
Proposed increase in shareholding in associated company OUB Centre Limited

1. (a) Pursuant to Rule 704(17)(d) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Directors of OUE Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company and its wholly-owned subsidiary, Beacon Property Holdings Pte. Ltd. ("**BPHPL**"), have today entered into a framework agreement with the Kuwait Investment Office ("**KIO**") (the "**Framework Agreement**") whereby BPHPL will, subject to the terms and conditions of the Framework Agreement, purchase ordinary shares ("**OUBC Shares**") in the capital of OUB Centre Limited ("**OUBC**") of between a minimum of 60,000,000 OUBC Shares (the "**Definitive OUBC Shares**") (representing 25.0% of the total number of issued and paid up shares in the capital of OUBC) and up to a maximum of 80,000,000 OUBC Shares (representing 33.33% of the total number of issued and paid up shares in the capital of OUBC being the entire equity stake held by KIO in OUBC) (the "**Acquisition**").

(b) OUBC is the registered owner of One Raffles Place and owns 81.54% of the beneficial interest in One Raffles Place. BPHPL was incorporated in the Republic of Singapore on 22 May 2015 and is a wholly-owned subsidiary of the Company.
2. The purchase price in the transfer notice (the "**Transfer Notice Price**") shall be the fair value of each OUBC Share, and shall be determined based on the net asset value of the OUBC Shares with reference to the audited accounts of OUBC for the financial year ended 31 December 2014 and an agreed value ascribed to One Raffles Place fixed at S\$1,740,000,000, which shall be subject to confirmation by the independent accountant in reliance of the latest net asset statement of OUBC (the "**Final Fair Value**"). The Company will subsequently announce the Final Fair Value once it has been confirmed by the independent accountant.
3. To account for any US\$/S\$ foreign exchange risk in relation to the Acquisition, under the Framework Agreement, KIO will also receive an amount equivalent to S\$11,700,000 ("**Relevant Amount**").
4. In the event:
 - (a) any of the other shareholders of OUBC (each, an "**Invoking Member**") accepts KIO's offer to purchase all or part of the proportion of OUBC Shares it is entitled to purchase in accordance with the pre-emption provisions of the Articles of Association of OUBC but any difference arises between such Invoking Member and KIO as to the fair value for the OUBC Shares and such Invoking Member applies for the auditor of OUBC (the "**Auditor**") to certify the sum which in the Auditor's opinion, is the fair

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value of the OUBC Shares it wishes to purchase, such sum certified by the Auditor in writing is deemed to be the fair value at which KIO should sell each such OUBC Share to the Invoking Member (the "**Revised Transfer Notice Price**"); and

- (b) only if the Revised Transfer Notice Price is lower than the Transfer Notice Price and the Invoking Member acquires the relevant OUBC Shares from KIO,

BPHPL shall pay to KIO an amount equivalent to the difference between the Transfer Notice Price and the Revised Transfer Notice Price ("**Specified Amount**") for each of the OUBC Shares acquired by the Invoking Member.

5. The aggregate Transfer Notice Price, Relevant Amount and, if applicable, aggregate Specified Amount will be payable in cash upon completion of the Acquisition which shall take place on a date to be agreed between KIO, the Company and BPHPL falling within 10 business days of the expiry of the period for accepting the offer of OUBC shares pursuant to the Articles of Association of OUBC.
6. Upon completion of the Acquisition:
 - (a) the Group's interest in OUBC will increase from 50% to a minimum of 75%. If the remaining shareholders of OUBC do not exercise their respective entitlements under the OUBC Articles to acquire the residual 8.33%, BPHPL would be able to acquire up to a maximum of 33.33% interest in OUBC, bringing the Group's interest in OUBC up to a maximum of 83.33%; and
 - (b) OUBC will cease to be an associated company of the Group, and become a subsidiary of the Group.
7. The Acquisition is not expected to have any material impact on the consolidated earnings per share or consolidated net tangible assets per share of the Group for the current financial year ending 31 December 2015.
8. The Company will release further announcements upon (a) its exercise of pre-emption rights to acquire the Definitive OUBC Shares and, where applicable, any further OUBC Shares in excess of the Definitive OUBC Shares up to a maximum of 80,000,000 OUBC Shares; and (b) upon completion of the Acquisition.

By Order of the Board
OUE LIMITED

Ng Ngai
Company Secretary

10 June 2015