



## ANNOUNCEMENT PROPOSED SELECTIVE CAPITAL REDUCTION

### 1. INTRODUCTION

The board of directors (the "**Board**") of Singapore Land Limited (the "**Company**") wishes to announce that it proposes to seek the approval of the shareholders of the Company (the "**Shareholders**") at an extraordinary general meeting of the Company (the "**EGM**") to be convened for the implementation of a selective capital reduction exercise to be undertaken by the Company (the "**Selective Capital Reduction**") to cancel all the issued and paid-up ordinary shares ("**Shares**") held by the Shareholders (except those held by United Industrial Corporation Limited ("**UIC**") and its subsidiaries) (the "**Participating Shareholders**"), pursuant to Section 78G of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**"). For the purposes of this Announcement, UIC and its subsidiaries shall be referred to as the "**Non-Participating Shareholders**".

### 2. SELECTIVE CAPITAL REDUCTION

#### 2.1 Background

On 10 March 2014, United Overseas Bank Limited ("**UOB**"), for and on behalf of UIC Enterprise Pte Ltd ("**UEPL**"), a wholly-owned subsidiary of UIC, made a voluntary unconditional cash offer (the "**Offer**") for all the Shares in the capital of the Company, other than those Shares held, directly or indirectly, by UIC and its subsidiaries (including UEPL) as at the date of the Offer.

As at the close of the Offer at 5.30 p.m. (Singapore time) on 25 April 2014, the total number of (a) Shares owned, controlled or agreed to be acquired by UEPL and parties acting or deemed to be acting in concert with it and (b) valid acceptances of the Offer, amounted to an aggregate of 401,216,185 Shares, representing approximately 97.27 per cent. of the total number of issued Shares as at such date. Following the close of the Offer, an announcement was made on 12 May 2014 by UOB, for and on behalf of UEPL, that pursuant to Section 215(3) of the Companies Act, the Shareholders who had not accepted the Offer had a right to require UEPL to acquire their Shares on the same terms as that set out in the offer document dated 10 March 2014 (the "**S215(3) Acquisition**"). At the end of the S215(3) Acquisition, UEPL and its related corporations held, or had agreed to acquire, an aggregate of 410,414,347 Shares, representing approximately 99.50 per cent. of the total number of issued Shares. Upon the completion of the S215(3) Acquisition, the Company was delisted from the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") with effect from 9 a.m. (Singapore time) on 25 August 2014 (the "**Delisting**").

Following the S215(3) Acquisition, UEPL made various off-market purchases of an aggregate of 755,389 Shares from the Shareholders who had approached UEPL and offered to sell UEPL their Shares. As at 17 May 2016, being the latest practicable date prior to the publication of this Announcement (the "**Latest Practicable Date**"), UIC and its wholly-owned subsidiaries (including UEPL) hold an aggregate number of 411,169,736 Shares, representing approximately 99.683 per cent. of the total number of issued Shares<sup>1</sup> as follows:

Shareholder	No. of Shares	%
UEPL	325,374,040	78.883
UIC Development (Private) Limited (" <b>UICD</b> ")	85,643,196	20.763
UIC Investment Pte Ltd (" <b>UICI</b> ")	152,500	0.0370
<b>TOTAL</b>	<b>411,169,736</b>	<b>99.683</b>

## 2.2 The Company's Proposal

The Company proposes to implement the Selective Capital Reduction and cancel all the Shares held by the Participating Shareholders to provide the Participating Shareholders with an avenue to realise the value of their Shares following the Delisting. **The Participating Shareholders will receive S\$9.20 for each Share held that is cancelled as a result of the Selective Capital Reduction.**

## 2.3 Reduction of Share Capital

The Selective Capital Reduction will involve reducing the share capital of the Company from S\$840,348,142.83 comprising 412,477,559 Shares to S\$828,316,171.23 comprising 411,169,736 Shares, representing a reduction of the total issued share capital of the Company by approximately 0.317 per cent.

## 2.4 Process

The Selective Capital Reduction will be effected by:

- (a) cancelling the amount of S\$12,031,971.60 constituting part of the total paid-up share capital of the Company that is held by the Participating Shareholders; and
- (b) cancelling 1,307,823 of the said Shares constituting part of the total issued share capital of the Company that is held by the Participating Shareholders.

## 2.5 Cash Distribution

The aggregate sum of S\$12,031,971.60 arising from the Selective Capital Reduction will be returned to the Participating Shareholders in cash, on the basis of S\$9.20 for each Share held by each Participating Shareholder that is cancelled as a result of the Selective Capital Reduction (the "**Cash Distribution**").

<sup>1</sup> In this Announcement, for the purposes of computation, the total number of issued Shares is 412,477,559 Shares as at the Latest Practicable Date.

## 2.6 Funds for the Selective Capital Reduction.

The Selective Capital Reduction will be funded from existing cash and cash equivalents.

## 3. INFORMATION ON UIC

UIC is a public company incorporated in Singapore and listed on the Main Board of the SGX-ST. The UIC Group<sup>2</sup> includes UEPL, UICD, UICI and the Company, among others. The core business of the UIC Group is property development and investment and the UIC Group is a major real estate developer with a portfolio of 2.6 million square feet of office space and 1 million square feet of retail premise in Singapore. The UIC Group's property portfolio includes some of Singapore's best known commercial and retail landmarks as well as residential projects in prime and suburban areas. Overseas investments include properties in Beijing and Tianjin, China.

As at the date of this Announcement (the "Announcement Date"), the directors of UIC are Dr Wee Cho Yaw, Dr John Gokongwei, Jr., Mr Lim Hock San, Mr James L. Go, Mr Gwee Lian Kheng, Mr Hwang Soo Jin, Mr Yang Soo Suan, Mr Yeo Khirn Hai Alvin, Mr Wee Ee Lim, Mr Lance Yu Gokongwei and Mr Antonio L. Go.

## 4. RATIONALE

The Selective Capital Reduction is an internal corporate exercise that is proposed by the Company for the Participating Shareholders.

Following the Delisting, it has become difficult for the Participating Shareholders to realise their investment in the Shares given the lack of a public market for the Shares. With the Selective Capital Reduction, the Participating Shareholders will have an opportunity to realise the value of their Shares.

The Selective Capital Reduction would enable the Company to return the aggregate sum of S\$12,031,971.60 in cash to the Participating Shareholders in respect of the cancellation of the Shares held by them.

The Cash Distribution of S\$9.20 for each Share cancelled as a result of the Selective Capital Reduction will result in the Participating Shareholders receiving effectively the same amount per Share received by former shareholders of the Company who tendered their Shares in acceptance of the Offer at the base offer price of S\$9.40 for each Share (the "Offer Price") as:

- (a) the Offer Price was determined on the basis that the Shares to which the Offer related to (the "Offer Shares") would be acquired with the right to receive a tax-exempt (one-tier) dividend of 20 cents per Share for the financial year ended 31 December 2013 (the "FY2013 Dividend"). As the settlement date in respect of the Offer Shares accepted pursuant to the Offer fell before the record date for the determination of entitlements to the FY2013 Dividend, each Shareholder who accepted the Offer received the Offer Price of S\$9.40 per Share for each Offer Share; and
- (b) **the directors of the Company intend to propose a dividend of 20 cents per Share for the financial year ended 31 December 2015 (the "FY2015 Dividend").** If

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<sup>2</sup> In this Announcement, the term "UIC Group" means UIC and its subsidiaries.

approved by the Shareholders, the books closure date for the determination of entitlements to the FY2015 Dividend will fall on or before the date on which the Shares of the Participating Shareholders are cancelled pursuant to the Selective Capital Reduction. As such, the Participating Shareholders will receive the Cash Distribution of S\$9.20 for each Share cancelled as a result of the Selective Capital Reduction and, if approved by the Shareholders, the FY2015 Dividend of 20 cents per Share, thereby also effectively receiving an aggregate of S\$9.40 for each Share.

If the Participating Shareholders do not approve the Selective Capital Reduction, there is no guarantee that another opportunity will arise in the future for them to realise the value of their Shares.

## 5. EXEMPTIONS BY THE SECURITIES INDUSTRY COUNCIL

The Securities Industry Council (the "SIC") has exempted the Selective Capital Reduction from Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Singapore Code on Take-overs and Mergers (the "Code").

## 6. CONFIRMATION OF FINANCIAL RESOURCES

UOB, as financial adviser to the Company in connection with the Selective Capital Reduction, confirms that sufficient financial resources are available to the Company to fund the aggregate sum of the Cash Distribution which will be returned to the Participating Shareholders if the Selective Capital Reduction becomes effective.

## 7. DISCLOSURES

### 7.1 Holdings and Dealings

#### (a) *Relevant Persons' Holdings*

The Appendix to this Announcement sets out the number of Company Securities<sup>3</sup> owned, controlled or agreed to be acquired by:

- (i) the Non-Participating Shareholders;
- (ii) the directors of the Non-Participating Shareholders; and
- (iii) UOB,

(collectively, the "Relevant Persons") as at the Latest Practicable Date.

#### (b) *No Other Holdings*

Save as disclosed in this Announcement, none of the Relevant Persons owns, controls or has agreed to acquire any Company Securities as at the Latest Practicable Date.

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<sup>3</sup> In this Announcement, "Company Securities" means any Shares or securities which carry voting rights in the Company or convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company.

## 7.2 No Material Arrangements

As at the Latest Practicable Date, none of the Relevant Persons has entered into any arrangements (whether by way of option, indemnity or otherwise) in relation to any Company Securities which might be material to the Selective Capital Reduction.

## 7.3 No Other Arrangements

As at the Latest Practicable Date, none of the Relevant Persons has:

- (a) granted any security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise;
- (b) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or
- (c) lent any Company Securities to another person.

## 7.4 Irrevocable Undertakings

As at the Latest Practicable Date, none of the Relevant Persons and/or the Company has received any irrevocable commitments or undertakings from any Shareholder to accept, approve or reject the Selective Capital Reduction in respect of any Company Securities.

## 7.5 Confidentiality

In the interests of confidentiality, UIC has not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert<sup>4</sup> with UIC in connection with the Selective Capital Reduction. Further enquiries will be made of such persons after the Announcement Date and the relevant disclosures, if any, will be made in the Circular (as defined in paragraph 10 below).

## 8. SHAREHOLDERS AND COURT APPROVAL

Shareholders' approval is being sought for the Selective Capital Reduction in accordance with the provisions of the Companies Act.

**Pursuant to Section 78G of the Companies Act, in order for the Selective Capital Reduction to be approved, (a) a special resolution<sup>5</sup> must be passed by the Shareholders approving the Selective Capital Reduction and (b) the approval and confirmation by the High Court of the Republic of Singapore (the "Court") of the Selective Capital Reduction must be obtained.**

**Upon an order of the Court being made approving the Selective Capital Reduction (the "Court Order"), the Selective Capital Reduction will take effect upon the lodgement of a copy of the Court Order, together with the other documents as prescribed under the Companies Act, with the Registrar of Companies of Singapore (the "Registrar") within 90 days beginning with the date the Court Order is made, or within such longer period as the Registrar may allow.**

<sup>4</sup> In this Announcement, the expression "acting in concert" shall have the same meaning ascribed to it in the Code.

<sup>5</sup> A special resolution on a poll requires the approval of at least 75 per cent. of all Shares voted by Shareholders present and voting at the EGM.

9. **APPOINTMENT AND ADVICE OF THE INDEPENDENT FINANCIAL ADVISER**

The SIC has ruled that the directors of the Company, namely, Mr Lim Hock San and Ms Goh Poh Leng, are exempted from the requirement to make a recommendation on the Selective Capital Reduction to the Participating Shareholders in view of the fact that they have irreconcilable conflicts of interest which would render each of them inappropriate to make such a recommendation.

In this regard, the Board wishes to announce that Australia and New Zealand Banking Group Limited, Singapore Branch has been appointed as the independent financial adviser (the "**IFA**") to advise the Participating Shareholders on the Selective Capital Reduction.

10. **CIRCULAR TO SHAREHOLDERS AND NOTICE OF EGM**

A circular to Shareholders (the "**Circular**") setting out relevant information relating to the Selective Capital Reduction and containing the advice of the IFA, together with the notice of the EGM (the "**Notice**") to be convened to seek the approval of the Shareholders for the Selective Capital Reduction, will be despatched to Shareholders in due course. A copy of the Circular and the Notice will also be made available on UIC's website at <http://www.uic.com.sg/> (the "**UIC Website**") and/or released by UIC on behalf of the Company on SGXNet. Please refer to the UIC Website for further announcements in relation to the Selective Capital Reduction.

11. **ABSTENTIONS**

The Non-Participating Shareholders and parties acting in concert with them will abstain and will not vote on the special resolution relating to the Selective Capital Reduction at the EGM.

12. **RESPONSIBILITY STATEMENT**

12.1 **Company**

The directors of the Company (including any 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 (other than those relating to the Non-Participating Shareholders for which UIC has taken responsibility) 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 in this Announcement has been extracted or reproduced from published or publicly available sources (other than those relating to the Non-Participating Shareholders for which UIC has taken responsibility), 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, reflected or reproduced in this Announcement.

12.2 **UIC**

The directors of UIC (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed relating to the Non-Participating Shareholders 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 relating to the Non-Participating Shareholders in this Announcement has been extracted or reproduced from published or publicly available sources, the sole responsibility of the directors of UIC 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 OF  
SINGAPORE LAND LIMITED**

Susie Koh  
Company Secretary

Singapore  
18 May 2016

*Any inquiries relating to this Announcement or the Selective Capital Reduction should be directed during office hours to:*

United Overseas Bank Limited  
Tel: (65) 6539 7066

## APPENDIX

### DISCLOSURES OF HOLDINGS IN COMPANY SECURITIES

As at the Latest Practicable Date, based on (a) the latest information available to UIC (in respect of information relating to the Non-Participating Shareholders) and the latest information available to the Company (in respect of information other than those relating to the Non-Participating Shareholders) and (b) the responses received pursuant to enquiries made by UIC (in respect of information relating to the Non-Participating Shareholders) and the responses received pursuant to enquiries made by the Company (in respect of information other than those relating to the Non-Participating Shareholders), the interests in Shares held by the Relevant Person(s) are set out below:

Name	Direct Interest		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
UEPL	325,374,040	78.883	325,374,040	78.883
UICD	85,643,196	20.763	85,643,196	20.763
UICI	152,500	0.0370	152,500	0.0370

**Note:**

(1) Calculated based on 412,477,559 Shares in issue.