
**ANNOUNCEMENT – DISPOSAL OF ENTIRE STAKE IN CHENGDU HUAXIN RUITAI
PROPERTY MANAGEMENT CO., LTD.**

United Engineers Limited (the “Company”, and together with its subsidiaries, the “Group”) wishes to announce that its 67.5% indirect subsidiary, Huaxin Community Broadband Service Co., Ltd (“HCBS”) has disposed of its entire 100% equity interest in Chengdu Huaxin Ruitai Property Management Co., Ltd. (“Chengdu Ruitai”) to Suzhou Yachang Enterprise Service Co., Ltd.* (苏州雅昶企业服务有限公司) (the “Disposal”) for a consideration of RMB 2 million (the “Sale Consideration”).

The Sale Consideration was arrived at on a willing-buyer and willing-seller basis, taking into account the financial position and business prospects of Chengdu Ruitai. The Disposal is in line with the Group’s strategy for its China property activities by focusing on property development. Following the Disposal, Chengdu Ruitai ceases to be a subsidiary of the Group.

The Disposal is not expected to have any material impact on the net tangible assets or earnings per share of the Group for the financial year ending 31 December 2015.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Disposal.

BY ORDER OF THE BOARD

Heng Fook Pyng, Jeslyn
Company Secretary

Date: 2 June 2015

**English translation for identification purpose only*