



輝立証券私人有限公司
PHILLIP SECURITIES PTE LTD
Member of Singapore Exchange Securities Trading Ltd
Reg. No. 1975010352

7 January 2015

The Directors of
UE E&C Ltd.
12 Ang Mo Kio Street 64 #03-13
UE BizHub CENTRAL
Singapore 569088

Dear Sirs:

VOLUNTARY UNCONDITIONAL OFFER BY DMG & PARTNERS SECURITIES PTE LTD FOR AND ON BEHALF OF UNIVERSAL EC INVESTMENTS PTE. LTD. TO ACQUIRE ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF UE E&C LTD.

For the purpose of this letter, unless otherwise defined or the context otherwise requires, all terms defined in this letter shall have the same meaning as in the circular issued by the Company to the Shareholders (the "Circular") dated 31 December 2014 in relation to the Offer.

We refer to our letter dated 31 December 2014 ("IFA Letter") which is set out in Appendix A of the Circular and our opinion on the above Offer. An extract of our opinion (as set in Section 10 of the IFA Letter) is as follows:

"After having carefully considered the information available to us and other relevant considerations as at the Latest Practicable Date, and our analysis as set out in this letter, we are of the opinion that on balance, the terms of the Offer are fair and reasonable, but are not compelling from a financial point of view."

Matters for Clarification

Pursuant to the "Practice Statement on the Opinion issued by an Independent Financial Adviser in relation to Offers, Whitewash Waivers and Disposal of Assets under the Singapore Code on Take-overs and Mergers" issued by the Securities Industry Council, for avoidance of doubt, we wish to clarify that we are of the opinion that **on balance, the terms of the Offer are fair and reasonable.**

For the avoidance of doubt, the clause "but are not compelling from a financial point of view" shall not be construed as implying that the Offer is not "fair" and/or not "reasonable". Accordingly, our advice to the Directors on their recommendation to Shareholders remained unchanged. An extract of our advice to the Directors is as follows:



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"Accordingly, we advise the Directors to recommend Shareholders to SELL the shares in the open market if they are able to obtain a price higher than the Offer (net of related expenses) or ACCEPT the Offer if they are unable to obtain a price higher than the Offer (net of related expenses) in the open market."

Yours faithfully
For and on behalf of

Phillip Securities Pte Ltd

Sim Yong Nam
Director
Corporate Finance

Tay Von Kian
Director
Corporate Finance