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UEL Sells 78% Interest in WBL's Property Subsidiary in Suzhou for RMB490 million

SINGAPORE, 10 March 2014 – United Engineers Limited (“UEL” or the “Group”) today announced that its 67%-owned subsidiary WBL Corporation Limited (“WBL”), through its subsidiary Shenyang Huaxin International Realty Co., Ltd., has entered into an agreement with SIP Genway Group Co Ltd (“Genway Group”) to sell its 78% interest in Suzhou Industrial Park Jian Wu Heng Ye Property Development Co Ltd (“JWHY”) to Genway Group for RMB490 million (the “Divestment”).

Acquired by WBL in May 2010, JWHY is engaged in residential housing development in Suzhou, China and owns a 147,238 sqm land site in Qingjianhu, Suzhou, of which only 53,497 sqm is currently being developed into a residential project (the “Qingjianhu Project”).

“The Divestment is underpinned by the strategic objectives to unlock shareholder value as well as manage risks involved in the development and execution of the Qingjianhu Project. We will continually explore and capitalise on opportunities across all businesses where we can further create and unlock shareholder value,” said Chairman of UEL Corporate Office ¹, Mr Norman Ip.

The sale price for this Divestment was arrived at on a willing buyer, willing seller basis. The sale proceeds of RMB490 million are to be paid in three instalments over the next seven months ending 25 September 2014. The net-of-tax gain from the divestment of JWHY is approximately \$14.0 million.

¹ The Corporate Office was set up to facilitate the smooth integration of the Group with WBL, as well as enhance and unlock value, where possible, across the Group’s enlarged business platform.

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WBL was among the first Singapore developers to invest in China in the 1990s, and has developed some 13 well-reputed projects totalling more than 3 million sqm in land area in various Chinese cities. Including the Qingjianhu Project currently being developed by JWBY, WBL has six development projects across the Chinese cities of Chengdu, Chongqing, Shanghai, Shenyang and Suzhou.

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About United Engineers Limited

United Engineers Limited (the "Group"), founded in 1912, is one of Singapore's pioneer companies that has played an integral role in the physical and economic transformation of Singapore. Building on its early engineering roots, the Group has evolved into a dynamic corporation with key businesses in property, engineering and construction. On 29 May 2013, the Group acquired a 56.8% stake in another centennial company, WBL Corporation Limited ("WBL"). Following this acquisition, the Group's businesses now include Automotive and Technology. On 11 February 2014, the Group increased its shareholding in WBL to 67.0%. The Group's flagship building *UE Square* was marked a historic site in 2002 by the Singapore National Heritage Board; the Group was also honoured as the 11th oldest company in the Singapore Chamber of Commerce.

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