



**UNITED INDUSTRIAL CORPORATION LIMITED**  
(REG. NO. 196300181E)

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**ANNOUNCEMENT OF INTERESTED PERSON TRANSACTION PURSUANT TO RULE 905(2) OF THE LISTING MANUAL**

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The Board of Directors of United Industrial Corporation Limited (“**UIC**” or the “**Company**”) refers to its previous announcements dated 17 May 2018, 31 May 2018 and 12 September 2018 in relation to the acquisition of a site at Silat Avenue (“**Property**”) and incorporation of United Venture Development (Silat) Pte. Ltd. (“**UVDS**”), a 30:50:20 joint venture company formed between the Company’s wholly-owned subsidiary, UIC Homes Pte Ltd; UOL Group Limited’s (“**UOL**”) wholly-owned subsidiary, UOL Venture Investments Pte Ltd; and Kheng Leong Company (Private) Limited (“**KLC**”).

For the purpose of purchasing and developing the Property (the “**Joint Venture**”), the Company had agreed to extend (in proportion to its equity interest in UVDS) unsecured shareholder’s loans (“**Shareholder’s Loan**”) to UVDS to be drawn down when necessary.

Interests of Directors and Controlling Shareholders

As UOL is a controlling shareholder of the Company and KLC is an associate of UIC’s directors, Dr Wee Cho Yaw and Mr Wee Ee Lim, the Joint Venture is an interested person transaction within the meaning set out in the Listing Manual.

Dr Wee Cho Yaw is the Chairman of UIC and UOL, a controlling shareholder of UOL and a director of KLC. Mr Gwee Lian Kheng is a director of UIC and UOL, and the Group Chief Executive of UOL. Mr Wee Ee Lim is a director of UIC, UOL and KLC.

Saved as disclosed above, none of the directors or controlling shareholders of UIC have any interest, direct or indirect, in the Joint Venture.

Interested Person Transaction (“**IPT**”)

Subsequent to the Company’s said announcement on 12 September 2018 the Company contributed and will be contributing additional loans to UVDS. The aggregate value of the Shareholder’s Loan (including interest income) for the current financial year is now estimated to be \$26.4 million.

Accordingly, the aggregate value of all IPTs entered into and estimated value of all future IPTs anticipated to be entered into with UOL for the current financial year is approximately \$375.0 million representing approximately 5.7% of the Company’s latest audited net tangible assets of \$6.5 billion as at 31 December 2017. Details of these transactions are as follows:

<b>Transaction</b>	<b>Amount (S\$' million)</b>	<b>Percentage of Company's latest audited net tangible asset (%)</b>
Acquisition of the Property by UVDS, which was funded by a mix of bank borrowings, equity and shareholders' loans to UVDS (UIC's 30% share)	310.6	4.8
Contribution of shareholder's loans (including interest income) to UVDS for the development of the Property	26.4	0.4
Interest income arising from shareholder's loans to United Venture Development (Clementi) Pte. Ltd. ("UVDC") for the development of The Clement Canopy	2.0	<0.1
Receipt of project management fee income from UVDC	0.2	<0.1
Receipt of marketing fee income from UVDC	0.4	<0.1
Contribution of shareholder's loans (including interest income) to UVD (Projects) Pte. Ltd. ("UVDP") for the development of The Tre Ver	29.4	0.5
Receipt of marketing fee income from UVDP	0.9	<0.1
Interest income arising from shareholder's loans to United Venture Investments (HI) Pte. Ltd. for the acquisition of Holborn Island	0.6	<0.1
Payment of management fee and incentive fee by Hotel Marina City Private Limited ("HMC") to Pan Pacific Hotels and Resorts Pte. Ltd. for provision of hotel management services	2.5	<0.1
Payment of license fee by HMC to Pan Pacific International Pte Ltd for provision of hotel management services	1.0	<0.1
Payment of marketing services fee, reservation fee and system fee by HMC to Pan Pacific Marketing Services Pte. Ltd. for provision of hotel management services	1.0	<0.1
<b>Total</b>	<b>375.0</b>	<b>5.7</b>

The aggregate value of all IPTs entered into and estimated value of all future IPTs anticipated to be entered into with KLC for the current financial year is approximately \$337.6 million representing approximately 5.2% of the Company's latest audited net tangible assets of \$6.5 billion as at 31 December 2017. Details of these transactions are as follows:

<b>Transaction</b>	<b>Amount (S\$' million)</b>	<b>Percentage of Company's latest audited net tangible asset (%)</b>
Acquisition of the Property by UVDS, which was funded by a mix of bank borrowings, equity and shareholders' loans to UVDS (UIC's 30% share)	310.6	4.8
Contribution of shareholder's loans (including interest income) to UVDS for the development of the Property	26.4	0.4
Payment of shared payroll costs of project management team by Shanghai JinPeng Realty Co., Ltd to Jin Qing (Shanghai) Investment Consultancy Co., in the development of Park Eleven	0.6	<0.1
<b>Total</b>	<b>337.6</b>	<b>5.2</b>

### Statement by Audit Committee

UIC's Audit Committee had reviewed the Joint Venture, which includes the Shareholder's Loan, and is of the view that the risks and rewards of the Joint Venture are in proportion to the equity of each joint venture partner and the terms of the Joint Venture and Shareholder's Loan are not prejudicial to the interests of the Company and its minority shareholders.

### Financial Effects

The abovementioned additional loans are not expected to have any material financial impact on the net tangible assets per share and earnings per share of UIC for the current financial year.

Submitted by Kenneth Lee Ngai Hon, Senior Financial Controller, United Industrial Corporation Limited on 5 November 2018 to the SGX.