



**OVERSEA-CHINESE BANKING  
CORPORATION LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 193200032W)

**GREAT EASTERN  
HOLDINGS LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 199903008M)

**JOINT ANNOUNCEMENT: DIVESTMENT OF SHAREHOLDINGS IN UNITED ENGINEERS LIMITED  
AND WBL CORPORATION LIMITED**

**1. INTRODUCTION**

- 1.1 Oversea-Chinese Banking Corporation Limited ("**OCBC Bank**") and Great Eastern Holdings Limited ("**GEH**") refer to their joint announcements dated 26 September 2016, 5 January 2017, 10 February 2017, 1 June 2017 and 12 July 2017 (the "**Joint Announcements**") in relation to their combined stakes in United Engineers Limited ("**UEL**") and WBL Corporation Limited ("**WBL**").
- 1.2 Further to the Joint Announcements, OCBC Bank and GEH, on behalf of several of its wholly-owned subsidiaries<sup>1</sup> (the "**GEH Subsidiaries**"), wish to announce that OCBC Bank and the GEH Subsidiaries have today entered into:
- (a) a sale and purchase agreement ("**UEL SPA**"), together with other vendors (OCBC Bank, the GEH Subsidiaries and other vendors, collectively, "**UEL Vendors**"), for the disposal of a combined stake comprising approximately 33.4%<sup>2,3</sup> of the total issued ordinary stock units ("**UEL Ordinary Shares**") and approximately 70.2%<sup>4</sup> of the total issued preference shares ("**UEL Preference Shares**") in UEL (collectively, the "**UEL Sale Shares**") to a third party purchaser, Yanlord Perennial Investment (Singapore) Pte. Ltd. ("**Purchaser**"); and
  - (b) a sale and purchase agreement ("**WBL SPA**"), together with other vendors (OCBC Bank, the GEH Subsidiaries and other vendors, collectively, "**WBL Vendors**"), for the disposal of a combined stake of approximately 29.9%<sup>5</sup> of the total issued ordinary shares ("**WBL Shares**") in WBL ("**WBL Sale Shares**") to the Purchaser,

<sup>1</sup> The GEH Subsidiaries comprise: (a) The Great Eastern Life Assurance Company Limited; (b) Great Eastern General Insurance Limited (formerly known as The Overseas Assurance Corporation Limited); and (c) The Great Eastern Trust Private Limited.

<sup>2</sup> This refers to the combined stake being disposed of by all of the UEL Vendors including OCBC Bank and the GEH Subsidiaries. In this announcement, all percentages with respect to the UEL Ordinary Shares and the UEL Preference Shares are based on UEL's total issued ordinary stock units (including treasury shares) of 637,508,148 and total issued preference shares of 875,000 as at the Announcement Date (as defined in paragraph 2.7).

<sup>3</sup> In this announcement, any discrepancies between the listed percentages and the totals shown thereof are due to rounding. Accordingly, figures shown as totals in this announcement may not be an arithmetic aggregation of figures that precede them.

<sup>4</sup> This refers to the combined stake being disposed of by all of the UEL Vendors including OCBC Bank and the GEH Subsidiaries.

<sup>5</sup> This refers to the combined stake being disposed of by all of the WBL Vendors including OCBC Bank and the GEH Subsidiaries. In this announcement, all percentages with respect to the shares in WBL are based on WBL's total issued ordinary shares of 281,200,630 as at the Announcement Date.

(the UEL Vendors and the WBL Vendors collectively, the “**Vendors**”).

1.3 A summary of OCBC Bank’s and the GEH Subsidiaries’ respective stakes in UEL and WBL being disposed of is set out as follows:

- (a) OCBC Bank holds a stake amounting to approximately 4.1% of the total UEL Ordinary Shares, approximately 2.3% of the total UEL Preference Shares, and approximately 6.1% of the total WBL Shares; and
- (b) the GEH Subsidiaries collectively hold a stake (most of which is held through their insurance funds) amounting to approximately 16.3% of the total UEL Ordinary Shares, approximately 67.6% of the total UEL Preference Shares and approximately 18.2% of the total WBL Shares.

A detailed breakdown of (i) the UEL Vendors’ respective stakes with respect to the UEL Sale Shares; and (ii) the WBL Vendors’ respective stakes with respect to the WBL Sale Shares, is set out in Part 1 and Part 2 of Annex A respectively.

## 2. THE DIVESTMENT

2.1 The total cash consideration to be received after the completion of the sale of all of the UEL Sale Shares and the WBL Sale Shares by:

- (a) OCBC Bank is S\$103.79 million, which amounts to a pre-tax gain before expenses of approximately S\$20.34 million; and
- (b) the GEH Subsidiaries is S\$378.54 million. The GEH Subsidiaries (which includes such shares as held through their insurance funds) will realise a total pre-tax gain before expenses of approximately S\$94.35 million, most of which would accrue to the insurance funds with the balance to the shareholders’ funds.

This is based on a sale price of S\$2.60 per UEL Ordinary Share, S\$2.60 per UEL Preference Share, and S\$2.07 per WBL Share (“**Price Per WBL Share**”). Accordingly, such disposal is not expected to have a material impact on the earnings of OCBC Bank and GEH.

2.2 With respect to OCBC Bank, the average historical book cost per UEL Ordinary Share, UEL Preference Share and WBL Share as at 30 June 2017 was S\$1.65, S\$0.88 and S\$2.34, respectively.

2.3 With respect to the GEH Subsidiaries, the average historical book cost per UEL Ordinary Share, UEL Preference Share and WBL Share as at 30 June 2017 was S\$1.54, S\$0.85 and S\$2.40, respectively.

2.4 The consideration for the UEL Sale Shares and the WBL Sale Shares was arrived at on a willing-buyer and willing-seller basis taking into account, among other things, the net asset value and share price of the UEL Sale Shares and the net asset value of the WBL Sale Shares.

2.5 The unaudited consolidated net asset value per UEL Ordinary Share as at 31 March 2017 and the audited consolidated net asset value per WBL Share as at 31 December 2016, as reported by UEL and WBL, was S\$2.95 and S\$2.65 respectively.

2.6 The consideration received by OCBC Bank and the GEH Subsidiaries from the disposal represents a 11.1% premium to the volume-weighted average price of S\$2.34 per UEL

Ordinary Share for the one (1) month period prior to and including 26 September 2016 (being the last trading day prior to the joint announcement by OCBC Bank and GEH on their review of strategic options with respect to their combined stakes in UEL and WBL).

2.7 While the UEL Preference Shares are traded on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), there were no trades in UEL Preference Shares over the course of the six (6) months preceding 11 July 2017 (being the last full trading day prior to the date of this announcement (“**Announcement Date**”)).

### 3. TRANSACTION DETAILS

3.1 The sale of all of the UEL Sale Shares has been completed on the Announcement Date. The Purchaser has also announced a mandatory general offer by it for the remaining UEL Ordinary Shares and UEL Preference Shares (“**UEL MGO**”) on the Announcement Date. The Vendors understand that in the event that the UEL MGO becomes unconditional as to acceptances or the Purchaser acquires statutory control of UEL, the Purchaser will be required, pursuant to the chain principle in Note 7 to Rule 14.1 of the Singapore Code on Take-overs and Mergers, to make a mandatory unconditional cash offer for all the remaining WBL Shares (“**WBL Offer**”).

3.2 The sale of the WBL Sale Shares will take place in two tranches. The completion of the sale of the first tranche of the WBL Sale Shares (amounting to a stake of 10% in WBL) (the “**Initial Tranche WBL Shares**”) has taken place on the Announcement Date.

3.3 The Purchaser has undertaken that it or its concert party shall acquire the second tranche of the WBL Sale Shares (amounting to a stake of 19.9% in WBL) (“**Second Tranche WBL Shares**”) from the WBL Vendors at the Price Per WBL Share<sup>6</sup>:

- (a) one (1) business day after 90 days from the earlier of (i) the lapse or close of the UEL MGO; and (ii) the date the UEL MGO becomes unconditional (the “**Reference Date**”), if the WBL Vendors have not completed the sale of the Second Tranche WBL Shares to any other person; or
- (b) in the event any person other than the Purchaser (including UEL) makes or announces an intention to make a general offer for the WBL Shares at a price per share at least equal to the Price Per WBL Share on or prior to the Reference Date (“**Competing WBL Offer**”), on the Other Second Tranche Closing Date<sup>7</sup>.

3.4 The WBL Vendors have undertaken to the Purchaser:

- (a) not to tender the Second Tranche WBL Shares into the WBL Offer; and
- (b) from the Announcement Date up to the date of the close, lapse or withdrawal of the WBL Offer, not to, among others, offer, sell, transfer, give or otherwise dispose of its

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<sup>6</sup> The Price Per WBL Share may be reduced by the amount of any dividend or other distribution in respect of the WBL Shares announced, declared, paid or made by WBL on or after the Announcement Date.

<sup>7</sup> “**Other Second Tranche Closing Date**” means where the WBL Vendors have tendered the Second Tranche WBL Shares into the Competing WBL Offer, and either (a) such Competing WBL Offer has not become unconditional as at its close; or (b) such Competing WBL Offer has become unconditional as at its close but the WBL Vendors have not received payment for such shares, the later of: (i) one (1) business day after the lapse or close of the relevant Competing WBL Offer; and (ii) five (5) business days after the Purchaser receives the WBL Vendors’ written confirmation that, among other things, the WBL Vendors are ready to complete the sale of the Second Tranche WBL Shares.

ownership of or interest in all or any of the WBL Vendors' shares in WBL, provided that the WBL Vendors are not prohibited from, among other things:

- (i) tendering their shares in WBL into any Competing WBL Offer made by a person other than the Purchaser;
- (ii) tendering their remaining shares in WBL<sup>8</sup> (after deducting the Initial Tranche WBL Shares and Second Tranche WBL Shares) into any general offer made by the Purchaser or a concert party of the Purchaser (including UEL) for the WBL Shares; and/or
- (iii) making any transfer in accordance with the WBL SPA.

#### **4. RATIONALE FOR THE DISPOSAL**

- 4.1 OCBC Bank has held its stakes in UEL and WBL as long-term non-core financial investments for many years. The disposal is in line with OCBC Bank's strategy of divesting its non-core assets at the opportune time and re-investing the proceeds in its core financial businesses.
- 4.2 GEH and its subsidiaries ("**GEH Group**") consider value accretive opportunities to enhance financial returns from investments. The divestment of the GEH Subsidiaries' stakes in UEL and WBL would allow the GEH Group to enhance financial returns from these long-term investments in UEL and WBL, for the interest of its policyholders and shareholders.
- 4.3 The Vendors appointed Credit Suisse (Singapore) Limited as their exclusive financial adviser to conduct a strategic review and comprehensive formal sale process in relation to their combined stakes in UEL and WBL. As part of the sale process, the Vendors received proposals from a wide universe of potentially suitable and interested investors.
- 4.4 The transactions disclosed in this announcement are a result of the abovementioned sale process. The offer prices by the Purchaser were the highest received from the bidders for both the UEL Sale Shares and the WBL Sale Shares after adjusting for dividends paid by UEL in 2017.

#### **5. OTHERS**

- 5.1 Shareholders are advised to exercise caution when dealing in the shares of OCBC Bank or GEH and to refrain from taking any action in respect of their investments which may be prejudicial to their interests. In the event that shareholders wish to deal in the shares of OCBC Bank or GEH, they should seek their own professional advice and consult with their own stockbrokers.
- 5.2 OCBC Bank and GEH will, in compliance with applicable rules (including the Corporate Disclosure Policy of the Listing Manual of the SGX-ST), make further announcements as appropriate.

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<sup>8</sup> The WBL Vendors have a total combined interest of approximately 31.4% of the total WBL Shares. The remaining interest amounts to approximately 1.5% of the total WBL Shares.

Issued by  
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13 July 2017

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**Annex A**

**Part 1: Breakdown of UEL Vendors' Stakes in the UEL Sale Shares**

<b>Name of UEL Vendor</b>	<b>Number of UEL Ordinary Shares being disposed of</b>	<b>% of total UEL Ordinary Shares</b>	<b>Number of UEL Preference Shares being disposed of</b>	<b>% of total UEL Preference Shares</b>
<b>OCBC Bank</b>	26,233,458	4.1%	20,500	2.3%
<b>GEH Subsidiaries</b>	104,175,958	16.3%	591,800	67.6%
<b>Other UEL Vendors</b>	82,706,790	13.0%	1,750	0.2%

**Part 2: Breakdown of WBL Vendors' Stakes in the WBL Sale Shares**

<b>Name of WBL Vendor</b>	<b>Number of WBL Sale Shares</b>	<b>% of total WBL Shares</b>
<b>OCBC Bank</b>	17,166,263	6.1%
<b>GEH Subsidiaries</b>	51,277,425	18.2%
<b>Other WBL Vendors</b>	15,635,300	5.6%