
NEWS RELEASE**UOL AND HAW PAR IN SHARE SWAP FOR UIC SHARES**

- *UOL to issue shares to Haw Par in exchange for 60 million UIC shares upon exercise of call option by UOL or put option by Haw Par*
- *Proposed transaction will enable UOL to consolidate interest in UIC to about 48.94%*

Singapore, 22 June 2017 – UOL Group Limited (UOL) today announced an option agreement with Haw Par Corporation Limited (Haw Par) under which UOL has a call option, and Haw Par has a put option, for United Industrial Corporation Limited (UIC) shares, in a proposed transaction that may make UOL one of the largest owners of commercial space in Singapore.

Under the agreement, upon exercise of the call option or the put option, UOL will allot and issue 27,272,727 new ordinary shares to Haw Par in exchange for 60,000,000 UIC shares in which Haw Par has an interest. This is based on an exchange ratio of 2.20, taking into account historical volume-weighted average share prices and net asset values and net tangible asset values as at 31 March 2017. On completion, UOL's stake in UIC will increase from 44.71% to about 48.94% based on UIC's share capital today.

UOL said the proposed transaction would enable UOL to acquire a significant minority interest in UIC which would otherwise not be readily available, given the lack of trading liquidity in UIC shares. This is in line with UOL's objective of consolidating its interest in UIC, with a view to achieving statutory control in UIC in the future.

The Securities Industry Council of Singapore has also waived UOL's obligation to make a mandatory general offer for UIC for the proposed transaction, provided its shareholding in UIC does not exceed 49%.

UOL said the proposed transaction is beneficial to shareholders for the following reasons: it will offer greater diversification by increasing access to UIC's commercial property portfolio in the Singapore Central Business District, and together, the two groups will have highly complementary interests across the residential, office, retail and hospitality segments, with geographic footprints across Singapore and other markets, including China and the United Kingdom.

UOL said its increased ownership will also eventually allow it to exercise greater control over the deployment of UIC's resources thereby enhancing UOL and UIC to leverage each other's strengths. The proposed transaction will enable UOL and UIC to further align strategic interests and collaborate to acquire land banks, office and retail properties. As a non-cash transaction, UOL's cash reserves will also be conserved to pursue growth opportunities.

UIC was incorporated in Singapore in 1963 as a private company and was listed as a public company in 1969. Its core business is property development and investment. With its acquisition in 1990 of the majority equity of Singapore Land Limited, a well-established property company, UIC became a major developer with a portfolio of 2.5 million square feet of office space and one million square feet of retail premises in Singapore. Its overseas investments include properties in China and the United Kingdom.

The proposed transaction is subject to shareholder and regulatory approvals with all conditions to be satisfied by the long-stop date of 31 October 2017.

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About UOL Group Limited

UOL Group Limited is one of Singapore's leading public-listed property companies with an extensive portfolio of development and investment properties, hotels and serviced suites. With a track record of over 50 years, UOL strongly believes in delivering product excellence and quality service in all its business ventures. Its list of property development projects includes residential units, office towers and shopping malls, hotels and serviced suites. UOL, through its hotel subsidiary Pan Pacific Hotels Group Limited (PPHG), owns two acclaimed brands namely "Pan Pacific" and PARKROYAL. PPHG now owns and/or manages over 30 hotels in Asia, Oceania and North America with close to 10,000 rooms in its portfolio.

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