



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

ANNOUNCEMENT – DISPOSAL OF INTEREST IN PT UNITED ENGINEERS INDONESIA

The Board of Directors of United Engineers Limited (the “Company” or “UE Group”) wishes to announce that the Company and its wholly-owned subsidiary, UE Support Services Pte Ltd (“UESS”) have disposed their stakes of 98.8% and 1.2% respectively in PT United Engineers Indonesia (“PTUEI”), a company incorporated in Indonesia, to PT Reborn Capital and Mr Ismu Prasetyo (collectively, the “Purchasers”) (the “Sale”) pursuant to the Sale and Purchase Agreement entered into between the Company, UESS and the Purchasers. PTUEI’s principal activity is in the fabrication of steel structures for mining, oil & gas and construction sectors.

The consideration for the Sale is Rp 70 billion (equivalent to approximately S\$7.2 million) (the “Consideration”). The Consideration was arrived at on a willing-buyer-willing-seller basis, taking into consideration, *inter alia*, the financial position and business prospects of PTUEI. The net tangible asset value of PTUEI is negative S\$0.3 million as at 30 September 2015. The gain from the Sale is approximately S\$13.2 million, after taking into consideration the transaction costs and realisation of foreign exchange reserves.

Following the Sale, PTUEI has ceased to be a subsidiary of the Company. The Sale represents part of the UE Group’s ongoing strategy to divest its non-core assets and to streamline its operations.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Sale.

BY ORDER OF THE BOARD

Heng Fook Pyng, Jeslyn
Company Secretary

16 October 2015