UOL Group Limited
华业集团有限公司

DISPOSAL OF WHOLLY-OWNED SUBSIDIARY

The Board of Directors of UOL Group Limited ("**UOL**" or the "**Company**") wishes to announce that the Company has through its indirect wholly-owned subsidiary, Hotel Investments (Suzhou) Pte. Ltd. ("**HIS**") entered into a conditional Sale and Purchase Agreement (the "**Agreement**") with Bao Chang Long (Beijing) Commercial Management Co., Ltd. (the "**Purchaser**") to sell (the "**Transaction**") HIS' entire interest in the registered capital of Suzhou Wugong Hotel Co., Ltd ("**SWHC**"), for a total net cash consideration of RMB408 million (S$80 million) (the "**Consideration**").

SWHC is an indirect wholly-owned subsidiary of the Company incorporated in the People's Republic of China ("**PRC**"). It owns the 480-room hotel trading as "Pan Pacific Suzhou" ("**Hotel**") located at Xin Shi Road, Suzhou, PRC and eight apartment units located in Suzhou, PRC being used as staff quarters. Upon completion of the Transaction, SWHC will cease to be a subsidiary of the Company.

The Consideration was arrived at on a willing-buyer and willing-seller basis taking into account the value of SWHC's Hotel, its other assets and the unexpired leasehold term of the Hotel of about 25 years. Pursuant to the Agreement, the Purchaser shall pay an amount equivalent to 20% of the Consideration less an earnest deposit of RMB8.68 million that has been paid. The balance amount shall be payable by completion of the Transaction ("**Completion**"), which is scheduled to take place approximately 3 months from the date of the Agreement.

The Transaction is not expected to have a material effect on the net tangible assets per share and earnings per share of the Company for the current financial year ending 31 December 2019.

Prior to Completion, the Company's hospitality arm, Pan Pacific Hotels Group, will enter into a hotel management agreement with the Purchaser to continue to operate the Hotel as Pan Pacific Suzhou.

None of the directors and controlling shareholders of the Company has any interest, direct or indirect, in the Transaction.

Submitted by Foo Thiam Fong Wellington, Company Secretary on 23/08/2019 to the SGX