



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

ANNOUNCEMENT – USE OF PROCEEDS FROM RIGHTS ISSUE

The Board of Directors of United Engineers Limited (the "Company") wishes to announce that approximately S\$14.2 million from the gross proceeds has been used for the following purposes:

- S\$9.5 million on the Group's property development projects mainly in Singapore and
- S\$4.7 million being partial payments for purchase of office and factory premises.

Further to the announcement dated 18 September 2009, to-date the Company has utilised S\$63.7 million of the gross proceeds of S\$133 million raised from the Rights Issue (as defined in the Company's Offer Information Statement dated 6 February 2009).

The Company will make periodic announcements via SGXNET upon utilisation of the remaining proceeds from the Rights Issue as and when the funds are materially disbursed.

BY ORDER OF THE BOARD

Heng Fook Pyng, Jeslyn
Company Secretary

19 March 2010