



UE E&C Ltd

(Company Registration No. 201005048D)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT IN RELATION TO QUERY REGARDING TRADING ACTIVITY

UE E&C Ltd. (the "**Company**") refers to the query on 24 March 2014 from the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), regarding the unusual price movements in the shares of the Company.

The Company wishes to announce that it has been informed that its controlling shareholder, United Engineers Limited, is currently in discussions with a third party in connection with the sale of its shareholding in the Company, which may or may not lead to a general offer for the shares of the Company. The Company understands that these discussions remain ongoing and no binding agreement has been reached. As such there is no assurance that the transaction will actually proceed.

Save as stated above, the Company is not aware of any other possible explanation for the trading activity.

The Company confirms that it is in compliance with the listing rules of the SGX-ST and, in particular, Rule 703 of the Listing Manual.

Shareholders are advised to refrain from taking any action in respect of their shares in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the shares of the Company. The Company will update shareholders in due course when it becomes aware of any material developments.

BY ORDER OF THE BOARD

Tan Ching Chek
Company Secretary

24 March 2014