCEMENT

PRE-CONDITIONAL VOLUNTARY OFFERS FOR WBL CORPORATION LIMITED

1. INTRODUCTION

The Board of Directors of United Engineers Limited (the “**Company**” or “**UE**”) refers to the announcement dated 30 January 2013 by the Company in respect of the pre-conditional voluntary offers by the Company’s wholly-owned subsidiary, UE Centennial Venture Pte. Ltd., (the “**Offeror**”) to acquire all the issued WBL Stock Units and all the outstanding Convertible Bonds, other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (the “**30 January Announcement**”).

Unless otherwise defined, capitalised terms herein shall have the same meanings as used in the 30 January Announcement.

2. ADDITIONAL INFORMATION

2.1 Aggregate Value of the Consideration for the Offers

It was stated in paragraph 5.3 of the 30 January Announcement that the aggregate value of the consideration for the Offers is deemed for the purposes of Chapter 10 of the Listing Manual to be approximately S\$687.0 million, based on the Stock Unit Offer Price of S\$4.00 and on the maximum number of Offer Stock Units that the Offeror may acquire, assuming that there is full acceptance of the Stock Unit Offer by both WBL Stockholders and holders of the Conversion Stock Units (for the avoidance of doubt, other than the Concert Party Group), on the basis that all the outstanding Convertible Bonds are validly converted.

The Company wishes to provide the following additional information:

- (a) As at 29 January 2013, the Concert Party Group owns or controls an aggregate of 103,996,633 WBL Stock Units (representing approximately 38.29% of the total number of issued WBL Stock Units) and S\$12,804,133 in principal amount of Convertible Bonds which are convertible into 5,591,324 WBL Stock Units (representing approximately 1.99% of the enlarged total number of WBL Stock Units);
- (b) Based on the enlarged total number of WBL Stock Units of 281,342,021, the maximum number of Offer Stock Units that the Offeror may acquire (excluding the WBL Stock Units and Conversion Stock Units owned, controlled or to be acquired by the Concert Party Group) is 171,754,064 (representing approximately 61.05% of the enlarged total number of WBL Stock Units).

The aggregate value of the consideration for the Offers of S\$687.0 million is calculated based on the Stock Unit Offer Price of S\$4.00 multiplied by 171,754,064, being the maximum number of Offer Stock Units that the Offeror may acquire.

2.2 Relative Figures under Rule 1006 of the Listing Manual

It was stated in paragraph 7 of the 30 January Announcement that the relative figures for the Offers computed on the bases set out in Rule 1006(b) and (c) of the Listing Manual are as follows:

Rule 1006	Bases	Relative Figure (%)
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits ⁽¹⁾	144
(c)	The aggregate value of the consideration ⁽²⁾ given, compared with the Company's market capitalization based on the total number of issued UE Stock Units excluding treasury stock units ⁽³⁾	68

Notes:

- (1) Net profits is defined as profit or loss before income tax, minority interests and extraordinary items. The figures are based on the WBL Group 3Q Results and the UE Group 3Q Results. Net profit of S\$91.5 million was reported by the WBL Group for the nine-month period ended 30 June 2012. Net profit of S\$38.7 million was reported by the UE Group for the nine-month period ended 30 September 2012.
- (2) For the above purpose, the consideration for the Offers is deemed to be S\$687.0 million as set out in paragraph 5.3 of the 30 January Announcement.
- (3) Market capitalization has been calculated on the basis of 305,648,074 UE Stock Units in issue multiplied by the weighted average price of the UE Stock Units transacted on 29 January 2013, being the last full market day preceding the date of this Announcement.

The Company wishes to provide the following additional information:

- (a) For the purpose of calculating the relative figure under Rule 1006(b), the net profits attributable to the assets to be acquired is S\$55.9 million, being 61.05% of the net profit of the WBL Group of S\$91.5 million for the nine-month period ended 30 June 2012. The relative figure of 144% under Rule 1006(b) was calculated based on S\$55.9 million compared with the UE Group's net profit of S\$38.7 million as reported by the UE Group for the nine-month period ended 30 September 2012.
- (b) Based on the open market value of the assets to be acquired of approximately S\$717.5 million as set out in paragraph 6.3 of the 30 January Announcement, the relative figure for the Offers computed on the basis set out in Rule 1006(c) of the Listing Manual is as follows:

Rule 1006	Bases	Relative Figure (%)
(c)	The aggregate value of the consideration given ⁽¹⁾ , compared with the Company's market capitalization based on the total number of issued UE Stock Units excluding treasury stock units ⁽²⁾	71

Notes:

- (1) Based on the open market value of the assets to be acquired of approximately S\$717.5 million on 29 January 2013 (as set out in paragraph 6.3 of the 30 January Announcement).
- (2) Market capitalization has been calculated on the basis of 305,648,074 UE Stock Units in issue multiplied by the weighted average price of the UE Stock Units transacted on 29 January 2013, being the last full market day preceding the date of the 30 January Announcement, of S\$3.3079 per UE Stock Unit.

3. RESPONSIBILITY STATEMENT

The Directors of the Company, including those 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.

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

By Order of the Board
UNITED ENGINEERS LIMITED

Heng Fook Pyng, Jeslyn
Company Secretary
1 February 2013
Singapore