Nothing in this announcement constitutes an offer to buy, or a solicitation of an offer to sell, securities in the United States or any other jurisdiction in which such offer or solicitation would be unlawful. Securities may not be offered or sold in the United States absent registration pursuant to the U.S. Securities Act of 1933, as amended, or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of a prospectus that will contain detailed information about the Company and its management, as well as financial statements.

**OVERSEA-CHINESE BANKING CORPORATION LIMITED**

(Incorporated in Singapore)
(Company Registration Number: 193200032W)

**PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE AND RECEIPT OF APPROVAL IN-PRINCIPLE**

## 1. INTRODUCTION

1.1 The Board of Directors (the "**Board**" or the "**Directors**") of Oversea-Chinese Banking Corporation Limited (the "**Company**") wishes to announce the following:

(a) that the Company is proposing to carry out a renounceable underwritten rights issue (the "**Rights Issue**") of up to 440,047,710 new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S$7.65 for each Rights Share (the "**Issue Price**"), on the basis of one Rights Share for every eight existing ordinary shares in the capital of the Company (the "**Shares**") held by Entitled Shareholders (as defined below) as at 5.00 p.m. on 27 August 2014 (the "**Books Closure Date**") for the purpose of determining Shareholders' (as defined below) entitlements under the Rights Issue, fractional entitlements to be disregarded; and

(b) that the Company has obtained approval in-principle from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions, the details of which are set out in paragraph 7 below. Approval in-principle granted by the SGX-ST and the listing and quotation of the Rights Shares is not to be taken as an indication of the merits of the Company, its subsidiaries (together, the "**Group**"), the Shares, the Rights Issue, the "nil-paid" Rights (as defined below) or the Rights Shares.

1.2 The Company has appointed Merrill Lynch (Singapore) Pte. Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch and J.P. Morgan (S.E.A.) Limited as the joint lead managers and underwriters (the "**Joint Lead Managers and Underwriters**") for the Rights Issue, pursuant to the terms of a management and underwriting agreement (the "**Management and Underwriting Agreement**") entered into between the Company and the Joint Lead Managers and Underwriters on 18 August 2014.

1.3 In addition to the approval in-principle which has been granted by the SGX-ST, the Rights Issue is subject to, *inter alia*, the lodgment of the offer information statement (the "**Offer Information Statement**") with the Monetary Authority of Singapore (the "**MAS**").

## 2. TERMS OF THE RIGHTS ISSUE

2.1 The Company is proposing to issue up to 440,047,710 Rights Shares pursuant to the Rights Issue in order to raise gross proceeds of approximately S$3.37 billion from the Rights Issue. The Rights Issue is proposed to be made on a renounceable basis to Entitled Shareholders on the basis of one Rights Share for every eight existing Shares held as at the Books Closure Date, fractional entitlements to be disregarded.

2.2 The Issue Price per Rights Share is S$7.65 and represents a discount of 25.0 per cent. to the closing price of S$10.20 per Share on the SGX-ST on 15 August 2014, being the last trading date immediately prior to the date of this Announcement, and a discount of approximately 22.9 per cent. to the theoretical ex-rights price[1] of S$9.92 per Share.

2.3 The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the date of allotment and issue of the Rights Shares. It should be noted that the Company had on 5 August 2014 announced an interim one-tier tax exempt dividend for the financial year ending 31 December 2014 of 18 cents for every Share held (the "**FY14 Interim Dividend**"). The books closure date for the purpose of determining Shareholders' entitlements to the FY14 Interim Dividend is 5.00 p.m. on 27 August 2014, which is the same as the Books Closure Date for the purpose of determining Shareholders' entitlements under the Rights Issue. The Rights Shares will not rank for any entitlements to the FY14 Interim Dividend.

2.4 Further, as announced on 5 August 2014, the Company's Scrip Dividend Scheme (the "**Scheme**") will be applicable to the FY14 Interim Dividend. Under the Scheme, Shareholders will have an option to elect to receive new Shares in lieu of the cash amount of the FY14 Interim Dividend (the "**Dividend Shares**"). The FY14 Interim Dividend will be paid on 16 October 2014, and the Dividend Shares are expected to be listed and credited on 17 October 2014. The Dividend Shares will not rank for any entitlements under the Rights Issue.

2.5 The terms and conditions of the Rights Issue may be subject to such changes as the Directors may, in consultation with the Joint Lead Managers and Underwriters, deem fit. The final terms and conditions of the Rights Issue will be contained in the Offer Information Statement and its accompanying documents to be lodged with the MAS and despatched by the Company to Entitled Shareholders in due course.

## 3. RATIONALE FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

3.1 The Rights Issue will enable the Company to strengthen its balance sheet and enhance the financial flexibility of the Group, which, following the successful completion of the

[1] The theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the closing price of S$10.20 per Share on the SGX-ST on 15 August 2014, being the last trading date immediately prior to the date of this Announcement, and the number of Shares following completion of the Rights Issue.

Group's takeover offer for Wing Hang Bank, Limited ("**WHB**"), now includes WHB and its subsidiaries.

3.2 The total estimated net proceeds from the Rights Issue is approximately S$3.32 billion (or approximately 98.5 cents for each dollar of the gross proceeds raised) after deducting estimated expenses of approximately S$50.2 million.

3.3 The Company intends to utilise the net proceeds from the Rights Issue for general corporate funding purposes in the ordinary course of the Group's business.

3.4 Pending the deployment of the net proceeds from the Rights Issue, such net proceeds may be deposited with banks and/or financial institutions or used for investment in short-term money markets or debt instruments or used for other purposes on a short-term basis as the Directors may deem appropriate in the interests of the Company.

3.5 The Company has obtained waivers of Rules 704(30), 815, 877(8) and 1207(20) of the SGX-ST Listing Manual. Rule 704(30) and Rule 1207(20) respectively require that the Company makes an announcement and include a status report in its annual report, on the use of any proceeds from the Rights Issue as and when such funds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated in the offering document or the relevant announcement; and where there is any material deviation from the stated use of proceeds, the reasons for such deviation. Rule 815 requires the Company to announce any significant disbursement of the proceeds from the Rights Issue. Rule 877(8) requires the Company to provide an undertaking that it will make periodic announcements on the utilisation of the proceeds as the funds are disbursed.

3.6 The Company has applied for the above waivers on the following grounds:

(a) As explained in paragraph 3.3 above, the net proceeds from the Rights Issue will be used for general corporate funding purposes in the ordinary course of the Group's business. Therefore no meaningful disclosures on the utilisation of proceeds can be made.

(b) The Company is a financial institution of long standing and holds a banking licence issued by the MAS. As a licensed bank, the bulk of the Company's general corporate funding requirements would be the funding of loans, advances and repayments to non-bank customers and interbank lending, which are in the ordinary course of the Company's business as a licensed bank and involve large volumes and numerous transactions on a daily basis. The Company also regularly invests in financial assets for trading or regulatory purposes in the ordinary course of its business. The Company's general corporate funding requirements would also include maintaining sufficient cash to meet the minimum reserve, cash balance and liquid assets requirements imposed by the MAS on a licensed bank.

(c) As such funds will, along with other funds of the Group, be used in multitudinous transactions on a daily basis as part of the ordinary course of business of the Company, tracking the disbursement of and periodic announcement of the use of proceeds would not be practicable nor possible, and given that such proceeds would be used for general corporate funding purposes as part of the ordinary

course of business that investors would expect of a licensed bank, would not be meaningful for investors. Accordingly, a waiver of the requirements under Rules 704(30), 815, 877(8) and 1207(20) of the SGX-ST Listing Manual would not be prejudicial to public interest.

3.7 The SGX-ST has granted the waivers, conditional upon the following:

(a) the Company announcing the waiver granted, the reasons for seeking the waiver and the conditions as required under Rule 107 of the SGX-ST Listing Manual; and

(b) submission of a written confirmation from the Company that the waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company.

## 4. ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

4.1 The Company proposes to provisionally allot the Rights Shares to all holders of Shares (the "**Shareholders**") who are eligible to participate in the Rights Issue (the "**Entitled Shareholders**"), comprising Entitled Depositors and Entitled Scripholders.

4.2 "**Entitled Depositors**" are Shareholders with Shares standing to the credit of their Securities Accounts with The Central Depository (Pte) Limited (the "**CDP**") as at the Books Closure Date and: (i) whose registered addresses with CDP are in Singapore as at the Book Closure Date; (ii) who have, at least three Market Days (being a day on which the SGX-ST is open for trading in securities) prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents; or (iii) who are Eligible QIBs.

4.3 "**Entitled Scripholders**" are Shareholders whose share certificates have not been deposited with CDP and who have tendered to M & C Services Private Limited (the "**Share Registrar**") valid transfers of their Shares and the certificates relating thereto for registration up to the Books Closure Date and (i) whose registered addresses with the Company are in Singapore as at the Books Closure Date; (ii) who have, at least three Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents; or (iii) who are Eligible QIBs.

4.4 "**Eligible QIBs**" are qualified institutional buyers (as defined in Rule 144A of the U.S. Securities Act of 1933, as amended (the "**Securities Act**")) ("**QIBs**") (a) whose identities and status have been verified by the Company and (b) who have each provided to the Company a signed investor representation letter (in the form to be set out in the Offer Information Statement to be issued in connection with the Rights Issue) not later than the date of the commencement of trading of "nil-paid" Rights (or such other date as may be agreed by the Company with the Joint Lead Managers and Underwriters for the Rights Issue).

4.5 Entitled Shareholders will be provisionally allotted Rights Shares under the Rights Issue on the basis of their shareholdings in the Company as at the Books Closure Date. Entitled Shareholders will be at liberty to accept, decline or renounce or (in the case of Entitled

Depositors only) trade on the SGX-ST (during the provisional allotment trading period prescribed by the SGX-ST) their Rights and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Fractional entitlements to the Rights Shares will be disregarded in arriving at the Shareholders' entitlements and will, together with the Rights Shares represented by the provisional allotments of (i) Entitled Shareholders who decline, do not accept, or elect not to renounce or (in the case of Entitled Depositors only) trade their provisional allotment of Rights Shares under the Rights Issue (during the provisional allotment trading period prescribed by the SGX-ST) and/or (ii) ineligible Shareholders, be aggregated and used to satisfy excess Rights Shares applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and substantial shareholders of the Company will rank last in priority.

4.6 All dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the provisional allotment letters issued to Entitled Scripholders, setting out the provisional allotments of Rights Shares of such Entitled Scripholders under the Rights Issue (the "**PALs**"), which will be issued to Entitled Scripholders, will not be valid for delivery pursuant to trades done on the SGX-ST.

4.7 The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of Rights Shares and for the applications for excess Rights Shares, including the different modes of acceptance or application and payment, will be contained in the Offer Information Statement and in the application form for Rights Shares and excess Rights Shares issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Rights Issue (the "**ARE**"), the application form for Rights Shares issued to purchasers of the Rights (as defined below) under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system (the "**ARS**") and the PAL.

4.8 Shareholders who have subscribed for or purchased Shares under the Central Provident Fund Investment Scheme ("**CPFIS**"), the Supplementary Retirement Scheme ("**SRS**") or through a finance company and/or depository agent can only accept their Rights and (if applicable) apply for excess Rights Shares by instructing the relevant banks, finance company and/or depository agent in which they hold their CPFIS accounts and/or SRS Accounts to do so on their behalf. **ANY APPLICATION MADE BY THE ABOVEMENTIONED SHAREHOLDERS THROUGH CDP OR THROUGH AUTOMATED TELLER MACHINES WILL BE REJECTED.** Such Shareholders should refer to the Offer Information Statement for important details relating to the offer procedure in connection with the Rights Issue.

**Foreign Shareholders**

4.8 The Offer Information Statement and its accompanying documents will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or

administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Offer Information Statement and its accompanying documents will not be despatched to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior thereto, provided the Share Registrar or CDP, as the case may be, with addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**").

4.9 Foreign Shareholders will not be entitled to participate in the Rights Issue. Accordingly, no provisional allotment of Rights Shares will be made to Foreign Shareholders and no purported acceptance or application for the Rights Shares by Foreign Shareholders will be valid.

4.10 The Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the provisional allotments of Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore ("**Foreign Purchasers**"). Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

4.11 If it is practicable to do so, the Company may, at its absolute discretion, arrange for the rights to subscribe for the Rights Shares (the "**Rights**"), which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil-paid" on the SGX-ST as soon as practicable after commencement of trading in "nil-paid" Rights. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the expenses expected to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them at their own risk by ordinary post, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder, persons in the United States, U.S. persons or persons acting to the account or benefit of any such persons is less than S$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder, persons in the United States, U.S. persons or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Joint Lead Managers and Underwriters, CDP, the CPF Board or the Share Registrar and their respective officers in connection therewith.

4.12 If such provisional allotments cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be issued to satisfy excess applications or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder, persons in the United States, U.S. persons or persons acting to the account or benefit of any such persons shall have any claim

whatsoever against the Company, the Joint Lead Managers and Underwriters, CDP, CPF Board or the Share Registrar and their respective officers in connection therewith.

**Private Placement to Qualified Institutional Buyers in the United States**

4.13 Notwithstanding the foregoing, a limited number of persons located in the United States who are QIBs may be able to purchase Rights Shares being offered in the Rights Issue (pursuant to the exercise of Rights) by way of a private placement pursuant to an applicable exemption from registration under the Securities Act, provided that their identity as such has been verified by the Company and they provide a signed investor representation letter in the form to be set out in the Offer Information Statement not later than the date of the commencement of trading of "nil-paid" Rights (or such other date as may be agreed by the Company with the Joint Lead Managers and Underwriters) prior to such exercise, which will also contain restrictions and procedures regarding the transfer of Rights Shares. The Company reserves absolute discretion in determining whether to allow such participation as well as the identity of the persons who may be allowed to do so. Each purchaser of Rights Shares being offered and sold the Rights Shares outside the United States will be deemed to have represented and agreed, among other things, that the purchaser (a) is, and the person, if any, for whose account it is acquiring such Rights Shares is, outside the United States, and (b) is acquiring the Rights Shares in an offshore transaction meeting the requirements of Regulation S under the Securities Act.

4.14 Notwithstanding the above, Shareholders and any other person having possession of the Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving the Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

## 5. IRREVOCABLE UNDERTAKING

5.1 Selat (Pte) Limited (the "**Undertaking Shareholder**") had on 15 August 2014 given an irrevocable undertaking (the "**Irrevocable Undertaking**") to the Company, *inter alia*, to, in accordance with the terms and conditions of the Rights Issue and not later than the latest time and date for acceptance and/or excess application and payment of the Rights Shares under the Rights Issue, subscribe and pay for and/or procure Island Investment Company (Private) Limited, Kallang Development (Pte) Limited, Kota Trading Company Sdn. Berhad, Lee Foundation, Lee Latex (Pte) Limited, Lee Pineapple Company (Pte) Limited, Lee Plantations (Pte) Limited, Lee Rubber Company (Pte) Limited, Peninsula Investment Company, Sdn Berhad, Peninsula Plantations Sendirian Berhad, Singapore Investments (Pte) Limited, South Asia Shipping Company Private Limited and Tropical Produce Company (Pte) Limited (collectively and with Selat (Pte) Limited, the "**Lee Group Companies**") to subscribe and pay for all of the Rights Shares which the Lee Group Companies are entitled, by virtue of the Initial Shares (as defined below) to subscribe for under the Rights Issue, amounting to 117,299,418 Rights Shares (the "**Undertaken Rights Shares**"), save that the Lee Group Companies shall have the discretion to renounce their right to subscribe for their respective Rights Shares in favour of any other member or members of the Lee Group Companies, provided that the Lee Group

Companies subscribe and pay for all of the Undertaken Rights Shares on an aggregate basis.

5.2 As at the date of the Irrevocable Undertaking, the Lee Group Companies directly and indirectly, held an aggregate of 938,395,390 Shares (the "**Initial Shares**"), representing in aggregate approximately 26.87 per cent. of the total number of issued Shares (excluding treasury shares) as at the date of the Irrevocable Undertaking. The Undertaken Rights Shares constitute approximately 26.66% of the maximum number of Rights Shares.

## 6. UNDERWRITING

6.1 The Rights Shares (excluding the Undertaken Rights Shares) (the "**Underwritten Rights Shares**") have been underwritten by the Joint Lead Managers and Underwriters at the Issue Price on the terms and subject to the conditions of the Management and Underwriting Agreement.

6.2 Pursuant to the Management and Underwriting Agreement, the Company will pay the Joint Lead Managers and Underwriters (i) an underwriting commission of 1.25 per cent. of the aggregate Issue Price of the Underwritten Rights Shares in proportion to their respective underwriting commitments; and (ii) at the Company's sole discretion, an incentive fee of up to 0.25 per cent. of the aggregate Issue Price of the Underwritten Rights Shares which may be paid in such proportions and to such of the Joint Lead Managers and Underwriters (if at all) as the Company may determine.

## 7. RECEIPT OF IN-PRINCIPLE APPROVAL

7.1 The Board is pleased to announce that approval in-principle has been obtained from the SGX-ST for the listing and quotation of the Rights Shares on the Main Board of the SGX-ST. The SGX-ST has approved in-principle the listing of and quotation for the Rights Shares subject to, *inter alia*:

(a) compliance with the SGX-ST's listing requirements;

(b) submission of a written undertaking from the Company that it will comply with the confirmation given in Rule 877(1) of the SGX-ST Listing Manual with regard to the allotment of any excess Rights Shares; and

(c) submission of a written confirmation from a financial institution as required under Rule 877(9) of the SGX-ST Listing Manual that the Undertaking Shareholder has sufficient financial resources to fulfil its obligations under the Irrevocable Undertaking.

7.2 Approval in-principle granted by the SGX-ST and the listing and quotation of the Rights Shares is not to be taken as an indication of the merits of the Company, its subsidiaries, the Shares, the Rights Issue, the "nil-paid" Rights or the Rights Shares.

## 8. NOTICE OF BOOKS CLOSURE DATE

Notice of books closure for the Rights Issue is contained in a separate announcement titled "Notice of Books Closure for Rights Issue" released by the Company today.

## 9. INDICATIVE TIMETABLE OF KEY EVENTS

An indicative timetable listing certain important dates and times relating to the Rights Issue is set out below. All dates and times referred to below are Singapore dates and times.

| | | |
|---|---|---|
| Shares trade ex-Rights | : | 25 August 2014 from 9.00 a.m. |
| Books Closure Date | : | 27 August 2014 at 5.00 p.m. |
| Lodgment of the Offer Information Statement with the MAS | : | 27 August 2014 |
| Despatch of the Offer Information Statement (together with the ARE or the PAL, as the case may be) to Entitled Shareholders | : | 1 September 2014 |
| Commencement of trading of "nil-paid" Rights | : | 1 September 2014 from 9.00 a.m. |
| Last date and time for trading of "nil-paid" Rights[(1)] | : | 9 September 2014 at 5.00 p.m. |
| Last date and time for splitting and trading of Rights[(1)] | : | 9 September 2014 at 5.00 p.m. |
| Last date and time for acceptance of and payment for Rights Shares[(1)] | : | 15 September 2014 at 5.00 p.m. (9.30 p.m. for Electronic Applications) |
| Last date and time for renunciation of and payment for Rights Shares[(1)] | : | 15 September 2014 at 5.00 p.m. |
| Last date and time for application and payment for excess Rights Shares[(1)] | : | 15 September 2014 at 5.00 p.m. (9.30 p.m. for Electronic Applications) |
| Expected date of issuance of Rights Shares | : | 26 September 2014 |
| Expected date of commencement of trading of Rights Shares | : | 29 September 2014 |

**Note:**

(1) This does not apply to CPFIS investors, SRS investors and investors who hold Shares through a finance company and/or depository agent. CPFIS investors, SRS investors and investors who hold Shares through a finance company and/or depository agent should refer to the Offer Information Statement after the lodgement of the Offer Information Statement with the MAS.

The above timetable is indicative only and is subject to change.

## 10. ADJUSTMENTS TO SHARE OPTIONS, SHARE AWARDS AND SHARE RIGHTS

The Company intends to make adjustments with respect to the options to acquire Shares granted under the OCBC Share Option Scheme 2001, the awards of Shares granted under the Deferred Share Plan and the rights to acquire Shares granted under the OCBC Employee Share Purchase Plan to take into account the Rights Issue so that the participants under the OCBC Share Option Scheme 2001, the Deferred Share Plan and the OCBC Employee Share Purchase Plan thereof will not be adversely affected thereby. Details of such adjustments will be communicated separately to such participants.

Peter Yeoh
Secretary

Singapore
18 August 2014