

POSSIBLE VOLUNTARY CONDITIONAL OFFER

by



DMG & Partners Securities Pte Ltd
(Incorporated in the Republic of Singapore)
(Company Registration No.: 198701140E)

for and on behalf of

UNIVERSAL EC INVESTMENTS PTE. LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No.: 201428273R)

to acquire all the issued and paid up ordinary shares in the capital of

UE E&C LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No.: 201005048D)

other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees

FULFILMENT OF THE DUE DILIGENCE PRE-CONDITION

1. INTRODUCTION

DMG & Partners Securities Pte Ltd ("**DMG**"), for and on behalf of Universal EC Investments Pte. Ltd. (the "**Offeror**"), refers to the announcement issued on 3 October 2014 (the "**Possible Offer Announcement**") in relation to the possible voluntary conditional offer (the "**Offer**") for all the issued and paid-up ordinary shares ("**Shares**") in the capital of UE E&C Ltd. (the "**Company**"), other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees (the "**Offer Shares**").

All capitalised terms used but not defined herein shall have the same meanings given to them in the Possible Offer Announcement.

2. FULFILMENT OF THE DUE DILIGENCE PRE-CONDITION

- 2.1 As stated in the Possible Offer Announcement, the making of the Offer is subject to the fulfilment or waiver (at the sole discretion of the Offeror acting reasonably and in good faith) of the Pre-Conditions.
- 2.2 DMG wishes to announce, for and on behalf of the Offeror, that the Due Diligence Pre-Condition has been fulfilled and that the Offeror will make the Offer subject to fulfilment of the remaining Pre-Condition relating to the approval of the shareholders of United Engineers Limited ("**UEL**") in accordance with Chapter 10 of the Listing Manual for the Proposed Disposal (the "**UEL Resolution Pre-Condition**").

- 2.3 If and when the UEL Resolution Pre-Condition has been fulfilled, DMG, for and on behalf of the Offeror, will announce the Offeror's firm intention to make the Offer. However, in the event that the UEL Resolution Pre-Condition is not fulfilled, the Offer will not be made and DMG will issue an announcement, for and on behalf of the Offeror, confirming that fact.

The Offer will not be made unless and until the UEL Resolution Pre-Condition is fulfilled. Accordingly, all references to the Offer in this Announcement refer to the possible Offer which will only be made if and when such UEL Resolution Pre-Condition is fulfilled.

Shareholders should exercise caution and seek appropriate independent advice when dealing in the Shares.

3. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of the Offeror (including any director who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to the Company and UEL) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company or UEL, the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The directors of the Offeror jointly and severally accept responsibility accordingly.

Issued by
DMG & Partners Securities Pte Ltd

For and on behalf of
Universal EC Investments Pte. Ltd.
15 October 2014

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "shall", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor DMG undertakes any obligation to update publicly or revise any forward-looking statements.

Any enquiries relating to this Announcement or the Offer should be directed during office hours to:

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