



UE E&C LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201005048D)

Loss of Free Float

1. Introduction

The Board of Directors (the “**Board**”) of UE E&C Ltd. (the “**Company**”) refers to:

- (i) the announcement dated 26 January 2015 (“**26 Jan Announcement**”) made by DMG & Partners Securities Pte Ltd for and on behalf of Universal EC Investments Pte. Ltd. (the “**Offeror**”), which states, *inter alia*, that, as at 5.00 p.m. on 26 January 2015, the Offeror and its concert parties own, control or have agreed to acquire an aggregate of 219,101,607 issued and paid up ordinary shares of the Company (“**Shares**”), representing approximately 81.15 per cent of the issued Shares; and
- (ii) the substantial shareholder notification dated 13 January 2015 (the “**13 Jan SSN**”) stating, *inter alia*, that Singapore Tong Teik (Private) Limited (“**Singapore Tong Teik**”) holds 24,846,000 Shares, representing approximately 9.20 per cent of the issued Shares.

*Unless otherwise defined herein, capitalised terms used in this announcement (the “**Announcement**”) shall have the same meanings as defined in the 26 Jan Announcement.*

2. Free Float Requirement

Pursuant to Rule 723 of the listing manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Listing Manual**”), the Company must ensure that at least 10 per cent. of the total number of issued Shares (excluding treasury shares) is at all times held in public hands). Pursuant to Rule 724(1) of the Listing Manual, if the percentage of the total number of issued Shares (excluding treasury shares) held in public hands falls below 10 per cent., the SGX-ST may suspend trading of all the Shares on the SGX-ST. Under Rule 1303(1) of the Listing Manual, where the Offeror succeeds in garnering acceptances exceeding 90 per cent. of issued Shares (excluding treasury shares) thus causing the percentage of Shares held in public hands to fall below 10 per cent., the SGX-ST will suspend trading of the Shares at the close of the Offer.

Based on the information in the 26 Jan Announcement and the 13 Jan SSN, the Board notes that the number of Shares held in public hands is below 10 per cent..

In view of the foregoing, the Board wishes to highlight that the SGX-ST may suspend the trading of the Shares and will update Shareholders in due course.

3. Responsibility Statement

The directors of the Company (including any who may have delegated detailed supervision of the preparation 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, 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 26 Jan Announcement and the 13 Jan SSN) the sole responsibility of the directors of the Company has been to ensure, through reasonable enquiries, that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

BY ORDER OF THE BOARD

Tan Ching Chek
Company Secretary
27 January 2015