

VOLUNTARY CONDITIONAL OFFER

by



(A member of RHB Banking Group)

DMG & Partners Securities Pte Ltd

(Incorporated in the Republic of Singapore)

(Company Registration No.: 198701140E)

for and on behalf of

UNIVERSAL EC INVESTMENTS PTE. LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No.: 201428273R)

to acquire all the issued and paid-up ordinary shares in the capital of

UE E&C LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No.: 201005048D)

other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees

SUPPLEMENTAL DISCLOSURE REMINDER OF CLOSING DATE

1. INTRODUCTION

DMG & Partners Securities Pte Ltd ("**DMG**") refers to:

- (a) the offer document dated 17 December 2014 ("**Offer Document**") issued by DMG, for and on behalf of Universal EC Investments Pte. Ltd. (the "**Offeror**"), in connection with the voluntary conditional offer (the "**Offer**") for all the issued and paid-up ordinary shares in the capital of UE E&C Ltd. (the "**Company**"), other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees; and
- (b) the announcement issued on 19 December 2014 in relation to, *inter alia*, the Offer being declared unconditional in all respects.

Unless otherwise defined, capitalised terms used in this Announcement shall have the same meanings as defined in the Offer Document.

2. SUPPLEMENTAL DISCLOSURE

DMG, for and on behalf of the Offeror, refers to paragraph 6 of the Offer Document in respect of the Offeror's rationale for the Offer and intentions in relation to the Company. An extract of the same is set out in the Appendix to this Announcement.

DMG, for and on behalf of the Offeror, wishes to elaborate and provide further background information on the Offeror's rationale and intentions as follows:

- (a) in respect of paragraph 6.2 (Greater Management Flexibility), the Offeror believes that privatisation of the Company from the Mainboard of the SGX-ST will give more flexibility in managing the business of the UE E&C Group and optimise the use of the UE E&C Group's management and capital resources because privatisation will free up the time of the directors and management team of the UE E&C Group, and reduce financial resources otherwise required, in ensuring the UE E&C Group's compliance with, *inter alia*, continuing listing requirements. Such savings in time and financial resources can in turn be redeployed to growing the business of the UE E&C Group. Further, the directors and management of the UE E&C Group will have more flexibility in managing the business of the UE E&C Group after the Company is privatised without having to consider the general expectations of public shareholders (for example, considerations relating to dividend expectations, investment horizons and risk tolerance); and
- (b) in respect of paragraph 6.3 (Offeror's Intentions in relation to the Company), the Offeror intends for the UE E&C Group to continue and grow the existing business of the UE E&C Group. In relation to this, the Offeror intends to have a comprehensive discussion with the directors and management of the UE E&C Group on the strategy and business plan for the UE E&C Group after the close of the Offer. As the Offeror has not had the opportunity to carry out such comprehensive discussion, the Offeror currently has no intention to introduce any major changes to the existing business of the Company, employment of the employees of the UE E&C Group, or to re-deploy any of the fixed assets of the Company, other than in the ordinary course of business or save as announced.

3. REMINDER OF CLOSING DATE

- 3.1 DMG, for and on behalf of the Offeror, wishes to remind Shareholders who have not accepted the Offer that the closing date for the Offer is **5.30 p.m. on 28 January 2015¹**.
- 3.2 Shareholders who have not accepted the Offer may wish to note the following:
 - (a) the Offer Price of S\$1.25 per Offer Share is **FINAL**. On 6 January 2015, DMG, for and on behalf of the Offeror, announced that the Offeror does not intend to revise the Offer Price of S\$1.25 for each Offer Share. Therefore, in accordance with Rule 20.2 of the Singapore Code on Take-overs and Mergers, the Offeror will not be allowed to subsequently amend the terms of the Offer, including the Offer Price; and
 - (b) **the Offer has turned unconditional in all respects.** By accepting the Offer, Shareholders who have not accepted the Offer will receive the entire payment within 10 days of receipt of the acceptance and will **NOT** incur any brokerage commission or transaction cost; and
 - (c) the Offeror does **NOT** intend to take steps for any trading suspension of the Shares by the SGX-ST, pursuant to the Listing Rules, to be lifted in the event that, *inter alia*, less than 10% of the total number of Shares (excluding any Shares held by the Company as treasury shares) are held in public² hands.

¹ Or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

² "Public" means persons other than the directors, chief executive officer, substantial shareholders, or controlling shareholders of the Company or its subsidiary companies, and their respective associates.

- 3.3 Shareholders who wish to accept the Offer must complete, sign and forward the relevant acceptance forms to CDP or Boardroom Corporate & Advisory Services Pte. Ltd., as the case may be, so as to arrive no later than **5.30 p.m. on 28 January 2015**.

Please refer to Appendix V to the Offer Document for further instructions on how to accept the Offer.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to the Company) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or publicly available sources or obtained from the Company, the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The Directors jointly and severally accept full responsibility accordingly.

Issued by
DMG & Partners Securities Pte Ltd

For and on behalf of
Universal EC Investments Pte. Ltd.
23 January 2015

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor DMG undertakes any obligation to update publicly or revise any forward-looking statements.

Any enquiries relating to this Announcement or the Offer should be directed during office hours to:

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APPENDIX

An extract of paragraph 6 of the Offer Document is set out below.

"6. **RATIONALE FOR THE OFFER AND INTENTIONS IN RELATION TO THE COMPANY**

6.1 ***Intention to Delist and Privatisise the Company.*** As set out in paragraph 8.3 below, the Offer is made by the Offeror with a view to delisting the Company from the Mainboard of the SGX-ST and depending on the outcome of the Offer, the Offeror intends to exercise its rights of compulsory acquisition under the Companies Act if it is entitled to do so.

6.2 ***Greater Management Flexibility.*** The Offeror believes that privatisation of the Company from the Mainboard of the SGX-ST will give more flexibility in managing the business of the UE E&C Group and optimise the use of the UE E&C Group's management and capital resources.

6.3 ***Offeror's Intentions in relation to the Company***

The Offeror intends for the UE E&C Group to continue its existing business activities and the Offeror currently has no intention to introduce any major changes to the existing business of the Company, employment of the employees of the UE E&C Group, or to re-deploy any of the fixed assets of the Company, other than in the ordinary course of business."