UNITED INDUSTRIAL CORPORATION LIMITED
(REG. NO. 196300181E)

ANNOUNCEMENT OF INTERESTED PERSON TRANSACTIONS PURSUANT TO RULE 905(2) OF THE LISTING MANUAL

The Board of Directors of United Industrial Corporation Limited ("**UIC**" or the "**Company**") wishes to announce:

Residential site (with commercial use) at Silat Avenue, Singapore

Reference is made to its previous announcements dated 17 May 2018 and 31 May 2018 in relation to the acquisition of a site at Silat Avenue ("**Silat Property**") and incorporation of United Venture Development (Silat) Pte. Ltd. ("**UVDS**"), a 30:50:20 joint venture company formed between the Company's wholly-owned subsidiary, UIC Homes Pte Ltd; UOL Group Limited's ("**UOL**") wholly-owned subsidiary, UOL Venture Investments Pte Ltd ("**UOL Venture**"); and Kheng Leong Company (Private) Limited ("**Kheng Leong**").

For the purpose of purchasing and developing the Silat Property (the "**Silat Joint Venture**"), the Company has agreed to extend (in proportion to its equity interest in UVDS) unsecured shareholder's loans to UVDS to be drawn down when necessary.

Leasehold property comprised in Lot 6521X Mukim 17 at 110-112 Potong Pasir Avenue 1, Singapore (now known as The Tre Ver)

Reference is made to its previous announcements dated 6 October 2016, 9 February 2017, 16 May 2017, 4 July 2018 and 3 August 2018 in relation to the collective purchase of all the units and the common property in the development previously known as "Raintree Gardens", and the development of The Tre Ver (the "**TTV Property**") by UVD (Projects) Pte Ltd ("**UVDP**"), a 50:50 joint venture company formed by the Company's subsidiary, Singland Homes Pte Ltd ("**Singland Homes**") together with UOL Venture.

The parties have entered into a joint venture agreement and agreed *inter alia* that Singland Homes and UOL Venture will be jointly responsible for the provision of marketing services to UVDP, in the course of developing The TTV Property (the "**TTV Joint Venture**"), and will each receive payment from UVDP in respect thereof,

(the Silat Joint Venture and the TTV Joint Venture are collectively referred to as the "**Joint Ventures**").

Interested Person Transactions ("**IPTs**")

Subsequent to the abovementioned announcements, the Company entered into the following IPTs:

Residential site at Silat Avenue, Singapore

The Company contributed additional shareholder's loans (including interest income) to UVDS amounting to $16.1 million (the "**Shareholder's Loans**").

The Tre Ver, Singapore

The Company is expected to receive marketing fee income from UVDP for the current financial year amounting to $0.9 million (the "**Marketing Fee Income**").

Accordingly, the aggregate value of all IPTs entered into and estimated value of all future IPTs anticipated to be entered into (including the Shareholder's Loans and Marketing Fee Income) with UOL for the current financial year is approximately $364.7 million representing approximately 5.6% of the Company's latest audited net tangible assets of $6.5 billion as at 31 December 2017. Details of these transactions are as follows:

Transaction	**Amount (S$' million)**	**Percentage of Company's latest audited net tangible asset (%)**
Acquisition of the Silat Property by UVDS, which was funded by a mix of bank borrowings, equity and shareholders' loans to UVDS (UIC's 30% share)	310.6	4.8
Contribution of shareholder's loans (including interest income) to UVDS for the development of the Silat Property	16.1	0.2
Interest income arising from shareholder's loans to United Venture Development (Clementi) Pte. Ltd. ("UVDC") for the development of The Clement Canopy	2.0	<0.1
Receipt of project management fee income from UVDC	0.2	<0.1
Receipt of marketing fee income from UVDC	0.4	<0.1
Contribution of shareholder's loans (including interest income) to UVD (Projects) Pte. Ltd. ("UVDP") for the development of TTV Property	29.4	0.5
Receipt of marketing fee income from UVDP	0.9	<0.1
Interest income arising from shareholder's loans to United Venture Investments (HI) Pte. Ltd. for the acquisition of Holborn Island	0.6	<0.1
Payment of management fee and incentive fee by Hotel Marina City Private Limited ("HMC") to Pan Pacific Hotels and Resorts Pte. Ltd. for provision of hotel management services	2.5	<0.1
Payment of license fee by HMC to Pan Pacific International Pte Ltd for provision of hotel management services	1.0	<0.1
Payment of marketing services fee, reservation fee and system fee by HMC to Pan Pacific Marketing Services Pte. Ltd. for provision of hotel management services	1.0	<0.1
Total	364.7	5.6

Accordingly, the aggregate value of all IPTs entered into (including the Shareholder's Loans) and estimated value of all future IPTs anticipated to be entered into with Kheng Leong for the current financial year is approximately $327.3 million representing approximately 5.0% of the Company's latest audited net tangible assets of $6.5 billion as at 31 December 2017. Details of these transactions are as follows:

Transaction	**Amount (S$' million)**	**Percentage of Company's latest audited net tangible asset (%)**
Acquisition of the Silat Property by UVDS, which was funded by a mix of bank borrowings, equity and shareholders' loans to UVDS (UIC's 30% share)	310.6	4.8

Contribution of shareholder's loans (including interest income) to UVDS for the development of the Silat Property	16.1	0.2
Payment of shared payroll costs of project management team by Shanghai JinPeng Realty Co., Ltd to Jin Qing (Shanghai) Investment Consultancy Co., in the development of Park Eleven	0.6	<0.1
Total	327.3	5.0

All the abovementioned IPTs (including the subject of this announcement) are entered into by UIC in its ordinary course of business and are on an arm's length basis.

As UOL is a controlling shareholder of the Company and Kheng Leong is an associate of UIC's directors, Dr Wee Cho Yaw and Mr Wee Ee Lim, the Joint Ventures (including the abovementioned IPTs) are IPTs within the meaning set out in the Listing Manual.

Dr Wee Cho Yaw is the Chairman of UIC and UOL, a controlling shareholder of UOL and a director of Kheng Leong. Mr Gwee Lian Kheng is a director of UIC and UOL, and the Group Chief Executive of UOL. Mr Wee Ee Lim is a director of UIC, UOL and Kheng Leong.

Statement by Audit Committee

UIC's Audit Committee had reviewed the Joint Ventures, which includes the Shareholder's Loans, and is of the view that the risks and rewards of the Joint Ventures are in proportion to the equity of each joint venture partner and the terms of the Joint Ventures and the Shareholder's Loans are not prejudicial to the interests of the Company and its minority shareholders.

Interests of Directors and Controlling Shareholders

Saved as disclosed above, none of the directors or controlling shareholders of UIC have any interest, direct or indirect, in the Joint Ventures and the abovementioned IPTs.

Financial Effects

The abovementioned IPTs are not expected to have any material financial impact on the net tangible assets per share and earnings per share of UIC for the current financial year.

Submitted by Teo Hwee Ping, Acting Company Secretary, United Industrial Corporation Limited on 12 September 2018 to the SGX.