



(Company Registration No. 191200018G)
(Incorporated in Singapore)

ANNOUNCEMENT – DIVESTMENT OF CHONGQING HUAXIN INTERNATIONAL URBAN DEVELOPMENT CO., LTD.

United Engineers Limited (the “Company”, and together with its subsidiaries, the “Group”) wishes to announce that Shengyang Huaxin International Realty Co., Ltd. (“SHIR”) and Chongqing Huaxin International Realty Co., Ltd. (“CQIR”), have entered into an agreement with Chongqing Lisheng Property Development Co., Ltd. (“CQLS”), pursuant to which SHIR and CQIR have each sold their respective interests (the “Divestment”) in Chongqing Huaxin International Urban Development Co., Ltd. (“CQUR”), a company incorporated in Chongqing, China for a consideration of RMB 42.0 million (equivalent to approximately S\$8.7 million), (the “Sale Consideration”).

The Sale Consideration was arrived at on a willing-buyer-willing-seller basis, taking into consideration the financial position and business prospects of CQUR. The net tangible asset value of CQUR as represented by the Divestment is RMB 37.3 million (equivalent to approximately S\$7.7 million) as at 31 December 2013.

UEL’s interest in CQUR is held through its subsidiary, WBL Corporation Limited (“WBL”). SHIR, a wholly-owned subsidiary of WBL, and CQIR, a 50% joint venture company of WBL, hold 15% and 80% interests respectively in CQUR.

The Divestment is in line with the Group’s strategic objective of unlocking and realising value for its shareholders. The Divestment is not expected to have any material impact on the net tangible assets or earnings per share of the Company for the financial year ending 31 December 2014.

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

BY ORDER OF THE BOARD

Heng Fook Pyng, Jeslyn
Company Secretary

21 April 2014