UOL Group Limited
华业集团有限公司

INTERESTED PERSON TRANSACTIONS

Pursuant to the requirements of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Listing Manual**"), UOL Group Limited (the "**Company**") wishes to announce the following updates in relation to its joint ventures projects:

1. Acquisition of the leasehold property comprised in Lot 6521X of Mukim 17 and which is also the development known as "Raintree Gardens" at 110-112 Potong Pasir Avenue 1, Singapore ("Raintree Gardens")

With reference to the Company's announcements on 5 October 2016 and 6 October 2016, the Company wishes to announce that, on 21 October 2016:

(a) UOL Venture Investments Pte. Ltd. ("**UVI**"), the Company's wholly-owned subsidiary; and

(b) Singland Homes Pte. Ltd. ("**SHPL**"), a subsidiary of United Industrial Corporation Limited ("**UIC**"),

(collectively referred hereinafter as the "**Raintree JV Partners**") have agreed to extend to UVD (Projects) Pte. Ltd. ("**UVDP**") unsecured shareholders' loans of up to S$11.2 million, chargeable with interest at 1.5% over the 3-month Singapore Dollar swap rate per annum on the date of drawdown (or such other rates as may be agreed between the Raintree JV Partners and UVDP in writing from time to time) (the "**Raintree Loan**").

UVDP may, from time to time, make multiple drawdowns on the Raintree Loan to pay for stamp duties as well as expenses incurred in connection with its acquisition of Raintree Gardens. The Raintree Loan is granted to UVDP by the Raintree JV Partners on a **50:50 basis** (i.e. in proportion to each Raintree JV Partner's equity interest in UVDP) and on the same terms.

2. Acquisition of Holborn Island, a freehold 9-storey mixed use building located at 120 Holborn, Midtown, London EC1 N2TD, United Kingdom ("Holborn Island")

With reference to the Company's announcements on 30 September 2016 and 5 October 2016, the Company wishes to announce that, on even date:

(a) UVI; and

(b) UIC Overseas Investments Pte. Ltd. ("**UICOIPL**"), a subsidiary of UIC,

(collectively referred hereinafter as the "**Holborn JV Partners**") have agreed to extend to United Venture Investments (HI) Pte. Ltd. ("**UVIHI**") unsecured shareholders' loans of up to £15.2 million, chargeable with interest at 1.5% over the 3-month LIBOR per annum on the date of drawdown (or such other rates as may be agreed between the Holborn JV Partners and UVIHI in writing from time to time) (the "**Holborn Loan**").

UVIHI may, from time to time, make multiple drawdowns on the Holborn Loan to pay for stamp duties as well as expenses incurred in connection with its acquisition of Holborn Island. The Holborn Loan is granted to UVIHI by the Holborn JV Partners on a **50:50 basis** (i.e. in proportion to each Holborn JV Partner's equity interest in UVIHI) and on the same terms.

3. Acquisition and development of residential site at Clementi Avenue 1, Singapore ("The Clement Canopy")

With reference to the Company's announcements on 11 December 2015 and 28 December 2015, the Company wishes to announce that, on even date:

(a) UVI; and

(b) SHPL,

(collectively referred hereinafter as the "**CC JV Partners**") have agreed to extend to United Venture Development (Clementi) Pte. Ltd. ("**UVDC**") unsecured shareholders' loans of up to S$7.0 million, chargeable with interest at 1.5% over the 3-month Singapore Dollar swap rate per annum on the

date of drawdown (or such other rates as may be agreed between the CC JV Partners and UVDC in writing from time to time) (the "**CC Loan**").

UVDC may, from time to time, make multiple drawdowns on the CC Loan to pay for expenses incurred in connection with its development and marketing of The Clement Canopy. The CC Loan is granted to UVDC by the CC JV Partners on a **50:50 basis** (i.e. in proportion to each CC JV Partner's equity interest in UVDC) and on the same terms.

4. Interested Person Transactions

Under the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), UIC is considered an associate of Dr Wee Cho Yaw, the Chairman and a controlling shareholder of the Company. Dr Wee Cho Yaw, Mr Wee Ee Lim and Mr Gwee Lian Kheng who are Directors of the Company are also directors of UIC.

UVI's contribution to the Raintree Loan, the Holborn Loan and the CC Loan (collectively referred hereinafter as the "**JV-SH Loans**" and each a "**JV-SH Loan**") are in accordance with the terms of the joint ventures entered into by UVI with (a) SHPL for the acquisitions of Raintree Gardens and The Clement Canopy; and (b) UICOIPL for the acquisition of Holborn Island, (collectively the "**Joint Ventures**" and each a "**Joint Venture**").

The Joint Ventures (including the provisions of the JV-SH Loans) are interested person transactions within the meaning set out in the Listing Manual. The Company's Audit & Risk Committee had previously reviewed each Joint Venture and is satisfied that the terms of each Joint Venture (which provides for the JV-SH Loans) are not prejudicial to the interests of the Company and its minority shareholders.

The rationale for granting the JV-SH Loans is to provide funding to UVDP, UVIHI and UVDC in connection with, as the case may be, the acquisitions of Raintree Gardens and Holborn Island, and the development and marketing of The Clement Canopy. The grant of the JV-SH Loans is not expected to have any material impact on the earnings per share and net tangible assets per share of the Company for financial year ending 31 December 2016.

To date, the total value of interested person transactions (excluding other interested person transactions less than S$100,000) entered into between the Group and UIC in the financial year ending 31 December 2016 amounts to approximately S$447.7 million, representing approximately 5.7% of the Group's latest audited net tangible assets as at 31 December 2015 (i.e. S$7,870.8 million). Details of these interested persons transactions are as follows:

Transaction	**Amount (S$' million)**	**Percentage of Group's latest audited net tangible assets (%)**
Acquisition of Raintree Gardens by UVDP which shall be funded by a mix of equity in and shareholders' loans to UVDP	167.1	2.1
Contribution of additional shareholders' loans (namely, the Raintree Loan) and estimated interest income arising from these additional shareholders' loans, to UVDP	5.6	0.1
Acquisition of Holborn Island by UVIHI which shall be funded by a mix of equity in and shareholders' loans to UVIHI	203.0[(1)]	2.6
Contribution of additional shareholders' loans (namely, the Holborn Loan) and estimated interest income arising from these additional shareholders' loans, to UVIHI	13.5[(2)]	0.2

Transaction	Amount (S$' million)	Percentage of Group's latest audited net tangible assets (%)
Contribution of (a) shareholders' loans (including but not limited the CC Loan) to UVDC and estimated interest income arising from these shareholders' loans; and (b) equity in UVDC, for expenses incurred in connection with the development of The Clement Canopy	55.2	0.7
Contribution of shareholders' loans to United Venture Development (Thomson) Pte. Ltd. for the development of Thomson Three, and estimated interest income arising from these shareholders' loans	3.1	<0.1
Project management fee and marketing fee income from United Venture Development (Thomson) Pte. Ltd.	0.1	<0.1
Project management fee income from United Venture Development (Bedok) Pte. Ltd.	0.1	<0.1
Total	**447.7**	**5.7**

Notes:
(1) Based on the currency exchange rate of £1: S$1.768.
(2) Based on the currency exchange rate of £1: S$1.700.

All the above-mentioned interested person transactions were entered into by the Group in its ordinary course of business and are on arm's length basis. Save as disclosed in this announcement, the Company is not aware of any Director or controlling shareholder of the Company whom has any interest, direct or indirect, in these interested person transactions (including without limitation the Joint Ventures and the provision of JV-SH Loans).

5. Exceptions to the requirement for shareholders' approval

Pursuant to Rule 906 of the Listing Manual, an issuer must obtain shareholders' approval for any interested person transaction of a value equal to, or more than:

(a) 5% of the group's latest audited net tangible assets; or

(b) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

Notwithstanding the above, Rule 916(2) of the Listing Manual provides that shareholders' approval (so required under Rule 906 of the Listing Manual) shall not be required for an investment in a joint venture with an interested person, if the following conditions are met:

(a) the risks and rewards are in proportion to the equity of each joint venture partner;

(b) the issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and

(c) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture.

Rule 916(3) of the Listing Manual also provides that that shareholders' approval (so required under Rule 906 of the Listing Manual) shall not be required for the provision of a loan to a joint venture with an interested person if:

(a) the loan is extended by all joint venture partners in proportion to their equity and on the same terms;

(b) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and

(c) the issuer confirms by an announcement that its audit committee is of the view that:
    (i) the provision of the loan is not prejudicial to the interests of the issuer and its minority shareholders; and
    (ii) the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders.

As set out in this Paragraphs 1 to 3 of this announcement, each JV-SH Loan was granted by the relevant joint venture parties (a) in proportion to their respective equity interest in the relevant joint venture entity; and (b) on the same terms. In addition to the above, neither UOL nor UIC had (through their respective subsidiaries) an existing equity interest in UVDP, UVIHI and UVDC prior to their participation in the joint ventures for the acquisitions of Raintree Gardens, Holborn Island and The Clement Canopy respectively.

The Company's Audit & Risk Committee had reviewed the terms of each Joint Venture (including the provision of the relevant JV-SH Loan) and is of the view that:

(a) the terms of each Joint Venture (including the provision of the relevant JV-SH Loan) are not prejudicial to the interests of the Company and its minority shareholders;

(b) the risks and rewards of each Joint Venture are in proportion to the equity of each Raintree JV Partner, Holborn JV Partner or CC JV Partner (as the case may be); and

(c) each Joint Venture will not be prejudicial to the interests of the Company and its minority shareholders.

Therefore, although the value of the Joint Ventures to the Company (after taking into account the JV-SH Loans and together with other interested person transactions with UIC) is expected to be more than 5% of the latest audited net tangible assets of the Group, the Joint Ventures (including the provision of the JV-SH Loans) have met the exceptions under Rule 916(2) and Rule 916(3) of the Listing Manual as set out in this announcement. Accordingly, the Company would be exempted from the requirement to seek shareholders' approval for the Joint Ventures (as well as the provision of JV-SH Loans).

Submitted by Foo Thiam Fong Wellington, Company Secretary on 2/11/2016 to the SGX