

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

INTENTION TO APPOINT NEW CHIEF EXECUTIVE OFFICER DESIGNATE

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. INTENTION TO PROPOSE APPOINTMENT OF NEW CHIEF EXECUTIVE OFFICER DESIGNATE AND EXECUTIVE DIRECTOR

DMG, for and on behalf of the Offeror, wishes to announce that the Offeror intends to propose an addition to the senior management team of the Company by the appointment of Mr Chang Chew Kient ("**Mr Chang**") as Chief Executive Officer Designate, effective after the close of

the Offer. In addition, the Offeror intends to propose the nomination of Mr Chang as an executive director of the Company, which will take effect after the close of the Offer.

The contract of the current Chief Executive Officer ("**CEO**"), Mr Chua Hock Tong ("**Mr Chua**"), expires at the end of February 2015. Mr Chua, who is 69 years old, has informed the Offeror that he wishes to transition to a different role within the Company. Mr Chua founded the Company's construction subsidiary, Greatearth Construction Pte Ltd ("**Greatearth Construction**") in 1981, and has been instrumental in the growth and success of the Company.

To ensure a smooth transition, Mr Chua has agreed to remain as CEO until the end of July 2015. Thereafter, he will remain as a Director of the Company and Executive Chairman of Greatearth Construction and will continue to devote a substantial amount of his time to the Company, particularly in the areas of strategy, business development, and mentoring.

Mr Chang was formerly a senior executive at United Engineers Limited ("**UEL**"). Mr Chang joined UEL in 1988 and held various senior management positions in UEL until his retirement in June 2014. His last position held was Executive Vice President in charge of Operations, Corporate Planning, and Coordination. Mr Chang's extensive experience in property, engineering and construction as well as in-depth familiarity with the Company, which included overseeing the Company's subsidiaries when the Company was a subsidiary of UEL, makes him uniquely qualified to lead the Company. Mr Chang holds a Bachelor's degree in Applied Science (Engineering) from University of Toronto, Canada, as well as a Master of Business Administration from Saint Mary's University, Canada. All relevant information relating to Mr Chang which is required to be disclosed pursuant to the listing rules of the Singapore Exchange Securities Trading Limited will be provided upon Mr Chang's formal appointment.

The above is subject to approval of the Board of Directors of the Company.

3. 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.
19 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:

Ng Boon Eng

Director
Head, Corporate Finance

Telephone: +65 6232 3699

Wong Kee Seong

Senior Vice President
Corporate Finance

Telephone: +65 6232 3695

Foong Chong Hung

Senior Vice President
Corporate Finance

Telephone: +65 6232 3689