

CIRCULAR DATED 8 AUGUST 2017

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of Haw Par Corporation Limited (the “**Company**”), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting (the “**EGM**”) and the attached Proxy Form to the purchaser or the transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular.

Any in-principle approval granted by the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries and the Proposed Transaction (as defined below).

This Circular shall not constitute an offer to sell or a solicitation of an offer to buy shares nor shall there be any sale of any shares in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. This Circular is issued to Shareholders solely for the purpose of convening the EGM and seeking their approval for the resolution to be considered at such meeting. Shareholders are authorised to use this Circular solely for the purpose of considering the approvals sought. Persons to whom a copy of this Circular has been issued shall not circulate to any other person, reproduce or otherwise distribute this Circular or any information herein for any purpose whatsoever nor permit or cause the same to occur.

The distribution of this Circular in jurisdictions other than Singapore may be prohibited or restricted by law. Persons who have possession of this Circular should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.



HAW PAR CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 196900437M)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED DISPOSAL OF 60,000,000 SHARES IN THE CAPITAL OF UNITED INDUSTRIAL CORPORATION LIMITED IN EXCHANGE FOR 27,272,727 SHARES IN THE CAPITAL OF UOL GROUP LIMITED AS AN INTERESTED PERSON TRANSACTION (THE “PROPOSED TRANSACTION”)

IMPORTANT DATES AND TIMES

Last date and time for lodgment of Proxy Form	:	20 August 2017 at 10.30 a.m.
Date and time of EGM	:	23 August 2017 at 10.30 a.m.
Place of EGM	:	Parkroyal on Pickering William Pickering Ballroom, Level 2 3 Upper Pickering Street Singapore 058289

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DEFINITIONS

For the purposes of this Circular, the following definitions apply throughout unless the context requires otherwise:

- “Announcement”** : The Company’s announcement dated 22 June 2017 in relation to the Proposed Transaction
- “Associate”** : (a) In relation to a Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more, and
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Audit Committee”** : The Company’s audit committee
- “Board of Directors”** : The board of Directors of the Company as at the date of this Circular
- “Business Day”** : A day (excluding Saturday, Sunday and public holidays) on which commercial banks are open for business in Singapore
- “Call Option”** : The right of UOL to require the Company to procure Straits Maritime to sell to UOL (or such nominee as UOL may designate in writing to the Company, which nominee shall be a wholly-owned subsidiary of UOL), on the terms and subject to the conditions contained in the Option Agreement, the UIC Sale Shares
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 8 August 2017 in relation to the Proposed Transaction
- “Code”** : The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time

“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“Company”	:	Haw Par Corporation Limited, having its principal place of business at 401 Commonwealth Drive, #03-03 Haw Par Technocentre, Singapore 149598
“Completion”	:	Completion of the sale and purchase of the UIC Sale Shares, subject to the terms and conditions of the Option Agreement
“Completion Date”	:	The date falling five Business Days from the date of the exercise of the Call Option or the date of the exercise of the Put Option (as the case may be), or such other date as the Company and UOL may agree in writing
“Controlling Shareholder”	:	A person who: <ul style="list-style-type: none"> (a) holds directly or indirectly 15% or more of the total number of ordinary shares excluding treasury shares in the Company; or (b) in fact exercises control over the Company
“Consideration Shares”	:	27,272,727 new ordinary shares in the capital of UOL to be allotted and issued to the Company, pursuant to the Option Agreement
“Directors”	:	The directors of the Company as at the date of this Circular
“Disposal Independent Directors”	:	Mr Sat Pal Khattar, Mr Hwang Soo Jin, Dr Lee Suan Yew, Dr Chew Kia Ngee, Mr Peter Sim Swee Yam, Mr Gn Hiang Meng and Mr Han Ah Kuan
“EGM”	:	The extraordinary general meeting of the Company to be held at 10.30 a.m. on 23 August 2017, notice of which is set out on pages N-1 to N-2 of this Circular
“EPS”	:	Earnings per share
“Exchange Ratio”	:	An exchange ratio of 2.20 UIC Sale Shares per Consideration Share, rounded down to the nearest Consideration Share
“Haw Par Group”	:	The Company and its subsidiaries, collectively
“IFA”	:	Ernst & Young Corporate Finance Pte Ltd
“IFA Letter”	:	The letter dated 8 August 2017 from the IFA addressed to the Company in relation to the Proposed Transaction, a copy which is annexed as Appendix 1 of this Circular
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Circular, being 31 July 2017

“Long-Stop Date”	:	31 October 2017 (or such other date as UOL and the Company may agree in writing)
“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“Notice of EGM”	:	The notice of EGM as set out on pages N-1 to N-2 of this Circular
“NTA”	:	Net tangible assets
“Option Agreement”	:	The option agreement dated 22 June 2017 entered into between the Company and UOL in relation to the Proposed Transaction
“Proposed Transaction”	:	The proposed disposal of 60,000,000 shares in the capital of United Industrial Corporation Limited in exchange for 27,272,727 shares in the capital of UOL Group Limited
“Proxy Form”	:	The proxy form in respect of the EGM attached to the Notice of EGM
“Put Option”	:	The right of the Company to require UOL (or such nominee as UOL may designate in writing to the Company, which nominee shall be a wholly-owned subsidiary of UOL) to purchase from Straits Maritime, on the terms and subject to the conditions contained in the Option Agreement, the UIC Sale Shares
“Register of Members”	:	The register of members of the Company
“Securities Account”	:	Securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
“SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holders of ordinary shares in the capital of the Company in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such shares in the capital of the Company and where the context so admits, mean the Depositors whose Securities Accounts are credited with those shares
“Singapore”	:	The Republic of Singapore
“SIC”	:	Securities Industry Council

“Straits Maritime”	:	Straits Maritime Leasing Private Limited (Registration No. 197300236R), a company incorporated in Singapore and having its registered office at 401 Commonwealth Drive, #03-03 Haw Par Technocentre, Singapore 149598
“Substantial Shareholder”	:	A Shareholder who has an interest in one or more voting shares in the Company, and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares (excluding treasury shares) in the Company
“UIC”	:	United Industrial Corporation Limited, having its registered office at 24 Raffles Place #22-01/06, Clifford Centre, Singapore 048621
“UIC Sale Shares”	:	60,000,000 ordinary shares in the capital of UIC held by Straits Maritime
“UIC Shares”	:	ordinary shares in the capital of UIC
“UOL”	:	UOL Group Limited, having its registered office at 101 Thomson Road, #33-00 United Square, Singapore 307591
“UOL Shares”	:	ordinary shares in the capital of UOL
“UOL Group”	:	UOL and its subsidiaries, collectively
“%” or “per cent.”	:	Per centum or percentage
“S\$” and “cents”	:	Singapore dollars and cents, respectively

The terms **“Depositor”**, **“Depository”**, **“Depository Register”** and **“Depository Agent”** shall have the meanings ascribed to them respectively in Section 81 SF of the SFA.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the Listing Manual or the Code or any modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Listing Manual or the Code or such modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of a day or date in this Circular shall be a reference to Singapore time and dates unless otherwise stated.

Any discrepancies in the figures included in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

HAW PAR CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number:196900437M)

Board of Directors

Dr Wee Cho Yaw (Non-executive and non-independent Chairman)
Mr Wee Ee-chao (Deputy Chairman and non-executive Director)
Mr Wee Ee Lim (President and Chief Executive Officer)
Mr Sat Pal Khattar (Independent Director)
Mr Hwang Soo Jin (Independent Director)
Dr Lee Suan Yew (Independent Director)
Dr Chew Kia Ngee (Independent Director)
Mr Peter Sim Swee Yam (Independent Director)
Mr Gn Hiang Meng (Independent Director)
Mr Han Ah Kuan (Executive Director)

Registered Office

401 Commonwealth Drive
#03-03 Haw Par Technocentre
Singapore 149598

8 August 2017

To: The Shareholders of Haw Par Corporation Limited

Dear Sir/Madam,

THE PROPOSED DISPOSAL OF 60,000,000 SHARES IN THE CAPITAL OF UNITED INDUSTRIAL CORPORATION LIMITED IN EXCHANGE FOR 27,272,727 SHARES IN THE CAPITAL OF UOL GROUP LIMITED AS AN INTERESTED PERSON TRANSACTION (THE “PROPOSED TRANSACTION”)

1 INTRODUCTION

The Board of Directors of the Company announced (the “**Announcement**”) that it had, on 22 June 2017, entered into the Option Agreement with UOL, pursuant to which (i) the Company has granted UOL a call option over the UIC Sale Shares, held by Straits Maritime, a wholly-owned subsidiary of the Company; and (ii) UOL has granted the Company a put option over the UIC Sale Shares.

As stated in the Announcement, the Proposed Transaction is an interested person transaction under Chapter 9 of the Listing Manual and the relevant requirements of Chapter 9 of the Listing Manual will need to be complied with.

The Directors are convening the EGM to be held on 23 August 2017 at 10.30 a.m. to seek Shareholders’ approval for the Proposed Transaction.

The purpose of this Circular is to provide Shareholders with information regarding the above proposal and to seek Shareholders’ approval for the Proposed Transaction to be tabled at the EGM.

2 THE PROPOSED TRANSACTION

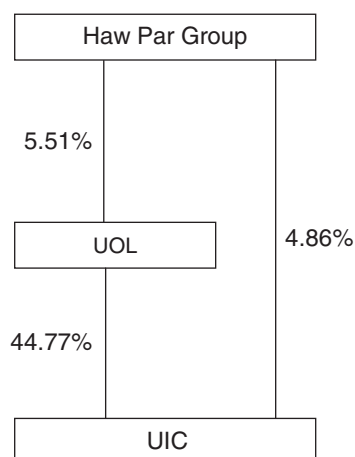
2.1 Background of the Proposed Transaction

Pursuant to the Option Agreement, the Company has agreed to sell the UIC Sale Shares (being 60,000,000 UIC Shares held by Straits Maritime) to UOL. In consideration of the sale and purchase of the UIC Sale Shares, UOL shall allot and issue the Consideration Shares (being 27,272,727 new ordinary shares in the capital of UOL) to the Company (or its

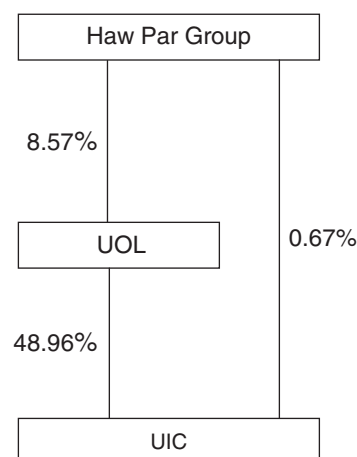
wholly-owned nominee) based on the Exchange Ratio (being an exchange ratio of 2.20 UIC Sale Shares per Consideration Share, rounded down to the nearest Consideration Share), which Consideration Shares shall be allotted and issued on the Completion Date.

For the purpose of illustration, the diagrams below show (i) the shareholding interests of the Haw Par Group in UOL and UIC before and after the Proposed Transaction; and (ii) UOL's shareholding interests in UIC before and after the Proposed Transaction:

Before the Proposed Transaction



After the Proposed Transaction



For the purpose of illustration, the table below shows the shareholding interests of the Haw Par Group in UOL and UIC before and after the Proposed Transaction:

	Before Proposed Transaction	After Proposed Transaction
Number of shares in the capital of UIC held by the Haw Par Group	69,571,883	9,571,883
Number of shares in the capital of UIC held by the Haw Par Group, as a percentage of the total issued shares in the capital of UIC ¹	4.86%	0.67%
Number of shares in the capital of UOL held by the Haw Par Group	44,772,041	72,044,768
Number of shares in the capital of UOL held by the Haw Par Group, as a percentage of the total issued shares in the capital of UOL	5.51% ²	8.57% ³

1 Unless otherwise stated in this Circular, all references in this Circular to the percentage shareholding in the issued share capital of UIC are based on a total of 1,431,907,362 UIC Shares (excluding treasury shares) as at the Latest Practicable Date.

2 Unless otherwise stated in this Circular, all references in this Circular to the percentage shareholding in the issued share capital of UOL are based on a total of 813,115,505 UOL Shares (excluding treasury shares) as at the Latest Practicable Date.

3 Unless otherwise stated in this Circular, all references in this Circular to the percentage shareholding in the issued share capital of UOL after the Proposed Transaction are based on an enlarged share base of 840,388,232 UOL Shares (excluding treasury shares).

2.2 Information on UIC

UIC was incorporated in Singapore in 1963 as a private company and was listed as a public company in 1969.

UIC's core business is property development and investment. With its acquisition in 1990 of the majority equity of Singapore Land Limited, a well-established property company, the UIC group became a major real estate developer with a portfolio of 2.5 million square feet of office space and 1 million square feet of retail premise in Singapore.

The UIC group's property portfolio includes some of Singapore's best known commercial and retail landmarks as well as residential projects in prime and suburban areas. Overseas investments include properties in Shanghai, Beijing and Tianjin, China and London, the United Kingdom.

As at the Latest Practicable Date:

- (i) the UOL Group has an interest in 641,048,530 UIC Shares, representing approximately 44.77 per cent. of the total number of UIC Shares; and
- (ii) the Company has an interest in 69,571,883 UIC Shares, representing approximately 4.86 per cent. of the total number of UIC Shares.

2.3 Information on UOL

UOL was incorporated in Singapore in 1963 as a private company and was listed as a public company in 1964.

UOL is one of Singapore's leading public-listed property companies. It has an extensive portfolio of development and investment properties, hotels and serviced suites.

As at the Latest Practicable Date, the Company has an interest in 44,772,041 ordinary shares of UOL, representing approximately 5.51 per cent. of the total number of issued ordinary shares of UOL.

2.4 Rationale for the Proposed Transaction

The Board of Directors is of the view that the Proposed Transaction will provide the Company with an opportunity to realise the value of a substantial portion of its investment in UIC. It will also allow the Company to exchange its interest in UIC for a higher yielding and more liquid asset in UOL, while still retaining an economic interest in UIC through UOL. Following the Proposed Transaction, the Company will become a larger shareholder of UOL, making the Company's stake in UOL more meaningful.

Based on UOL's consultation with the SIC in connection with the Proposed Transaction, the SIC has waived the UOL Group's obligation to make a mandatory general offer for UIC as a result of the acquisition of the UIC Sale Shares pursuant to the Proposed Transaction.

In addition, the SIC had indicated during such consultation that if the UOL Group increases its shareholding in UIC to more than 49 per cent. as a result of the Proposed Transaction, the UOL Group would be required to make a mandatory general offer for UIC. Accordingly, the Option Agreement relates only to the sale and purchase of 60,000,000 UIC Shares which is expected to result in the UOL Group holding in aggregate less than 49 per cent of the total

number of UIC Shares at the time of Completion, and does not relate to all of the UIC Shares in which the Company has an interest, as UOL does not intend to trigger a mandatory general offer for UIC.

As at the Latest Practicable Date, the Company has an interest in 69,571,883 UIC Shares, representing approximately 4.86 per cent. of the total number of UIC Shares, of which 63,171,615 UIC Shares are held by Straits Maritime and 6,400,268 UIC Shares are held by Haw Par Capital Pte Ltd, a wholly-owned subsidiary of the Company. Following the Completion, not all UIC Shares in which the Company has an interest will be disposed of. Following the transfer of the UIC Sale Shares, the Company will thereafter have an interest in the balance of 9,571,883 UIC Shares, comprising approximately 0.67 per cent. of the issued share capital of UIC.

2.5 Value of the UIC Sale Shares

The open market value (based on the volume-weighted average price of the UIC Shares on 20 June 2017, being the last market day on which the UIC Shares were traded before the date of the Option Agreement) of the UIC Sale Shares was approximately S\$196,800,000.

There was no net profit of the Haw Par Group attributable to the UIC Sale Shares based on the latest announced consolidated accounts as of 31 March 2017. The net profit of the Haw Par Group attributable to the UIC Sale Shares was approximately S\$1,800,000 based on the dividend rate for the financial year ended 31 December 2016. There would be no gain or loss on disposal to be recognised in the net profit of the Haw Par Group as a result of the Proposed Transaction as any such gain or loss would be recorded in other comprehensive income.

2.6 Principal terms of the Option Agreement

2.6.1 Call Option and Put Option

Under the terms of the Option Agreement:

- (i) pursuant to the Call Option, UOL has the right to require the Company to procure Straits Maritime to sell to UOL (or such nominee as UOL may designate in writing to the Company, which nominee shall be a wholly-owned subsidiary of UOL) all (and not some only) of the UIC Sale Shares on the terms and subject to the conditions in the Option Agreement; and
- (ii) pursuant to the Put Option, the Company has the right to require UOL (or such nominee as UOL may designate in writing to the Company, which nominee shall be a wholly-owned subsidiary of UOL) to purchase from Straits Maritime all (and not some only) of the UIC Sale Shares on the terms and subject to the conditions in the Option Agreement.

2.6.2 Consideration Shares and Exchange Ratio

As set out above in section 2.1, in consideration of the sale and purchase of the UIC Sale Shares, UOL shall allot and issue the Consideration Shares based on the Exchange Ratio.

The Exchange Ratio was arrived on a willing-buyer-willing-seller basis and determined by taking into consideration, *inter alia*:

- (i) the volume-weighted average prices of UIC Shares and UOL Shares on 20 June 2017, being the last market day on which the UIC Shares and UOL Shares were traded before the date of the Option Agreement and over various periods ranging from 12 months to 5 market days up till 20 June 2017; and
- (ii) the unaudited consolidated net asset value of UOL and UIC as at 31 March 2017.

The implied issue price of each of the Consideration Shares is S\$7.71 based on the volume-weighted average price of the UOL Shares on 20 June 2017, which would amount to an aggregate of approximately S\$210,273,000 for all of the Consideration Shares.

2.6.3 Conditions to exercise

The exercise of the Call Option by UOL and the exercise of the Put Option by the Company shall be conditional upon the satisfaction of the following conditions (collectively, the “**Conditions**”):

- (i) the approval of the Company’s shareholders (excluding UOL and its Associates) for the sale of the UIC Sale Shares to UOL upon the terms and subject to the conditions set out in the Option Agreement being obtained by the Company at an extraordinary general meeting of its shareholders, in accordance with the requirements of the Listing Manual;
- (ii) the approval of the independent shareholders of UOL being obtained by UOL at an extraordinary general meeting of its shareholders for the waiver granted by the SIC to UOL waiving the obligation under Rule 14 of the Code for the Company (or its nominee) to make a general offer for UOL by reason of the issuance of the Consideration Shares; and
- (iii) the approval of the SGX-ST for the listing, quotation and trading of the Consideration Shares on the Main Board of the SGX-ST (the “**Listing Approval**”) being obtained on terms reasonably satisfactory to both UOL and the Company, and the Listing Approval remaining in full force and effect at Completion and, if the Listing Approval is subject to any conditions which are required to be fulfilled on or prior to Completion, such conditions being so fulfilled.

The Conditions are not capable of being waived by either or both UOL and the Company. The Conditions shall be satisfied by the Long-Stop Date. If the Conditions are not satisfied by the Long-Stop Date, the Option Agreement will *ipso facto* cease and determine and neither party will have any claim against the other party for costs, damages, compensation or otherwise.

2.7 Date of Completion

Completion of the Proposed Transaction is expected to take place on the Completion Date.

3 THE PROPOSED TRANSACTION AS AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE LISTING MANUAL

3.1 Chapter 9 of the Listing Manual

Under Rule 904(4)(a) of the Listing Manual, in the case of a company, an “interested person” includes a director, chief executive officer or controlling shareholder of the company, or an associate of any such director, chief executive officer, or controlling shareholder. Under the Listing Manual, an “associate”, in the case of a company, in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual), means, *inter alia*, any company in which he and his immediate family together (directly or indirectly) have an interest of 30 per cent. or more.

The shareholding interests of the Company’s Directors and Controlling Shareholders in UOL are set out at section 3.7 below.

For the purposes of Chapter 9 of the Listing Manual, UOL is considered to be an associate of Dr Wee Cho Yaw, Mr Wee Ee-chao and Mr Wee Ee Lim, each of whom is a director of UOL, as Dr Wee Cho Yaw, Mr Wee Ee-chao and Mr Wee Ee Lim are immediate family members and they together (directly or indirectly) have an interest of 30 per cent. or more of the issued share capital of UOL. In addition, UOL is also considered to be an associate of Mr Wee Ee Cheong, whose direct and deemed interests in the shares of the Company exceed 15 per cent. and who is therefore deemed to be a Controlling Shareholder of the Company. As Mr Wee Ee Cheong is an immediate family member of Dr Wee Cho Yaw, Mr Wee Ee-chao and Mr Wee Ee Lim, Mr Wee Ee Cheong and his immediate family members together (directly or indirectly) have an interest of 30 per cent. or more of the issued share capital of UOL. Accordingly, UOL is an “interested person” vis-à-vis the Company, and the Proposed Transaction constitutes an “interested person transaction” under Chapter 9 of the Listing Manual.

3.2 NTA of the Haw Par Group

As at 31 December 2016, 5 per cent. of the latest audited consolidated NTA of the Haw Par Group is approximately S\$123,222,000.

3.3 Shareholders’ Approval under Chapter 9 of the Listing Manual

Based on the volume-weighted average price of the UIC Shares on 20 June 2017, being the last market day on which the UIC Shares were traded before the date of the Option Agreement, the value of the UIC Sale Shares was approximately S\$196,800,000.

The value of the UIC Sale Shares represents approximately 7.99 per cent. of the latest audited NTA of the Haw Par Group.

As the value of the UIC Sale Shares is more than 5 per cent. of the latest audited NTA of the Haw Par Group, the Proposed Transaction is therefore subject to the approval of the Shareholders of the Company, pursuant to Chapter 9 of the Listing Manual.

3.4 Total Value of Interested Person Transactions

For the period commencing on the beginning of the current financial year, being 1 January 2017, up to the Latest Practicable Date:

- (i) there were no interested person transactions with the UOL Group (excluding any transactions less than S\$100,000) and no interested person transactions falling within Rule 908(2) of the Listing Manual; and
- (ii) there were no interested person transactions (excluding any transactions less than S\$100,000).

3.5 Independent Financial Adviser

In accordance with Chapter 9 of the Listing Manual, Ernst & Young Corporate Finance Pte Ltd has been appointed as the IFA to advise the Disposal Independent Directors on whether the Proposed Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

Having considered the factors and the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the Proposed Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

Accordingly, the IFA advised the Disposal Independent Directors to recommend that Shareholders of the Company vote in favour of the Proposed Transaction.

A copy of the IFA Letter is reproduced and appended as Appendix 1 of this Circular. Shareholders are advised to read the IFA Letter carefully.

3.6 Audit Committee Statement

The Audit Committee (comprising Dr Chew Kia Ngee, Mr Peter Sim Swee Yam and Mr Gn Hiang Meng) has considered, *inter alia*, the terms, rationale and benefits of the Proposed Transaction as well as the IFA Letter, and is of the view that the Proposed Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

3.7 Interests of Directors and Controlling Shareholders

As at the Latest Practicable Date, Dr Wee Cho Yaw, Mr Wee Ee-chao and Mr Wee Ee Lim, being Directors of the Company, and Mr Wee Ee Cheong and Wee Investments (Pte) Limited, being Controlling Shareholders of the Company, have shareholding interests in UOL as follows:

No.	Name	Direct Interest	Deemed Interest ⁽¹⁾	Total	Percentage
1.	Dr Wee Cho Yaw	3,661,566	270,808,012 ⁽²⁾	274,469,578	33.76
2.	Mr Wee Ee Cheong	318,417	226,115,947 ⁽³⁾	226,434,364	27.85
3.	Mr Wee Ee-chao	31,735	111,148,057 ⁽⁴⁾	111,179,792	13.67
4.	Mr Wee Ee Lim	260,975	110,873,954 ⁽⁵⁾	111,134,929	13.67
5.	Wee Investments (Pte) Limited	110,855,836	–	110,855,836	13.63

Notes:

- (1) The deemed interests are determined with reference to Section 4 of the SFA, and exclude any interests held by the immediate family.
- (2) Dr Wee Cho Yaw's deemed interest in the shares of UOL arises as follows:
 - (a) 115,162,017 shares held by C.Y. Wee & Company Private Limited
 - (b) 110,855,836 shares held by Wee Investments (Pte) Limited
 - (c) 44,772,041 shares which the Company is deemed to be interested in
 - (d) 18,118 shares held by Kheng Leong Company (Private) Limited
- (3) Mr. Wee Ee Cheong's deemed interest in the shares of UOL arises as follows:
 - (a) 115,162,017 shares held by C.Y. Wee & Company Private Limited
 - (b) 110,855,836 shares held by Wee Investments (Pte) Limited
 - (c) 79,976 shares held by E. C. Wee Pte Ltd
 - (d) 18,118 shares held by Kheng Leong Company (Private) Limited
- (4) Mr Wee Ee-chao's deemed interest in the shares of UOL arises as follows:
 - (a) 110,855,836 shares held by Wee Investments (Pte) Limited
 - (b) 274,103 shares held by Protheus Investment Holdings Pte Ltd
 - (c) 18,118 shares held by Kheng Leong Company (Private) Limited
- (5) Mr Wee Ee Lim's deemed interest in the shares of UOL arises as follows:
 - (a) 110,855,836 shares held by Wee Investments (Pte) Limited
 - (b) 18,118 shares held by Kheng Leong Company (Private) Limited

As at the Latest Practicable Date, the following Directors of the Company are also directors of UOL:

- (i) Dr Wee Cho Yaw is a non-executive and non-independent director and chairman of UOL;
- (ii) Mr Wee Ee Lim is a non-executive and non-independent director and deputy chairman of UOL; and
- (iii) Mr Wee Ee-chao is a non-executive and non-independent director of UOL.

As at the Latest Practicable Date, Dr Wee Cho Yaw, Mr Hwang Soo Jin and Mr Peter Sim Swee Yam, being Directors of the Company, have shareholding interests in UIC, as follows:

No.	Name	Direct Interest	Deemed Interest ⁽¹⁾	Total	Percentage
1.	Dr Wee Cho Yaw	1,891,719	710,620,413 ⁽²⁾	712,512,132	49.76
2.	Mr Hwang Soo Jin	305,878	–	305,878	0.02
3.	Mr Peter Sim Swee Yam	9,181	–	9,181	0.0006

Notes:

- (1) The deemed interests are determined with reference to Section 4 of the SFA, and exclude any interests held by the immediate family.
- (2) Dr Wee Cho Yaw's deemed interest in the 710,620,413 UIC Shares is derived as follows:

UOB Kay Hian Pte Ltd – Beneficiary: UOL Group Limited	33,615,314
UOB Kay Hian Pte Ltd – Beneficiary: UOL Equity Investments Pte Ltd	586,262,774
UOL Equity Investments Pte Ltd	21,170,442
United Overseas Bank Nominees (Pte) Ltd – Beneficiary: Straits Maritime Leasing Private Limited – Beneficiary: Haw Par Capital Pte Ltd	63,171,615 6,400,268

As at the Latest Practicable Date, the following Directors of the Company are also directors of UIC:

- (i) Dr Wee Cho Yaw is a non-executive and non-independent director and chairman of UIC;
- (ii) Mr Wee Ee Lim is a non-executive and non-independent director of UIC; and
- (iii) Mr Hwang Soo Jin is a non-executive and independent director of UIC.

As at the Latest Practicable Date, the interests of the Directors in the ordinary shares in the capital of the Company are as follows:

No.	Name	Direct Interest	Deemed Interest ⁽¹⁾	Total	Percentage
1.	Dr Wee Cho Yaw	1,092,373	77,728,935 ⁽²⁾⁽³⁾	78,821,308	35.82
2.	Mr Wee Ee Lim	437,192	73,001,783 ⁽²⁾	73,438,975	33.38
3.	Mr Wee Ee-chao	13,826	73,135,381 ⁽²⁾⁽⁴⁾	73,149,207	33.24
4.	Mr Sat Pal Khattar	–	96,219 ⁽⁵⁾	96,219	0.04
5.	Mr Hwang Soo Jin	75,000	–	75,000	0.03
6.	Mr Han Ah Kuan	175,200	–	175,200	0.08

Notes:

- (1) The deemed interests are determined with reference to Sections 4 and 133 of the SFA.
- (2) Dr Wee Cho Yaw, Mr Wee Ee Lim and Mr Wee Ee-chao are deemed to be interested in the shares held by Wee Investments (Pte) Limited, Supreme Island Corporation and Kheng Leong Company (Private) Limited.
- (3) Dr Wee Cho Yaw is deemed to have an interest in the shares held by C.Y. Wee & Company Private Limited and UOL Group Limited.
- (4) Mr Wee Ee-chao is deemed to have an interest in the shares held by Protheus Investment Holdings Pte Ltd.
- (5) Mr Sat Pal Khattar is deemed to have an interest in the shares held by Espeakay Holdings Pte Ltd.

As at the Latest Practicable Date, the interests of the Controlling Shareholders in the ordinary shares in the capital of the Company are as follows:

No.	Name	Direct Interest	Deemed Interest ⁽¹⁾	Total	Percentage
1.	Dr Wee Cho Yaw	1,092,373	77,605,330 ⁽²⁾⁽³⁾⁽⁴⁾	78,697,703	35.77
2.	Mr Wee Ee Cheong	128,857	74,678,311 ⁽²⁾⁽³⁾⁽⁵⁾	74,807,168	34.00
3.	Mr Wee Ee Lim	437,192	73,001,217 ⁽²⁾	73,438,409	33.38
4.	Mr Wee Ee-chao	13,826	73,134,135 ⁽²⁾⁽⁶⁾	73,147,961	33.24
5.	Wee Investments (Pte) Limited	60,907,926	–	60,907,926	27.68

Notes:

- (1) The deemed interests are determined with reference to Section 4 of the SFA.
- (2) Dr Wee Cho Yaw, Mr Wee Ee Cheong, Mr Wee Ee Lim and Mr Wee Ee-chao are deemed to be interested in the shares held by Wee Investments (Pte) Limited, Supreme Island Corporation and Kheng Leong Company (Private) Limited.
- (3) Dr Wee Cho Yaw and Mr Wee Ee Cheong are deemed to have an interest in the shares held by C.Y. Wee & Company Private Limited.
- (4) Dr Wee Cho Yaw is deemed to have an interest in the shares held by UOL Group Limited.
- (5) Mr Wee Ee Cheong is deemed to have an interest in the shares held by E.C. Wee Pte Ltd.
- (6) Mr Wee Ee-chao is deemed to have an interest in the shares held by Protheus Investment Holdings Pte Ltd.
- (7) Kheng Leong Company (Private) Limited, C.Y. Wee & Company Private Limited, UOL Group Limited, E.C. Wee Pte Ltd and Protheus Investment Holdings Pte Ltd are not Substantial Shareholders of the Company.

Save as disclosed in this Circular and save for any shares in the capital of UOL or UIC which are less than 1,000 shares which they may hold, none of the Directors or Controlling Shareholders has any interest, direct or indirect, in the Proposed Transaction.

4 THE PROPOSED TRANSACTION AS A DISCLOSEABLE TRANSACTION UNDER CHAPTER 10 OF THE LISTING MANUAL

4.1 Value of the UIC Sale Shares

The open market value (based on the volume-weighted average price of the UIC Shares on 20 June 2017, being the last market day on which the UIC Shares were traded before the date of the Option Agreement) of the UIC Sale Shares was approximately S\$196,800,000. The book value of UIC Sale Shares was approximately S\$196,200,000 and the NTA value of UIC Sale Shares (based on UIC's 30 June 2017 unaudited consolidated NTA value) was approximately S\$266,400,000. The excess of the value of the Consideration Shares (based on the volume-weighted average price of the Consideration Shares on 20 June 2017, and being approximately S\$210,273,000) from the Proposed Transaction over the book value of the UIC Sale Shares would be approximately S\$14,073,000.

There was no net profit of the Haw Par Group attributable to the UIC Sale Shares based on the latest announced consolidated accounts as of 31 March 2017. The net profit of the Haw Par Group attributable to the UIC Sale Shares was approximately S\$1,800,000 based on the dividend rate for the financial year ended 31 December 2016. There would be no gain or loss on disposal to be recognised in the net profit of the Haw Par Group as a result of the Proposed Transaction as any such gain or loss would be recorded in other comprehensive income.

4.2 Financial effects of the Proposed Transaction

4.2.1 NTA

Based on the audited consolidated financial results of the Company for the financial year ended 31 December 2016, and assuming that the Proposed Transaction had been completed on 31 December 2016, being the end of the most recently completed financial year, the Proposed Transaction is not expected to have any material impact on the NTA per share.

For illustrative purposes only, the pro forma financial effects of the Proposed Transaction on Haw Par Group's NTA per share, assuming that the Proposed Transaction had been completed on 31 December 2016, being the end of the most recently completed financial year, are set out below:

	Before Completion of the Proposed Transaction	After Completion of the Proposed Transaction
NTA (S\$ '000)	2,464,434	2,461,967 ⁽¹⁾
Number of shares of the Company ⁽²⁾	219,330,173	219,330,173
NTA per share of the Company (S\$)	11.24	11.22

Notes:

- (1) The NTA has been determined after taking into account the difference in fair value of the UIC Sale Shares and the Consideration Shares and deducting the estimated transaction expenses.
- (2) Based on the number of issued ordinary shares (excluding treasury shares) in the capital of the Company as at 31 December 2016.

4.2.2 EPS

Based on the audited consolidated financial results of the Company for the financial year ended 31 December 2016, and assuming that the Proposed Transaction had been completed on 1 January 2016, being the beginning of the most recently completed financial year, the Proposed Transaction is not expected to have any material impact on the EPS.

For illustrative purposes only, the pro forma financial effects of the Proposed Transaction on the consolidated EPS of the Haw Par Group, assuming that the Proposed Transaction had been completed on 1 January 2016, being the beginning of the most recently completed financial year, are set out below:

	Before Completion of the Proposed Transaction	After Completion of the Proposed Transaction
Profits attributable to ordinary shareholders of the Company (S\$ '000)	125,041	127,332 ⁽¹⁾
Number of shares of the Company ⁽²⁾	219,247,173	219,247,173
EPS (S\$)	0.57	0.58

Notes:

- (1) The profits attributable to the ordinary shareholders of the Company has been determined after deducting the estimated transaction expenses.
- (2) Based on weighted average number of ordinary shares (excluding treasury shares) in the capital of the Company as at 31 December 2016.

4.3 Relevant figures computed on the bases set out in Rule 1006 of the Listing Manual

Chapter 10 of the Listing Manual governs the continuing listing obligations of listed companies in respect of acquisitions and disposals. The relative figures of the Proposed Transaction, which constitutes a disposal by the Company, computed on the bases as set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006	Bases⁴	Relative figures
(a)	Net asset value of the assets to be disposed of, compared with the net asset value of the Haw Par Group	6.9 per cent. ⁵
(b)	Net profits attributable to the assets to be disposed of, compared with the net profits of the Haw Par Group	0 per cent. ⁶

4 Under Rule 1002(3)(c) of the Listing Manual, the bases of net asset value and net profit figures used are taken from the latest announced consolidated accounts as of 31 March 2017.

5 Based on the net asset value of the UIC Sale Shares, being approximately S\$184,800,000, and the net asset value of the Haw Par Group being approximately S\$2,683,631,000.

6 Based on the dividend rate recorded and the dividend income of UIC for the quarter ended 31 March 2017, both of which are nil.

Rule 1006	Bases	Relative figures
(c)	Aggregate value of the consideration received, compared with the Company's market capitalisation based on the total number of issued shares of the Company, excluding treasury shares	8.5 per cent. (based on the volume-weighted average price of the Consideration Shares) and 11.3 per cent. (based on the net asset value represented by the Consideration Shares) ⁷
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable to disposal of assets
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to any acquisition of such assets.	Not applicable

Based on the above, the relative figures for the Proposed Transaction, computed on the bases set out in Rule 1006(a) and (c) of the Listing Manual, exceed 5 per cent. but does not exceed 20 per cent.. As such, the Proposed Transaction constitutes a "discloseable transaction" as defined in Chapter 10 of the Listing Manual. Shareholders' approval is not required under Chapter 10 of the Listing Manual.

4.4 Service Contracts

No person is proposed to be appointed as a Director of the Company in connection with the Proposed Transaction. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

5 EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-2 of this Circular, will be held on 23 August 2017 at 10.30 a.m., for the purpose of considering, and if thought fit, passing with or without any modifications, the ordinary resolution set out in the Notice of EGM.

6 ABSTENTION FROM VOTING ON THE PROPOSED TRANSACTION

Rule 919 of the Listing Manual states that in a meeting to obtain Shareholders' approval, the interested person and any Associate of the interested person must not vote on the resolution in respect of the interested person transaction, nor accept appointments as proxies unless specific instructions as to voting are given.

⁷ The resulting figure of 8.5% was computed based on the volume-weighted average price of the Consideration Shares of S\$7.71 per share on 20 June 2017. The resulting figure of 11.3% was computed based on the net asset value represented by the Consideration Shares, pursuant to Rule 1003(3) of the Listing Manual. The market capitalisation of the Company was computed based on the volume-weighted average price of S\$11.30 and total issued shares of 219,959,173 on 20 June 2017, pursuant to Rule 1002(5) of the Listing Manual.

As disclosed in section 3.1 of this Circular, Dr Wee Cho Yaw, Mr Wee Ee-chao, Mr Wee Ee Lim and Mr Wee Ee Cheong are considered “interested persons” or their Associates in the Proposed Transaction, as an interested person transaction. They will abstain and procure that all of their Associates abstain from voting at the EGM on the ordinary resolution in respect of the Proposed Transaction and will not accept appointments as proxies unless the Shareholders appointing them as proxies give specific instructions in the relevant Proxy Form on the manner in which they wish their votes to be cast for the ordinary resolution in respect of the Proposed Transaction. In addition, Dr Wee Cho Yaw, Mr Wee Ee-chao and Mr Wee Ee Lim will also abstain from making any recommendations on the Proposed Transaction.

7 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf should complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon. The completed and signed Proxy Form should then be returned as soon as possible and in any event so as to arrive at the office of the Company’s share registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 not later than seventy-two (72) hours before the time fixed for the EGM. Shareholders who have completed and returned the Proxy Form may still attend and vote in person at the EGM, if they so wish, in place of their proxy. In such event, the relevant Proxy Form will be deemed to be revoked.

As stipulated under Section 81 SJ of the SFA, a Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by the CDP, not less than seventy-two (72) hours before the time appointed for the EGM.

Dr Wee Cho Yaw, Mr Wee Ee-chao, Mr Wee Ee Lim and Mr Wee Ee Cheong will abstain and procure that all of their Associates abstain from voting at the EGM on the ordinary resolution in respect of the Proposed Transaction and will not accept appointments as proxies unless the Shareholders appointing them as proxies give specific instructions in the relevant Proxy Form on the manner in which they wish their votes to be cast for the ordinary resolution in respect of the Proposed Transaction.

8 DISPOSAL INDEPENDENT DIRECTORS’ RECOMMENDATIONS

The Disposal Independent Directors, having considered, *inter alia*, the rationale for and benefits of the Proposed Transaction, are of the opinion that the Proposed Transaction is in the interests of the Company, and accordingly recommend that independent Shareholders vote in favour of the ordinary resolution relating thereto to be proposed at the EGM.

Shareholders, in deciding whether to vote in favour of the resolution, should read carefully, *inter alia*, the terms and conditions, rationale and financial effects of the Proposed Transaction. In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As Shareholders would have different investment objectives, the Directors recommend that any Shareholder who may require specific advice in relation to his or her specific investment objectives or portfolio should consult his or her stockbroker, bank, solicitor, accountant, tax adviser or other professional advisers.

9 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular, and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transaction and the Haw Par Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

Shareholders are advised to read this Circular in its entirety and for any Shareholder who may require advice in the context of his specific investment, to consult his bank manager, stockbroker, solicitor, accountant or other professional adviser.

10 CONSENT

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the IFA Letter reproduced in Appendix 1, and all references thereto in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

11 DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company during normal business hours for three (3) months from 22 June 2017, which is the date of announcement of the Proposed Transaction:

- (a) the Option Agreement; and
- (b) the IFA Letter.

Yours faithfully
For and on behalf of the Board of Directors of
HAW PAR CORPORATION LIMITED

Zann Lim (Ms)
Company Secretary

APPENDIX 1

LETTER FROM ERNST & YOUNG CORPORATE FINANCE PTE LTD IN RELATION TO THE PROPOSED TRANSACTION AS AN INTERESTED PERSON TRANSACTION

ERNST & YOUNG CORPORATE FINANCE PTE LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199702967E)

8 August 2017

The Disposal Independent Directors of Haw Par Corporation Limited

401 Commonwealth Drive
#03-03 Haw Par Technocentre
Singapore 149598

Dear Sirs:

THE PROPOSED DISPOSAL BY HAW PAR CORPORATION LIMITED (“HAW PAR” OR THE “COMPANY”) OF 60,000,000 SHARES IN THE CAPITAL OF UNITED INDUSTRIAL CORPORATION LIMITED (“UIC”) IN EXCHANGE FOR 27,272,727 SHARES IN THE CAPITAL OF UOL GROUP LIMITED (“UOL”) AS AN INTERESTED PERSON TRANSACTION (THE “PROPOSED TRANSACTION”)

1 INTRODUCTION

The Board of Directors of the Company (the “**Board**” or the “**Directors**”) announced (the “**Announcement**”) that it had, on 22 June 2017, entered into the Option Agreement with UOL (the “**Option Agreement**”), pursuant to which (i) the Company has granted UOL a call option over the 60,000,000 ordinary shares in the capital of UIC held by Straits Maritime Leasing Private Limited (“**Straits Maritime**”), a wholly-owned subsidiary of the Company (the “**UIC Sale Shares**”); and (ii) UOL has granted the Company a put option over the UIC Sale Shares.

Based on the volume-weighted average price (“**VWAP**”) of the UIC Shares on 20 June 2017, being the last market day on which the UIC Shares and UOL Shares were traded before the date of the Option Agreement (the “**Last Market Date**”), the value of the UIC Sale Shares is approximately S\$196,800,000.

For purposes of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual (the “**Listing Manual**”), UOL is considered to be an associate (as defined in the Listing Manual) of Dr Wee Cho Yaw, Mr Wee Ee-chao and Mr Wee Ee Lim, each of whom is a director of UOL. Dr Wee Cho Yaw, Mr Wee Ee-chao and Mr Wee Ee Lim are immediate family members and together (directly or indirectly) have an interest of 30.0% or more of the issued share capital of UOL. In addition, UOL is also considered to be an associate of Mr Wee Ee Cheong, whose direct and deemed interests in the shares of the Company exceed 15 per cent. and who is therefore deemed to be a Controlling Shareholder of the Company. As Mr Wee Ee Cheong is an immediate family member of Dr Wee Cho Yaw, Mr Wee Ee-chao and Mr Wee Ee Lim, Mr Wee Ee Cheong and his immediate family members together (directly or indirectly) have an interest of 30 per cent. or more of the issued share capital of UOL. Accordingly, UOL is an “interested person” vis-à-vis the Company, and the Proposed Transaction constitutes an “interested person transaction” under Chapter 9 of the Listing Manual.

As the value of the UIC Sale Shares is more than 5.0% of the latest audited net tangible assets (“**NTA**”) of the Company and its subsidiaries (the “**Haw Par Group**”), the Proposed Transaction is subject to the approval of the shareholders of the Company pursuant to Chapter 9 of the Listing Manual.

Ernst & Young Corporate Finance Pte Ltd (“**EYCF**”) has been appointed as the independent financial adviser (“**IFA**”) for the purpose of Rule 921(4)(a) of the Listing Manual and to advise the directors of the Company who are considered independent in relation to the Proposed Transaction (the “**Disposal Independent Directors**”) on whether the Proposed Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

This letter sets out, *inter alia*, our evaluation of the Proposed Transaction and our advice thereon. It forms part of the circular to shareholders dated 8 August 2017 to be issued by the Company which provides, *inter alia*, the details of the Proposed Transaction and the recommendations of the Disposal Independent Directors in respect thereof (the “**Circular**”). Unless otherwise defined or the context otherwise requires, all terms in the Circular shall have the same meaning in this letter.

2 TERMS OF REFERENCE

EYCF has been appointed under Rule 921(4)(a) of the Listing Manual as well as to advise the Disposal Independent Directors in respect of whether the Proposed Transaction is on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders.

Our views as set forth in this letter are based on the prevailing market conditions, economic conditions, and financial conditions, and our evaluation of the Proposed Transaction, as well as information provided to us by the management of the Company (the “**Management**”), as at 31 July 2017 (the “**Latest Practicable Date**”). Accordingly, we assume no responsibility to update, revise or reaffirm our opinion as a result of any subsequent development after the Latest Practicable Date. Shareholders should take note of any announcement and/or event relevant to the Proposed Transaction which may be released by the Company and/or UOL after the Latest Practicable Date.

We are not and were not involved in any aspect of the discussions and negotiations pertaining to the Proposed Transaction, nor were we involved in the deliberations leading up to the decisions by the Directors in connection with the Proposed Transaction. We have not conducted a comprehensive review of the business, operations or financial condition of the Haw Par Group, UIC and/or UOL. It is not within our terms of reference to assess the rationale for legal, strategic, commercial and financial merits and/or risks of the Proposed Transaction, and to comment on such merits and/or risks of the Proposed Transaction. We have only expressed our opinion on whether the Proposed Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders. The assessment of the legal, strategic, commercial and financial merits and/or risks of the Proposed Transaction remains the sole responsibility of the Directors, although we may draw upon their views in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at the opinion set out in this letter.

It is also not within our terms of reference to compare the relative merits of the Proposed Transaction vis-à-vis any alternative transactions previously considered by the Company (if any) or that the Company may consider in the future, and as such, we do not express an opinion thereon.

In the course of our evaluation of the Proposed Transaction, we have held discussions with the Directors and the Management. We have also examined and relied on information in respect of the Company, UIC and/or UOL collated by us, as well as information provided and representations and assurances made to us, both written and verbal, by the Directors, the Management and/or professional advisers of the Company, including information contained in the Circular. We have not independently verified such information or any representation or assurance, whether written or verbal, and accordingly cannot and do not warrant or accept responsibility for the accuracy or completeness of such information, representation or assurance. Nevertheless, the Directors (including those who may have delegated supervision of the Circular) and the Management have confirmed to us, after making all reasonable enquiries that, to the best of their knowledge and belief, all material information relating to the Proposed Transaction has been disclosed to us, that such information constitutes a full and true disclosure, in all material respects, of all material facts about the Company in the context of the Proposed Transaction and there is no material information the omission of which would make any of the information contained herein or in the Circular misleading in any material respect. The Directors have jointly and severally accepted such responsibility accordingly.

We have also made reasonable enquiries and exercised our judgement on the reasonable use of such information and have found no reason to doubt the accuracy or the reliability of such information. We have further assumed that all statements of fact, belief, opinion and intention made by the Directors in relation to the Proposed Transaction have been reasonably made after due and careful enquiry. We have not conducted a comprehensive review of the business, operations and financial condition of the Company, UIC and/or UOL. We have also not made an independent evaluation or appraisal of the assets and liabilities of the Company, UIC and/or UOL.

In preparing this letter, we have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any individual shareholder or any specific group of shareholders. As each shareholder would have different investment objectives and profiles, we would advise the Disposal Independent Directors to recommend that any individual shareholder or group of shareholders who may require specific advice in relation to his or their shares should consult his or their stockbroker, bank manager, solicitor, accountant or other professional advisers.

We were not involved and have not provided any advice, whether financial or otherwise, in the preparation, review and verification of the Circular (other than in connection with this letter). Accordingly, we do not take any responsibility for, and express no views on, whether expressed or implied, the contents of the Circular (other than in connection with this letter).

This letter and our opinion are addressed in connection with and for the purpose of Rule 921(4)(a) of the Listing Manual as well as the Disposal Independent Directors' consideration of the Proposed Transaction, and the recommendations made by the Disposal Independent Directors to the minority shareholders shall remain the sole responsibility of the Disposal Independent Directors.

Our opinions in relation to the Proposed Transaction should be considered in the context of the entirety of this letter and the Circular.

3 DETAILS OF THE PROPOSED TRANSACTION

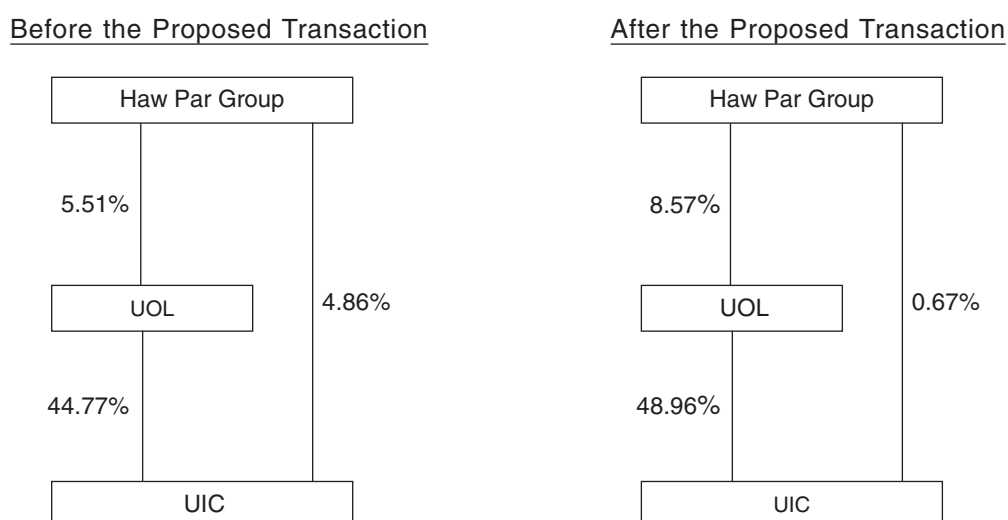
The details of the Proposed Transaction, including the details of the Option Agreement, are set out in Section 2 of the Circular. We recommend that the Disposal Independent Directors advise the shareholders to read carefully the details on the Proposed Transaction which are contained in the Circular.

We set out below the salient information on the Proposed Transaction.

3.1 Background of the Proposed Transaction

Pursuant to the Option Agreement, the Company has agreed to sell the UIC Sale Shares (being 60,000,000 UIC Shares held by Straits Maritime) to UOL. In consideration of the sale and purchase of the UIC Sale Shares, UOL shall allot and issue 27,272,727 new ordinary shares in the capital of UOL (the “**Consideration Shares**”) to the Company (or its wholly-owned nominee) based on an exchange ratio of 2.20 UIC Sale Shares per Consideration Share, rounded down to the nearest Consideration Share (the “**Exchange Ratio**”), which Consideration Shares shall be allotted and issued on the date of completion of the sale and purchase of the UIC Sale Shares, subject to the terms and conditions of the Option Agreement (the “**Completion**”).

For the purpose of illustration, the diagrams below show (i) the Company’s shareholding interests in UOL and UIC before and after the Proposed Transaction; and (ii) UOL’s shareholding interests in UIC before and after the Proposed Transaction:



For the purpose of illustration, the table below shows the shareholding interests of the Haw Par Group in UOL and UIC before and after the Proposed Transaction:

	Before Proposed Transaction	After Proposed Transaction
Number of shares in the capital of UIC held by the Haw Par Group	69,571,883	9,571,883
Number of shares in the capital of UIC held by the Haw Par Group, as a percentage of the total issued shares in the capital of UIC ¹	4.86%	0.67%

¹ Unless otherwise stated, all references in the Circular and this letter to the percentage shareholding in the issued share capital of UIC are based on a total of 1,431,907,362 UIC Shares (excluding treasury shares) as at the Latest Practicable Date.

	Before Proposed Transaction	After Proposed Transaction
Number of shares in the capital of UOL held by the Haw Par Group	44,772,041	72,044,768
Number of shares in the capital of UOL held by the Haw Par Group, as a percentage of the total issued shares in the capital of UOL	5.51% ²	8.57% ³

3.2 Value of the UIC Sale Shares

The open market value (based on the VWAP of the UIC Shares on 20 June 2017, being the last market day on which the UIC Shares were traded before the date of the Option Agreement) of the UIC Sale Shares was approximately S\$196,800,000. The book value of UIC Sale Shares was approximately S\$196,200,000 and the NTA value of UIC Sale Shares (based on UIC's 30 June 2017 unaudited consolidated NTA value) was approximately S\$266,400,000. The excess of the value of the Consideration Shares (based on the volume-weighted average price of the Consideration Shares on 20 June 2017, and being approximately S\$210,273,000) from the Proposed Transaction over the book value of the UIC Sale Shares would be approximately S\$14,073,000.

There was no net profit of the Haw Par Group attributable to the UIC Sale Shares based on the latest announced consolidated accounts as of 31 March 2017. The net profit of the Haw Par Group attributable to the UIC Sale Shares was approximately S\$1,800,000 based on the dividend rate for the financial year ended 31 December 2016. There would be no gain or loss on disposal to be recognised in the net profit of the Haw Par Group as a result of the Proposed Transaction as any such gain or loss would be recorded in other comprehensive income.

3.3 Principal terms of the Option Agreement

3.3.1 Call Option and Put Option

Under the terms of the Option Agreement:

- (i) pursuant to the Call Option, UOL has the right to require the Company to procure Straits Maritime to sell to UOL (or such nominee as UOL may designate in writing to the Company, which nominee shall be a wholly-owned subsidiary of UOL) all (and not some only) of the UIC Sale Shares on the terms and subject to the conditions in the Option Agreement; and
- (ii) pursuant to the Put Option, the Company has the right to require UOL (or such nominee as UOL may designate in writing to the Company, which nominee shall be a wholly-owned subsidiary of UOL) to purchase from Straits Maritime all (and not some only) of the UIC Sale Shares on the terms and subject to the conditions in the Option Agreement.

² Unless otherwise stated, all references in the Circular and this letter to the percentage shareholding in the issued share capital of UOL are based on a total of 813,115,505 UOL Shares (excluding treasury shares) as at the Latest Practicable Date.

³ Unless otherwise stated, all references in the Circular and this letter to the percentage shareholding in the issued share capital of UOL after the Proposed Transaction are based on an enlarged share base of 840,388,232 UOL Shares (excluding treasury shares).

3.3.2 Consideration Shares and Exchange Ratio

In consideration of the sale and purchase of the UIC Sale Shares, UOL shall allot and issue the Consideration Shares based on the Exchange Ratio.

The Exchange Ratio was arrived at on a willing-buyer-willing-seller basis and determined by taking into consideration, *inter alia*:

- (i) the VWAPs of UIC Shares and UOL Shares on 20 June 2017, being the last market day on which the UIC Shares and UOL Shares were traded before the date of the Option Agreement and over various periods ranging from 12 months to 5 market days up till 20 June 2017; and
- (ii) the unaudited consolidated net asset value of UOL and UIC as at 31 March 2017.

The implied issue price of each of the Consideration Shares is S\$7.71 based on the VWAP of the UOL Shares on 20 June 2017, which would amount to an aggregate of approximately S\$210,273,000 for all of the Consideration Shares.

3.3.3 Conditions to exercise

The exercise of the Call Option by UOL and the exercise of the Put Option by the Company shall be conditional upon the satisfaction of the following conditions (collectively, the “**Conditions**”):

- (i) the approval by the Company’s shareholders (excluding UOL and its associates) for the sale of the UIC Sale Shares to UOL upon the terms and subject to the conditions set out in the Option Agreement being obtained by the Company at an extraordinary general meeting of its shareholders, in accordance with the requirements of the Listing Manual;
- (ii) the approval of the independent shareholders of UOL being obtained by UOL at an extraordinary general meeting of its shareholders for the waiver granted by the Securities Industry Council (“**SIC**”) to UOL waiving the obligation under Rule 14 of the Singapore Code on Take-overs and Mergers (the “**Code**”) for the Company (or its nominee) to make a general offer for UOL by reason of the issuance of the Consideration Shares; and
- (iii) the approval of the SGX-ST for the listing, quotation and trading of the Consideration Shares on the Main Board of the SGX-ST (the “**Listing Approval**”) being obtained on terms reasonably satisfactory to both UOL and the Company, and the Listing Approval remaining in full force and effect at Completion and, if the Listing Approval is subject to any conditions which are required to be fulfilled on or prior to Completion, such conditions being so fulfilled.

The Conditions are not capable of being waived by either or both UOL and the Company. The Conditions shall be satisfied by 31 October 2017 (or such other date as UOL and the Company may agree in writing) (the “**Long-Stop Date**”). If the Conditions are not satisfied by the Long-Stop Date, the Option Agreement will *ipso facto* cease and determine and neither party will have any claim against the other party for costs, damages, compensation or otherwise.

3.4 Date of Completion

Completion of the Proposed Transaction is expected to take place on the date falling five Business Day (a day on which commercial banks are open for business in Singapore, excluding Saturday, Sunday and public holidays) from the date of the exercise of the Call Option or the date of the exercise of the Put Option (as the case may be), or such other date as the Company and UOL may agree in writing (the “**Completion Date**”).

3.5 Information on UIC

UIC was incorporated in Singapore in 1963 as a private company, and was listed as a public company in 1969.

UIC’s core business is property development and investment. With its acquisition in 1990 of the majority equity of Singapore Land Limited, a well-established property company, the UIC group became a major real estate developer with a portfolio of 2.5 million square feet of office space and 1.0 million square feet of retail premise in Singapore.

The UIC group’s property portfolio includes some of Singapore’s best known commercial and retail landmarks as well as residential projects in prime and suburban areas. Overseas investments include properties in Shanghai, Beijing and Tianjin, China and London, the United Kingdom.

As at the Latest Practicable Date:

- (i) the UOL and its subsidiaries (the “**UOL Group**”) have an interest in 641,048,530 UIC Shares, representing approximately 44.77% of the total number of UIC Shares; and
- (ii) the Company has an interest in 69,571,883 UIC Shares, representing approximately 4.86% of the total number of UIC Shares.

3.6 Information on UOL

UOL was incorporated in Singapore in 1963 as a private company, and was listed as a public company in 1964.

UOL is one of Singapore’s leading public-listed property companies. It has an extensive portfolio of development and investment properties, hotels and serviced suites.

As at the Latest Practicable Date, the Company has an interest in 44,772,041 ordinary shares of UOL, representing approximately 5.51% of the total number of issued ordinary shares of UOL.

4 EVALUATION OF THE PROPOSED TRANSACTION

In our analysis and evaluation of the Proposed Transaction, and our recommendation thereon, we have taken into consideration the following:

- (a) Rationale for and key benefits of the Proposed Transaction;
- (b) The Implied UIC Sale Share Price and the Implied UOL Issuance Price;
- (c) The market price, trading activity and liquidity of UIC Shares and UOL Shares;
- (d) Historical share price performance of UIC and UOL relative to the FTSE ST All-Share Index – Real Estate Investment & Services (the “**Real Estate Index**”);

- (e) NTA-based analyses for UIC and UOL;
- (f) Comparison with financial valuation ratios of selected listed property companies considered comparable to UIC and UOL;
- (g) Dividend yield analyses of UIC and UOL; and
- (h) Other relevant factors.

4.1 Rationale for and key benefits of the Proposed Transaction

In our evaluation of the Proposed Transaction, we have considered the Board's rationale for the Proposed Transaction as set out in Section 2.4 of the Circular to Shareholders, and reproduced below:

"2.4 Rationale for the Proposed Transaction

The Board of Directors is of the view that the Proposed Transaction will provide the Company with an opportunity to realise the value of a substantial portion of its investment in UIC. It will also allow the Company to exchange its interest in UIC for a higher yielding and more liquid asset in UOL, while still retaining an economic interest in UIC through UOL. Following the Proposed Transaction, the Company will become a larger shareholder of UOL, making the Company's stake in UOL more meaningful.

Based on UOL's consultation with the SIC in connection with the Proposed Transaction, the SIC has waived the UOL Group's obligation to make a mandatory general offer for UIC as a result of the acquisition of the UIC Sale Shares pursuant to the Proposed Transaction.

In addition, the SIC had indicated during such consultation that if the UOL Group increases its shareholder in UIC to more than 49 per cent. as a result of the Proposed Transaction, the UOL Group would be required to make a mandatory general offer for UIC. Accordingly, the Option Agreement relates only to the sale and purchase of 60,000,000 UIC Shares which is expected to result in the UOL Group holding in aggregate less than 49 per cent. of the total number of UIC Shares at the time of Completion, and does not relate to all of the UIC Shares in which the Company has an interest, as UOL does not intend to trigger a mandatory general offer for UIC.

As at the Latest Practicable Date, the Company has an interest in 69,571,883 UIC Shares, representing approximately 4.86 per cent. of the total number of UIC Shares, of which 63,171,615 UIC Shares are held by Straits Maritime and 6,400,268 UIC Shares are held by Haw Par Capital Pte Ltd, a wholly-owned subsidiary of the Company. Following the Completion, not all UIC Shares in which the Company has an interest will be disposed of. Following the transfer of the UIC Sale Shares, the Company will thereafter have an interest in the balance of 9,571,883 UIC Shares, comprising approximately 0.67 per cent. of the issued share capital of UIC."

4.2 The Implied UIC Sale Share Price and the Implied UOL Issuance Price

Pursuant to the Option Agreement, the Company has agreed to sell the 60,000,000 UIC Sale Shares to UOL. In consideration of the sale and purchase of the UIC Sale Shares, UOL shall allot and issue the 27,272,727 Consideration Shares to the Company (or its wholly-owned nominee) based on the Exchange Ratio of 2.20 UIC Sale Shares for each Consideration Share, rounded down to the nearest Consideration Share, on the Completion Date.

For the purpose of our evaluation, we have used the following based on the VWAPs of UIC Shares and UOL Shares on the Last Market Date:

UIC Sale Shares subject to the Proposed Transaction	60,000,000
Exchange Ratio – Number of UIC Sale Shares for each Consideration Share	2.20
Consideration Shares – Number of UOL Shares to be issued and allotted to the Company (or its wholly-owned nominee) <i>(Computed as the 60,000,000 UIC Sale Shares divided by the Exchange Ratio of 2.20, rounded down to the nearest whole number)</i>	27,272,727
Value of the Consideration Shares (S\$)	210,273,000
Implied UOL Issuance Price (S\$) <i>(Computed as the Value of the Consideration Shares of S\$210,273,000 divided by the Consideration Shares of 27,272,727)</i>	7.71
Implied UIC Sale Share Price (S\$) <i>(Computed as the Value of the Consideration Shares of S\$210,273,000 divided by the 60,000,000 UIC Sale Shares)</i>	3.50

Source: S&P Capital IQ and EY analysis

We have set out below the implied values of the UIC Sale Shares, as at the Last Market Date, and as at the Latest Practicable Date.

	As at the Last Market Date	As at the Latest Practicable Date
For the UIC Sale Shares:		
Implied UIC Sale Share Price (S\$)	3.50	3.50
Value of the Consideration Shares (S\$)	210,273,000	210,273,000
VWAP of UIC Shares (S\$)	3.28	3.20
Premium of the Implied UIC Sale Share Price over the VWAP of UIC Shares (%)	6.7	9.4
For the Consideration Shares (UOL Shares):		
Value of the Consideration Shares (S\$)	210,273,000	210,273,000
Implied UOL Issuance Price for each Consideration Share (S\$)	7.71	7.71
VWAP of the Consideration Shares (S\$)	7.71	7.87
Premium/(discount) of the Implied UOL Issuance Price to the VWAP of UOL Shares (%)	0.0	(2.0)

Source: S&P Capital IQ and EY analysis

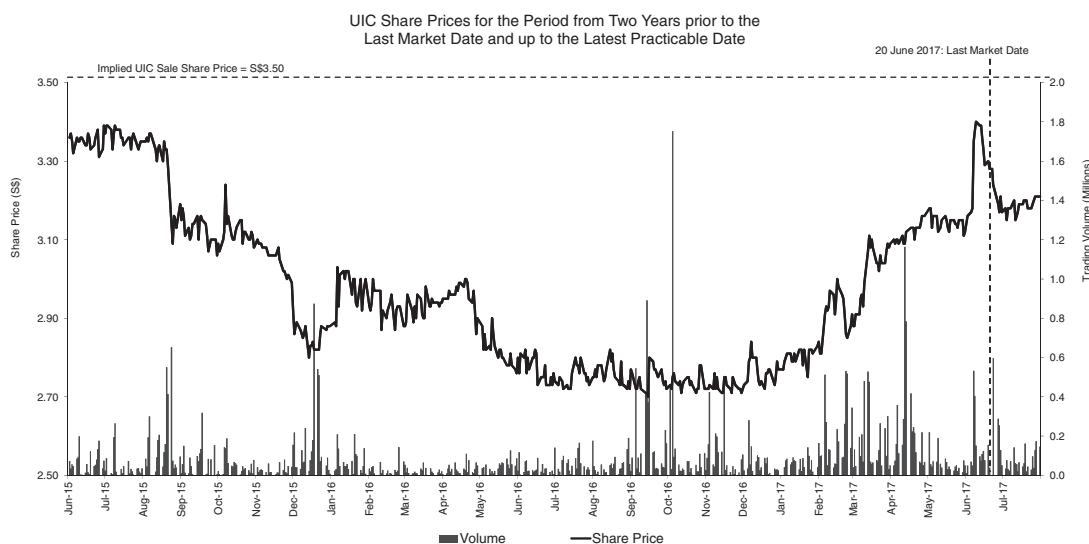
We have computed the Implied UIC Sale Share Price of S\$3.50 for each UIC Sale Share based on the VWAP of the Consideration Shares of S\$7.71 as at the Last Market Date.

We note that as at the Last Market Date, the Implied UIC Sale Share Price of S\$3.50 for each UIC Sale Share represents a premium of approximately 6.7%. The Implied UIC Sale Share Price of S\$3.50 represents a premium of approximately 9.4% over the VWAP of UIC Shares as at the Latest Practicable Date.

We also note that the Implied UOL Issuance Price of S\$7.71 for each Consideration Share is equivalent to the VWAP of the UOL Shares as at the Last Market Date. The Implied UOL Issuance Price of S\$7.71 represents a discount of approximately 2.0% to the VWAP of UOL Shares as at the Latest Practicable Date.

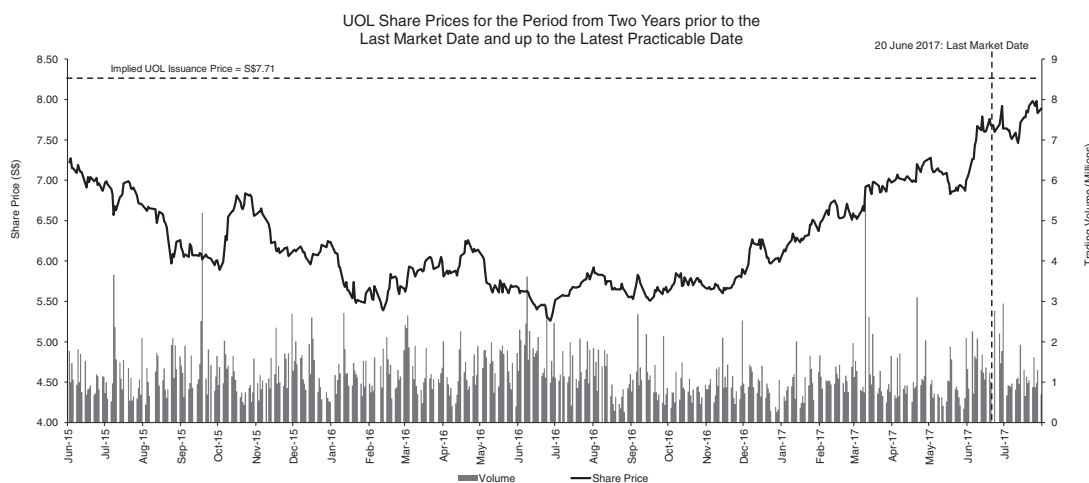
4.3 The market price, trading activity and liquidity of UIC Shares and UOL Shares

We set out below a chart showing the daily closing prices and trading volume of the UIC Shares for the period between two years prior to the Last Market Date and up to the Latest Practicable Date.



Source: S&P Capital IQ

As the Proposed Transaction will be satisfied by allotment and issuance of the Consideration Shares to the Company (or its wholly-owned nominee), we have accordingly considered the current and historical price performance of UOL Shares from the 2-year period prior to Last Market Date and up to the Latest Practicable Date.



Source: S&P Capital IQ

We set out below the VWAP and the average daily trading volume of UIC Shares and UOL Shares for the selected reference periods prior to Last Market Date and up to the Latest Practicable Date.

Reference Periods	UIC VWAP ⁽¹⁾	Premium/(Discount) of Implied UIC Sale Share Price of S\$3.50 over/to UIC VWAP (%)	UOL VWAP ⁽¹⁾	Premium/(Discount) of Implied UOL Issuance Price of S\$7.71 over/to UOL VWAP (%)
Period prior to the Last Market Date				
Last 2 years	2.96	18.2	6.16	25.2
Last 1 year	2.92	19.9	6.28	22.8
Last 6 months	3.05	14.8	6.86	12.4
Last 3 months	3.16	10.8	7.17	7.5
Last 1 month	3.31	5.7	7.36	4.8
VWAP on the Last Market Date	3.28	6.7	7.71	0
Period after the Last Market Date				
Between the Last Market Date and the Latest Practicable Date	3.20	9.4	7.73	(0.3)
VWAP as at the Latest Practicable Date	3.20	9.4	7.87	(2.0)

Source: S&P Capital IQ

Notes:

(1) VWAP is calculated based on the closing price of the shares and the traded volume for the relevant trading days for each of the periods.

The key observations in respect of the above analysis are highlighted below:

- (a) The premiums of the Implied UIC Sale Share Price over the VWAP of UIC Shares ranged from 5.7% to 19.9% over the 2-year period prior to the Last Market Date.
- (b) The Implied UIC Sale Share Price represents a premium of 6.7% over the VWAP of UIC Shares on the Last Market Date.
- (c) For the period between the Last Market Date and the Latest Practicable Date, the Implied UIC Sale Share Price represents a premium of 9.4% over the VWAP of UIC Shares.
- (d) As at the Latest Practicable Date, the Implied UIC Sale Share Price represents a premium of 9.4% over the VWAP of UIC Shares.
- (e) The premiums of the Implied UOL Issuance Price over the VWAP of UOL Shares ranged from 4.8% to 25.2% over the 2-year period prior to the Last Market Date.
- (f) The Implied UOL Issuance Price is equivalent to the VWAP of UOL Shares on the Last Market Date.
- (g) For the period between the Last Market Date and the Latest Practicable Date, the Implied UOL Issuance Price represents a discount of 0.3% to the VWAP of UOL Shares.
- (h) As at the Latest Practicable Date, the Implied UOL Issuance Price represents a discount of 2.0% to the VWAP of UOL Shares.

We set out below the average daily trading volume of UIC Shares and UOL Shares for the selected reference periods prior to Last Market Date and up to the Latest Practicable Date.

Reference Periods	Average Daily Trading Volume of UIC Shares ⁽¹⁾	Daily Trading Volume of UIC Shares as Percentage of Free Float ⁽²⁾ (%)	Average Daily Trading Volume of UOL Shares ⁽¹⁾	Daily Trading Volume of UOL Shares as Percentage of Free Float ⁽³⁾ (%)
Period prior to the Last Market Date				
Last 2 years	95,574	0.05	1,184,296	0.25
Last 1 year	122,291	0.06	1,077,822	0.23
Last 6 months	141,421	0.07	1,079,965	0.23
Last 3 months	148,568	0.08	1,066,459	0.22
Last 1 month	103,277	0.05	1,178,946	0.25
VWAP on the Last Market Date	39,400	0.02	1,010,000	0.21
Period after the Last Market Date				
Between the Last Market Date and the Latest Practicable Date	115,170	0.06	1,266,249	0.27
VWAP as at the Latest Practicable Date	146,400	0.08	699,000	0.15

Source: S&P Capital IQ

Notes:

- (1) The average daily trading volume of the shares is calculated based on the total volume of shares traded during the given period divided by the number of market days during that period.
- (2) Free float refers to the shares other than those held by the substantial shareholders and their associates (as defined in the Listing Manual), which amounts to approximately 194.60 million UIC Shares or equivalent to approximately 14% of the total issued share capital of UIC as at the Latest Practicable Date.
- (3) Free float for UOL amounts to approximately 477.02 million UOL Shares or equivalent to approximately 59% of the total issued share capital of UOL as at the Latest Practicable Date.

The key observations in respect of the above analysis are highlighted below:

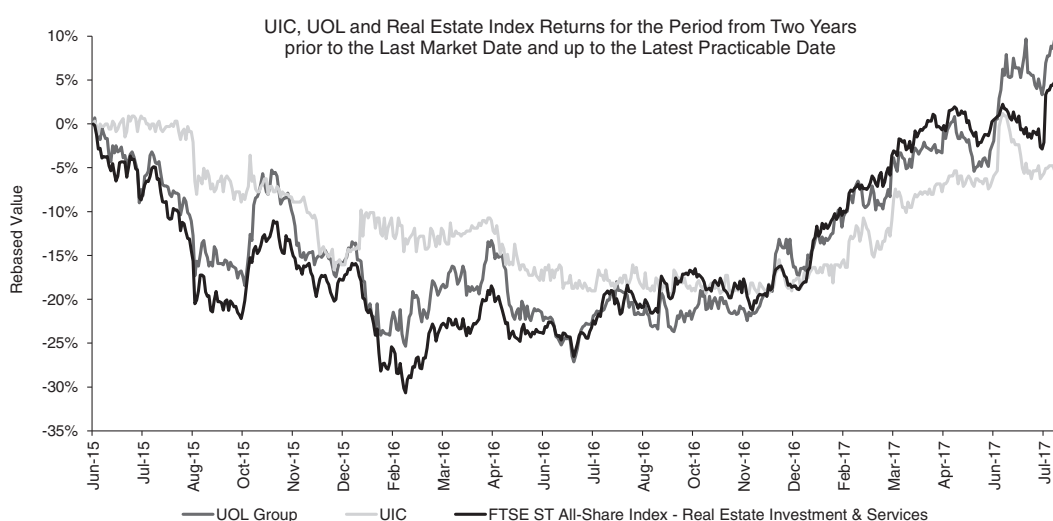
- (a) The average daily trading volume of UIC Shares for the periods 2 years, 1 year, 6 months, 3 months and 1 month prior to the Last Market Date represents approximately 0.05%, 0.06%, 0.07%, 0.08%, and 0.05% of the free float of UIC, respectively;
- (b) The average daily traded volume of the UIC Shares on the Last Market Date represents approximately 0.02% of the free float;
- (c) The average daily traded volume of the UIC Shares for the period following the Last Market Date up to the Latest Practicable Date represents approximately 0.06% of the free float;
- (d) As at the Latest Practicable Date, the traded volume of UIC Shares represents approximately 0.08% of the free float;
- (e) The average daily trading volume of UOL Shares for the periods 2 years, 1 year, 6 months, 3 months and 1 month prior to the Last Market Date represents approximately 0.25%, 0.23%, 0.23%, 0.22%, and 0.25% of the free float of UOL, respectively;
- (f) The average daily traded volume of the UOL Shares on the Last Market Date represents approximately 0.21% of the free float; and
- (g) The average daily traded volume of the UOL Shares for the period following the Last Market Date up to the Latest Practicable Date represents approximately 0.27% of the free float.

- (h) As at the Latest Practicable Date, the traded volume of UOL Shares represents approximately 0.15% of the free float;

We note that, in terms of the average trading volume as a percentage of free float, the trading liquidity of UOL Shares has consistently been higher than the trading liquidity of UIC Shares for all the periods observed.

4.4 Historical share price performance of UIC and UOL relative to the Real Estate Index

To assess the market price performance of the UIC Shares and UOL Shares vis-à-vis the general price performance of Singapore listed property development companies, we have compared the respective returns of UIC Shares and UOL Shares against the Real Estate Index for the 2-year period prior to the Last Market Date up to the Latest Practicable Date, as illustrated below.



Source: S&P Capital IQ, rebased

We note that, on a normalised basis, for the 2-year period prior to the Last Market Date, both UIC and UOL returns have generally tracked the Real Estate Index. We also note that UIC returns have generally displayed lower volatility relative to UOL returns and the Real Estate Index returns. After the Last Market Date up to the Latest Practicable Date, we note the slight uplift seen for the UOL Shares, but not in UIC Shares and the Real Estate Index.

4.5 NTA-based analyses for UIC and UOL

The NTA based valuation provides an estimate of the value of a company assuming the hypothetical sale of all its tangible assets over a reasonable period of time. NTA is computed by deducting the intangible assets from the company's net asset value.

NTA shows the extent to which the value of the company is backed by tangible assets. NTA based valuation is meaningful in so far as to show the extent to which the value of each share is backed by tangible assets. We also note that as both UIC and UOL are property development companies, a more accurate measure of their values would be the NTA as opposed to earnings or cash flow based measures.

NTA of UIC against the Implied UIC Sale Share Price

Based on the latest unaudited statement of financial position of UIC as at 30 June 2017, the NTA of UIC is approximately S\$6,357 million, which is equivalent to approximately S\$4.44 per UIC Share.

NTA Analysis for UIC	Based on the Implied UIC Sale Share Price	Based on VWAP of UIC Shares in the 1-year period prior to the Last Market Date	Based on VWAP on the Latest Practicable Date
UIC Share Price (S\$)	3.50	2.92	3.20
Premium/(Discount) (%)	(21.2)	(34.2)	(27.9)

Source: Financial results announcements, S&P Capital IQ, EY analysis

We note that the Implied UIC Sale Share Price of S\$3.50 represents a discount of 21.2% to the NTA per UIC Share. Based on the 1-year VWAP of UIC Share prior to the Last Market Date of S\$2.92, there is a 34.2% discount to the NTA per UIC Share, while there is a 27.9% discount to the NTA per UIC Share based on the VWAP as at the Latest Practicable Date of S\$3.20.

NTA of UOL against the Implied UOL Issuance Price

Based on the latest unaudited statement of financial position of UOL as at 31 March 2017, the NTA of UOL is approximately S\$8,240 million, which is equivalent to approximately S\$10.24 per UOL Share (based on the total issued share capital of 804,700,403 UOL Shares (excluding treasury shares) as at 31 March 2017).

NTA Analysis for UOL	Based on the Implied UOL Issuance Price	Based on VWAP of UOL shares in the 1-year period prior to the Last Market Date	Based on VWAP on the Latest Practicable Date
UOL Share Price (S\$)	7.71	6.28	7.87
Premium/(Discount) (%)	(24.7)	(38.7)	(23.1)

Source: Financial results announcements, S&P Capital IQ, EY analysis

We note that the Implied UOL Issuance Price of S\$7.71 represents a discount of 24.7% to the NTA per UOL Share. Based on the 1-year VWAP of UOL shares prior to the Last Market Date of S\$6.28, there is a 38.7% discount to the NTA per UOL Share, while there is a 23.1% discount to the NTA per UOL Share based on the VWAP as at the Latest Practicable Date of S\$7.87.

We note that the discounts to the NTA for UOL Shares are generally higher than the discounts to NTA for UIC Shares.

4.6 Comparison with financial valuation ratios of selected listed property companies that are comparable to UIC and UOL

In our evaluation, we have considered the following widely used valuation measures:

Valuation Measure	Description
Price-to-Earnings Ratio (“P/E Ratio”)	P/E Ratio or earnings multiple is the ratio of a company’s market capitalisation divided by the historical consolidated net profit attributable to shareholders as stated in its financial statements. The P/E ratio is affected by, <i>inter alia</i> , the capital structure of a company, its tax position as well as its accounting policies relating to depreciation and intangible assets. In our analysis, we used the market price of the shares divided by the aggregate of the most recent announced four quarters consolidated net profit attributable to shareholders.
Price-to-Net Tangible Asset Value Ratio (“P/NTA Ratio”)	NTA refers to consolidated net tangible asset value, which is calculated as total assets of a company less total liabilities and intangible assets of a company. P/NTA Ratio refers to the ratio of a company’s share price divided by net tangible asset value per share. The NTA figure provides an estimate of the value of a company assuming the sale of all its tangible assets, the proceeds which are first used to settle its liabilities and obligations with the balance available for distribution to its shareholders. Comparisons of companies using their NTAs are affected by differences in their respective accounting policies, in particular, their depreciation and asset valuation policies. In our analysis, we used the market price of the shares divided by the most recently announced NTA per share.

Based on our discussions with the Management and a search for comparable listed companies on Capital IQ and other available databases, we recognised that there is no particular listed company that we may consider to be directly comparable to UIC and/or UOL in terms of the composition of the business activities, company size, scale of operations, service range, customer base, risk profile, geographical spread of properties and activities, accounting standards and policies used, and such other relevant criteria. However, after discussions with the Management, we have selected property development companies that are listed on the SGX-ST with market capitalisation of at least S\$1.0 billion as at the Latest Practicable Date, having majority of its property assets located in Singapore, and which we believe are broad proxies to the core businesses of the UIC and/or UOL (the “**Comparable Companies**”).

The Disposal Independent Directors should note that any comparisons made with respect to the Comparable Companies are for illustrative purposes only as there is no one company with the exact scope of business and using the exact accounting policies and standards as those of UIC and/or UOL. For the analysis on the Comparable Companies, we have used the available data/information as at the Latest Practicable Date. The conclusions drawn from such comparisons may not necessarily reflect the perceived or implied valuation of UIC and/or UOL as at the Latest Practicable Date. In addition, we wish to highlight that the list of Comparable Companies is by no means exhaustive.

Accordingly, for the purposes of our evaluation, we have considered the following Comparable Companies whose activities, in our view (and as explained above), are broadly comparable to those of UIC and/or UOL:

Selected Comparable Companies	Brief business description	Market capitalization (\$ million)
Hongkong Land Holdings Limited (“ Hongkong Land ”)	Hongkong Land engages in the investment, development, and management of real estate properties in Greater China, Southeast Asia, and internationally. It owns and manages approximately 800,000 square meters of office and luxury retail property primarily in Hong Kong and Singapore.	24,012
CapitaLand Limited (“ CapitaLand ”)	CapitaLand develops, owns, and manages real estate properties in Singapore, China, other Asian countries, Europe, and internationally. The company’s real estate portfolio includes integrated developments, shopping malls, serviced residences, offices, and homes. It also engages in investment management activities; and owns and manages real estate investment trusts and funds.	15,673
City Developments Limited (“ CDL ”)	CDL engages in the development and investment of real estate properties, and ownership and management of hotels, as well as the provision of hospitality solutions. It develops various types of residential properties; develops and leases commercial properties and retail properties; owns and operates 110 hotels in 18 countries.	10,239
Frasers Centrepoint Limited (“ Frasers Centrepoint ”)	Frasers Centrepoint operates through four business segments. Singapore SBU focuses on residential and commercial property development and owns and/or manages 12 shopping malls in Singapore. Australia SBU focuses on investment in income-producing office and industrial properties. Hospitality SBU has interest in and/or manages hotels and serviced residences. International Business unit comprises development and commercial operations in China, the United Kingdom, Vietnam, and Thailand.	5,593
Wheelock Properties (Singapore) Limited (“ Wheelock ”)	Wheelock, an investment holding company, owns, develops, constructs, manages, and sells residential, commercial, retail, and mixed use properties in Singapore and internationally.	2,238
GuocoLand Limited (“ GuocoLand ”)	GuocoLand operates through Singapore, China, Malaysia, and Vietnam segments. The company develops residential, hospitality, commercial, retail, and integrated properties; rents properties; and operates and manages hotels.	2,114
Oxley Holdings Limited (“ Oxley ”)	Oxley engages in property investment and development in Singapore, the United Kingdom, Ireland, Cambodia, Malaysia, Indonesia, China, Japan, Myanmar, Italy, and Cyprus. Its property development portfolio includes residential, commercial, and industrial projects.	1,697
Bukit Sembawang Estates Limited (“ Bukit Sembawang ”)	Bukit Sembawang develops residential properties comprising landed homes, private condominiums, and apartments. It also invests in and manages office buildings.	1,763
Ho Bee Land Limited (“ Ho Bee ”)	Ho Bee is a real estate investment firm specializing in the investment and development of real estate properties in Singapore, Australia, China, and United Kingdom.	1,611
Wing Tai Holdings Limited (“ Wing Tai ”)	Wing Tai operates through three segments: Development Properties, Investment Properties, and Retail. The company develops residential and commercial properties; and invests in and manages serviced residences under the Lanson Place brand name, as well as manages a boutique hotel. It is also involved in the manufacture and retail of textile garments.	1,578

Selected Comparable Companies	Brief business description	Market capitalization (S\$ million)
Fragrance Group Limited ("Fragrance")	Fragrance operates as a property developer in Singapore and Australia. The company's development projects include residential, commercial, hotel, and industrial properties. It also engages in hotel operations.	1,114

Source: S&P Capital IQ

We set out in the table below the financial ratios of the Comparable Companies listed on SGX-ST as at the Latest Practicable Date.

Selected Comparable Companies	Market Capitalization ⁽¹⁾ (S\$ million)	P/E Ratio ⁽²⁾ (times)	P/NTA Ratio ⁽³⁾ (times)
Hongkong Land	24,012	5.0	0.53
CapitaLand	15,673	11.5	0.91
CDL	10,239	16.2	1.10
Frasers Centrepoint	5,593	8.8	0.91
Wheelock	2,238	39.1	0.74
GuocoLand	2,114	13.9	0.65
Oxley	1,697	6.9	1.83
Bukit Sembawang	1,763	24.3	1.38
Ho Bee	1,611	6.3	0.54
Wing Tai	1,578	n.m.	0.51
Fragrance	1,114	n.m.	1.06

Low	5.0	0.51
High	39.1	1.83
Mean	14.7	0.92
Median	11.5	0.91

UIC – Based on Implied UIC Sale Share Price of S\$3.50	5,018 ⁽¹⁾	20.2	0.79
UOL – Based on Implied UOL Issuance Price of S\$7.71	6,267 ⁽¹⁾	21.6	0.76

Source: S&P Capital IQ, EY analysis

n.m.: not material

Notes:

- (1) Market capitalization for the Comparable Companies is based on the outstanding number of shares and the closing price as at Latest Practicable Date obtained from Capital IQ. The implied market capitalization for UIC is approximately S\$5,018 million based on the implied UIC Sale Share Price of S\$3.50 and the total UIC issued share capital of 1,431,907,362 shares. The implied market capitalization for UOL is approximately S\$6,267 million based on the implied UOL Issuance Price of S\$7.71 and the total UOL issued share capital of 813,115,505 shares as at the Latest Practicable Date.

- (2) Net profit attributable to shareholders of UIC is computed based on UIC's unaudited consolidated financial results for the trailing 12 months ended 30 June 2017. Net profit attributable to shareholders of UOL is computed based on the UOL's unaudited consolidated financial results for the trailing 12 months ended 31 March 2017.
- (3) P/NTA Ratios of UIC and UOL are calculated based on NTA value of UIC and UOL recorded on the unaudited quarterly financial statements as at 30 June 2017 and 31 March 2017 respectively, and the implied market capitalizations of UIC and UOL.

(a) Comparison of P/E Ratios

We note that for the Comparable Companies, the range of P/E Ratios is between 5.0 times and 39.1 times, while the mean P/E Ratio is 14.7 times and the median P/E Ratio is 11.5 times.

The P/E Ratio of UIC based on the Implied UIC Sale Share Price of S\$3.50 is 20.2 times, which is within the range and above both the mean and median P/E Ratios of the Comparable Companies.

The P/E Ratio of UOL based on the Implied UOL Issuance Price of S\$7.71 is 21.6 times, which is within the range and above both the mean and median P/E Ratios of the Comparable Companies.

(b) Comparison of P/NTA Ratios

We note that for the Comparable Companies, the range of P/NTA Ratios is between 0.51 times and 1.83 times, while the mean P/NTA Ratio is 0.92 times and the median P/NTA Ratio is 0.91 times.

The P/NTA Ratio of UIC based on the Implied UIC Sale Share Price of S\$3.50 is 0.79 times, which is within the range but below both the mean and median of the P/NTA Ratios of the Comparable Companies.

The P/NTA Ratio of UOL based on the UOL Issuance Price of S\$7.71 is 0.76 times, which is within the range but below both the mean and median P/NTA Ratios of the Comparable Companies.

4.7 Dividend yield analyses of UIC and UOL

We have analysed the Company's investment in UIC in terms of the dividends it has received as a minority shareholder in UIC. The table below illustrates the cash dividends declared by UIC from the financial years ended 31 December 2012 to 2016, the corresponding VWAP of UIC Shares for the particular financial year, and the implied dividend yield based on these two parameters.

The dividend yield is calculated by dividing the cash dividends per share by the market value per share and is a financial ratio that measures the amount of cash dividends distributed to common shareholders relative to the market value per share.

Dividend Yield Analysis for UIC Shares	FY2012	FY2013	FY2014	FY2015	FY2016
Dividends declared by UIC (S\$)	0.03	0.03	0.03	0.03	0.03
UIC 12-month VWAP for the financial year (S\$)	2.74	2.98	3.31	3.24	2.79
Implied dividend yield based on 12-month VWAP for the financial year (%)	1.1	1.0	0.9	0.9	1.1

Source: Financial results announcements, S&P Capital IQ, EY analysis

In the table below, we have illustrated the dividends paid out by UOL for the financial years ended 31 December 2012 to 2016, the corresponding VWAP of UOL Shares for the particular financial year, and the implied dividend yield based on these two parameters.

Dividend Yield Analysis for UOL Shares	FY2012	FY2013	FY2014	FY2015	FY2016
Dividends declared by UOL (S\$)	0.15	0.20	0.15	0.15	0.15
UOL 12-month VWAP for the financial year (S\$)	5.08	6.50	6.37	6.85	5.74
Implied dividend yield based on 12-month VWAP for the financial year (%)	3.0	3.1	2.4	2.2	2.6

Source: Financial results announcements, S&P Capital IQ, EY analysis

Comparing the dividend yields of UIC against UOL's over the previous five financial years, we note that UOL Shares have consistently higher implied dividend yields.

4.8 Other relevant factors

4.8.1 Financial effects of the Proposed Transaction

Net Tangible Assets

Based on the audited consolidated financial results of the Company for the financial year ended 31 December 2016, and assuming that the Proposed Transaction had been completed on 31 December 2016, being the end of the most recently completed financial year, the Proposed Transaction is not expected to have any material impact on the NTA per share of the Company.

Earnings per Share

Based on the audited consolidated financial results of the Company for the financial year ended 31 December 2016, and assuming that the Proposed Transaction had been completed on 1 January 2016, being the beginning of the most recently completed financial year, the Proposed Transaction is not expected to have any material impact on the earnings per share of the Company.

4.8.2 Increased stake in UOL allows a more significant exposure to UOL property portfolio

The Company's increased stake in UOL through the Proposed Transaction will allow it to benefit more from UOL's diversified property portfolio, including the gains from UOL's recurring income from its hospitality assets. The Company will also have an increased exposure to more markets where UOL has properties.

At the same time, the Company will continue to have a stake in UIC with its remaining 9,571,883 UIC Shares after the Completion of the Proposed Transaction, and indirectly through its shareholding in UOL.

4.8.3 No alternative offer for the UIC Sale Shares from third parties

We understand from the Directors that, as at the Latest Practicable Date, there is no other alternative offer or proposal to the Company which is comparable to the Proposed Transaction. We also note that there is no publicly available evidence of an alternative offer for the UIC Sale Shares from any third party.

5 OUR ADVICE ON THE PROPOSED TRANSACTION

In arriving at our advice to the Disposal Independent Directors on the Proposed Transaction, we have reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment of the Proposed Transaction. The factors we have considered in our evaluation, which are based on, among others, representations made by the Company, the Directors and the Management and discussed in detail in the earlier sections of this letter and which we have relied upon, are as follows:

- (a) Rationale for and key benefits of the Proposed Transaction;
- (b) The Implied UIC Sale Share Price and the Implied UOL Issuance Price;
- (c) The market price, trading activity and liquidity of UIC Shares and UOL Shares;
- (d) Historical share price performance of UIC and UOL relative to the Real Estate Index;
- (e) NTA-based analyses for UIC and UOL;
- (f) Comparison with financial valuation ratios of selected listed property companies considered comparable to UIC and UOL;
- (g) Dividend yield analyses of UIC and UOL; and
- (h) Other relevant factors, namely:
 - (i) Financial effects of the Proposed Transaction;
 - (ii) Increased stake in UOL allows a more significant exposure to UOL property portfolio; and
 - (iii) No alternative offer for the UIC Sale Shares from third parties.

Having considered the factors and the assumptions set out in this letter, and subject to the qualifications set out herein, we are of the opinion that the Proposed Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

Accordingly, we advise the Disposal Independent Directors to recommend that shareholders vote in favour of the Proposed Transaction.

The Disposal Independent Directors should note that we have arrived at our opinion and recommendation based on information made available to us prior to, and including, the Latest Practicable Date. Our opinion on the Proposed Transaction cannot and does not take into account any subsequent developments after the Latest Practicable Date as these are governed by factors beyond the scope of our review, and would not fall within our terms of reference in connection with our evaluation of the Proposed Transaction.

We have prepared this letter as required under Rule 921(4)(a) of the Listing Manual as well as for the use of the Disposal Independent Directors in connection with and for the purposes of their consideration of the Proposed Transaction, but any recommendations made by the Disposal Independent Directors in respect of the Proposed Transaction shall remain their responsibility. We also wish to advise the Disposal Independent Directors to caution the minority shareholders that they should not rely on our advice to the Disposal Independent Directors as the sole basis for deciding on whether or not to vote in favour of the Proposed Transaction. For the avoidance of doubt, nothing in this letter prevents or excludes shareholders from relying on this letter in connection with the Proposed Transaction, whether pursuant to the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore or otherwise.

While a copy of this letter may be reproduced in the Circular, no person may reproduce, disseminate or quote this letter (or any part thereof) for any purpose (other than the intended purpose in relation to the Proposed Transaction) at any time and in any manner without our prior written consent in each specific case. For the avoidance of doubt, nothing in this letter prevents the Company, the Management, the Directors or the shareholders of the Company from reproducing, disseminating or quoting this letter without our prior consent for the purpose of any matter relating to the Proposed Transaction. This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
Ernst & Young Corporate Finance Pte Ltd

Luke Pais
Managing Director

Elisa Montano
Director



HAW PAR CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
Company Registration Number: 196900437M

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Haw Par Corporation Limited (the “**Company**”) will be held at Parkroyal on Pickering, William Pickering Ballroom, Level 2, 3 Upper Pickering Street, Singapore 058289 on 23 August 2017 at 10.30 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following ordinary resolution:

All capitalised terms which are not defined in this Notice of EGM shall carry the same meanings ascribed to them in the circular to Shareholders dated 8 August 2017 (“Circular”).

ORDINARY RESOLUTION – THE PROPOSED DISPOSAL OF 60,000,000 SHARES IN THE CAPITAL OF UNITED INDUSTRIAL CORPORATION LIMITED IN EXCHANGE FOR 27,272,727 SHARES IN THE CAPITAL OF UOL GROUP LIMITED

That:

- (a) the proposed disposal by the Company of 60,000,000 shares in the capital of United Industrial Corporation Limited on the terms and subject to the conditions contained in the Option Agreement entered into between the Company and UOL Group Limited (as set out in the Circular to the Shareholders), being an interested person transaction for the purposes of Chapter 9 of the Listing Manual respectively is hereby approved and confirmed; and
- (b) the Directors and each of them be and are/is hereby authorised to complete and do all such acts and things (including but not limited to the execution of all such agreements and documents as may be required) as they/he may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Ordinary Resolution as they/he may deem fit.

BY ORDER OF THE BOARD

Zann Lim (Ms)
Company Secretary

8 August 2017

Notes:

1. A member of the Company who is not a relevant intermediary is entitled to appoint one or two proxy/proxies to attend, speak and vote at the EGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
2. A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Cap. 50.
3. A proxy need not be a member of the Company. To be effective, the instrument appointing a proxy(ies) must be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 72 hours before the time set for holding the EGM. The submission of the instrument appointing a proxy(ies) by a member does not preclude him from attending and voting in person at the EGM if the member is able to do so. In such event, the relevant instrument appointing a proxy(ies) will be deemed to be revoked.

4. Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data (including, but not limited to, name, personal identification number, address, telephone number) by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to update its scrip holders' information (if applicable) and to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "Purposes") and acknowledges that photography and video and/or audio recordings may be taken for the purposes of the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM and/or any adjournment thereof, (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM



HAW PAR CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
Company Registration Number: 196900437M

IMPORTANT:

1. Relevant intermediaries as defined in Section 181 of the Companies Act, Cap. 50 may appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy Haw Par Corporation Limited shares, this form of proxy is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
3. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 8 August 2017.

EXTRAORDINARY GENERAL MEETING

(BEFORE COMPLETING THIS FORM,
PLEASE READ THE NOTES BEHIND)

Shares in:	Total No. of Shares Held
(a) Depository Register	
(b) Register of Members	
Total	

I/We, _____ (Name)

_____ (NRIC/Passport/Company Registration No.)

of _____ (Address)

_____ (Telephone Number)

being a member/members of Haw Par Corporation Limited (the "Company"), hereby appoint:

NAME	ADDRESS	NRIC/PASSPORT NUMBER	PROPORTION OF SHAREHOLDINGS	
			No. of shares	%
(a)				

and/or (delete as appropriate)

(b)				
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as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Extraordinary General Meeting ("EGM") to be held at Parkroyal on Pickering, William Pickering Ballroom, Level 2, 3 Upper Pickering Street, Singapore 058289 on Wednesday, 23 August 2017 at 10.30 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Ordinary Resolution 1 to be proposed at the EGM, as indicated below. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the EGM.

	Number of votes For**	Number of votes Against**
Ordinary Resolution 1 To approve the Proposed Transaction		

* Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Otherwise, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2017



Signature(s) or Common Seal of Member(s)

Notes:

1. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by the member.
2. A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM in his stead. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy, failing which the form of proxy may be treated as invalid.
3. A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
4. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Cap. 50.
5. A proxy need not be a member of the Company.
6. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under this instrument of proxy, to the EGM.
7. This instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd., at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 not less than 72 hours before the time fixed for holding the EGM.
8. This instrument appointing a proxy or proxies must be signed by the appointor or by his duly authorised attorney or, if the appointor is a corporation, executed under its common seal or signed by its duly authorised attorney or officer. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy or proxies, failing which the instrument may be treated as invalid.
9. A corporation which is a member may appoint, by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Cap. 50.
10. Any alteration made in this instrument appointing a proxy or proxies must be initialled by the person who signs it.
11. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument (including any related attachment). In addition, in the case of a member whose shares are entered against his name in the Depository Register, the Company shall be entitled to reject any instrument appointing a proxy or proxies lodged if such member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

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2nd fold

PROXY FORM

PLEASE
AFFIX
POSTAGE
STAMP

The Company Secretary
Haw Par Corporation Limited

c/o

Boardroom Corporate & Advisory Services Pte. Ltd
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

3rd fold
Fold and glue overleaf. Do not staple

