



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

REDEVELOPMENT PROJECT ON THE FORMER SPECIALISTS' CENTRE AND HOTEL PHOENIX SITE – ANNOUNCEMENT PURSUANT TO RULE 704(18)(C) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“LISTING MANUAL”)

The Board of Directors (the “**Board**”) of United Engineers Limited (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) refers to the announcements made by the Company on 8 March 2010, 7 June 2010 and 16 July 2010 (collectively, the “**Announcements**”) in relation to the Company being awarded a turnkey arrangement by Oversea-Chinese Banking Corporation Limited (“**OCBC Bank**”) to undertake the redevelopment project on the former Specialists’ Centre and Hotel Phoenix site located at 277 Orchard Road.

The redevelopment works for the mixed-use development project, now known as *orchardgateway*, which includes the retail mall and hotel and the glass overhead bridge and underground pass linking *orchardgateway* to 218 Orchard Road, is undertaken by its wholly-owned special purpose vehicles (“**SPVs**”), UE Orchard Pte. Ltd. and UE Somerset Pte. Ltd.

Pursuant to the Sale and Purchase Agreement (“**SPA**”) entered into by the Company with OCBC Bank in June 2010, the Board wishes to announce that the Company has today, completed the transaction for the wholly-owned subsidiary of OCBC Bank, Specialists’ Centre Private Limited (“**SCPL**”), to purchase the entire issued share capital and outstanding shareholder’s loans of the SPVs (the “**Disposal**”) for an aggregate cash consideration of approximately S\$196,000 and S\$353 million respectively, the latter of which, will be used to reduce the Group’s borrowings. The consideration for the purchase of the entire issued share capital of the SPVs was based on the adjusted net book values of the SPVs.

The Disposal does not have any material impact on the net tangible assets or earnings per share of the Group for the financial year ending 31 December 2014.

Following the Disposal, UE Orchard Pte. Ltd. and UE Somerset Pte. Ltd. have ceased to be subsidiaries of the Company and will be known as Orchardgateway Private Limited and Orchardgateway Link Private Limited respectively.

INTERESTS OF CONTROLLING SHAREHOLDERS AND DIRECTORS

Save for Mr Tan Ngiap Joo, Mr Norman Ip Ka Cheung, Mr Koh Beng Seng and Mr Koh Poh Tiong, none of the Directors of the Company is deemed to have any interest, direct or indirect, in the above transaction.

Mr Tan Ngiap Joo is an Independent Director and Non-Executive Chairman, of the Company, who is also an Independent Director of OCBC Bank, Mr Norman Ip Ka Cheung and Mr Koh Beng Seng, who are Independent Directors of the Company, are also Independent Directors of Great Eastern Holdings Limited ("**GEH**"). Mr Koh Poh Tiong, an Independent Director of the Company, is also an Independent Director of The Great Eastern Life Assurance Company, a subsidiary of GEH.

By Order of the Board

Heng Fook Pyng, Jeslyn
Company Secretary
30 September 2014