



(Company Registration No. 191200018G)
(Incorporated in Singapore)

ANNOUNCEMENT IN RELATION TO QUERY REGARDING TRADING ACTIVITY

The Board of Directors of United Engineers Limited (the "Company") refers to the query on 21 August 2014 from the Singapore Exchange Securities Trading Limited (the "SGX-ST"), regarding the unusual price movement in the shares of the Company.

The Company refers to the joint announcement dated 21 August 2014 made by its controlling shareholders, Oversea-Chinese Banking Corporation Limited ("OCBC") and Great Eastern Holdings Limited ("GEH"), a copy of which is attached. The Company understands that OCBC and GEH have been approached by a party in connection with a possible transaction relating to their combined stakes in the Company and WBL Corporation Limited ("WBL"), which may or may not lead to an offer for the shares of the Company and WBL (which is a subsidiary of the Company). The Company understands that these discussions are preliminary at this stage. As such, there is no assurance or certainty that any transaction or agreements will be entered into pursuant to these discussions.

The Company also wishes to inform shareholders that as stated in the Exit Offers Letter dated 14 January 2014 from the Company to WBL's shareholders, the Company continually reviews strategic options to, *inter alia*, enhance value across its portfolio of businesses. In the course of such strategic review, the Company from time to time receives expressions of interest from third parties to acquire certain assets held by the Company and its subsidiaries. The Company is in advanced stages of discussions regarding the sale of a non-core business. There is, however, no assurance or certainty that a transaction will result from such discussions. The Company will make a further announcement to update the shareholders of the Company on the matter at the appropriate time.

Save as set out above, the Company is not aware of any other possible explanation for the trading and the Company confirms its compliance with the listing rules, in particular, Rule 703 of the SGX-ST Listing Manual.

The Company will, in compliance with the applicable rules (including the Corporate Disclosure Policy of the SGX-ST Listing Manual), make the relevant disclosures (if required) at the appropriate time.

Shareholders are therefore advised to refrain from taking any action in respect of their shares in the Company which may be prejudicial to their interests, and to exercise caution when dealing or trading in the shares of the Company.

BY ORDER OF THE BOARD

Heng Fook Pyng, Jeslyn
Company Secretary

21 August 2014