

IRREVOCABLE UNDERTAKINGS

As of the date of the Announcement, the Offeror had obtained an irrevocable undertaking from Wah Hin & Co. (Pte.) Ltd. ("**Wah Hin**") to accept the Offer in respect of all of its OUB Shares held as of the date of its undertaking and up to the Closing Date, and an irrevocable undertaking from Overseas Union Enterprise Limited ("**OUE**"), an Associated Company of OUB, to accept the Offer in respect of all of its OUB Shares held as of the date of its undertaking, in each case notwithstanding that there may be a competing offer made by any other person or persons. Wah Hin and OUE hold 15.7 per cent. and 9.4 per cent. of the issued share capital of OUB respectively.

The Offeror also obtained from OUB an undertaking (the "**OUB Undertaking**") to:

- (a) use its best endeavours to exercise its rights as a shareholder of OUE to vote in favour of OUE's acceptance of the Offer in accordance with the terms and conditions of OUE's undertaking at the EGM of OUE to be convened (if necessary) for the purpose of approving such sale; and
- (b) use its best endeavours to procure Overseas Union Insurance Limited ("**OUI**"), an Associated Company of OUB, to, *inter alia*, enter into an irrevocable undertaking to accept the Offer in respect of its OUB Shares.

Conditional on, *inter alia*, and in consideration of the above irrevocable undertakings, the Offeror gave an undertaking (the "**UOB Undertaking**") to make the Offer in accordance with the Act, the Code and the SGX-ST Listing Manual. Mr Wee Cho Yaw, a substantial shareholder and Director of the Offeror also gave an undertaking to, and to procure his concert parties and his associates, to vote at a general meeting of the Offeror to sanction and approve the issue of the New UOB Shares.

On July 10, 2001, the Offeror obtained an irrevocable undertaking from OUI to accept the Offer in respect of all of its OUB Shares held as of the date of its undertaking, notwithstanding that there may be a competing offer made by any other person or persons. In consideration of the aforesaid undertaking by OUI, the Offeror gave an undertaking (the "**UOB-OUI Undertaking**") which is in form and substance similar to the UOB Undertaking. OUI holds approximately 1.4 per cent. of the issued and paid-up share capital of OUB.

The undertakings of each of Wah Hin, OUB, OUE and OUI referred to above will lapse if:

- (a) any of the conditions specified in Appendix 1 of the Announcement (repeated in Appendix 2 of Annexure A) is not satisfied or waived by the Offeror in accordance with the respective undertakings on or before the Closing Date;
- (b) the Offer is withdrawn or lapses, or fails to become or be declared to be unconditional for any reason;
- (c) the DBS Offer or any other competing offer becomes or is declared unconditional (provided that Wah Hin, OUE or OUI (as the case may be) have not accepted that offer);
- (d) there is any material breach by the Offeror of the UOB Undertaking or the UOB-OUI Undertaking; or
- (e) the UOB Undertaking or the UOB-OUI Undertaking (as the case may be) lapses.

The undertakings of each of Wah Hin, OUB, OUE and OUI referred to above are conditional upon:

- (a) there being no material adverse change in the assets, business, financial condition, profits, liabilities, prospects or results of the operations of the UOB Group and its Associated Companies taken as a whole since December 31, 2000; and
- (b) no litigation, arbitration, prosecution or other legal proceedings having been instituted, announced or threatened by or against or remaining outstanding against any member of the UOB Group and its Associated Companies which could have a material adverse effect on the UOB Group and its Associated Companies taken as a whole since December 31, 2000.

The undertakings of OUE are further conditional on:-

- (a) the approval of its shareholders for the disposal of its OUB Shares pursuant to its irrevocable undertaking and such approval remaining in full force and effect and not being revoked; and
- (b) all consents and approvals which are necessary or required to be obtained by it in connection with the disposal of its OUB Shares under any and all applicable laws and regulations (including the requirements of the SIC and the SGX-ST) being obtained and such consents and approvals remaining in full force and effect and not being revoked.

OUE has convened an EGM to be held on August 8, 2001 to, *inter alia*, approve the disposal of its OUB Shares in connection with its undertaking.

The undertakings of OUI are further conditional upon all consents and approvals which are necessary or required to be obtained by it in connection with the disposal of its OUB Shares and under any and all applicable laws and regulations (including the requirements of the SIC and the MAS) being obtained and such consents and approvals remaining in full force and effect and not being revoked.

The OUB Undertaking is further subject to all relevant consents and approvals necessary or required by OUB in connection with its irrevocable undertaking under any and all applicable laws and regulations (including the requirements of the SIC and the SGX-ST) being obtained and the compliance with the terms and conditions of such approvals. OUB has convened an EGM to be held on August 8, 2001 to determine how OUB should vote in respect of the disposal by OUE of its OUB Shares.

Save as set out above, neither the Offeror nor any party acting or deemed to be acting in concert with it has received any irrevocable undertaking from any other party to accept or reject the Offer.

FURTHER DETAILS OF THE OFFER

1. Procedures for Acceptance

1.1 *Procedures for acceptance of the Offer by Depositors whose Securities Accounts are and/or will be credited with Offer Shares*

(a) Depositors whose Securities Accounts are credited with Offer Shares

Depositors with Offer Shares standing to the credit of the "Free Balance" of their Securities Accounts are entitled to receive the Offer Document together with a FAA. A Depositor with Offer Shares standing to the credit of the "Free Balance" of his Securities Account and who wishes to accept the Offer, must complete and sign the accompanying FAA in accordance with the provisions of the Offer Document and the provisions and instructions printed on the FAA (which provisions and instructions shall be deemed to form part of the terms of the Offer).

The completed and signed FAA must be forwarded, by hand, to **United Overseas Bank Limited, c/o The Central Depository (Pte) Limited, 20 Cecil Street #07-02/05, Singapore Exchange, Singapore 049705**, or by post (in the enclosed pre-addressed envelope at the accepting Depositor's own risk) to **United Overseas Bank Limited, c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934**, so as in either case to arrive **NOT LATER THAN 3.30 p.m. on the Closing Date**.

A Depositor who has sold or transferred all his Offer Shares need not forward the Offer Document and/or the FAA to the purchaser or transferee (the "**Purchaser**") as arrangements will be made by CDP for a separate Offer Document and FAA to be issued to the Purchaser. Purchasers should note that CDP will, on behalf of the Offeror, send a copy of the Offer Document and the FAA by ordinary post at the Purchasers' own risk to their respective addresses as they appear in the records of CDP.

CDP will, upon receipt on behalf of the Offeror of the FAA and all other relevant documents, transfer the Offer Shares in respect of which a Depositor has accepted the Offer from the Securities Account of that Depositor to a "Suspense Account" pending the Offer becoming or being declared unconditional and the receipt by the Depositor of the consideration for the Offer Shares.

A Depositor must insert in **Part A** of the FAA the number of Offer Shares in respect of which the Offer is accepted, which would not exceed the number of Offer Shares standing to the credit of the "Free Balance" of the Depositor's Securities Account as at 5.00 p.m. on the date of receipt by CDP, on behalf of the Offeror, of the FAA (the "**Date of Receipt**") in respect of which the Offer is accepted.

Except as expressly provided below, if the number of Offer Shares in respect of which the Offer is accepted, as inserted by a Depositor in Part A of the FAA, exceeds the number of Offer Shares standing to the credit of the "Free Balance" of the Depositor's Securities Account as at 5.00 p.m. on the Date of Receipt by CDP, on behalf of the Offeror, of the FAA (provided that the Date of Receipt is on or before the Closing Date), or if no such number of Offer Shares is inserted by the Depositor, then the Depositor shall be **deemed to have accepted the Offer in respect of all the Offer Shares standing to the credit of the "Free Balance" of the Depositor's Securities Account as at 5.00 p.m. on the Date of Receipt**.

(b) Depositors whose Securities Accounts will be credited with Offer Shares

If a Depositor purchases Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the "Free Balance" of the Depositor's Securities Account and if the Depositor wishes to accept the Offer, he must send in the relevant original "bought" contract statement(s), validly issued by a member company of the SGX-ST in the Depositor's name in respect of the Depositor's purchase of such Offer Shares accompanied by the FAA duly completed and signed to the address specified in paragraph 1.1(a) of this Annexure D.

The Depositor must insert in **Part B** of the FAA the number of Offer Shares in respect of acceptances of the Offer, which would not exceed the number of Offer Shares represented by the relevant original contract statement(s) in respect of which the Offer is accepted. If no such contract statement(s) are received by CDP, then the Depositor shall be **deemed to have accepted the Offer in respect all of the Offer Shares standing to the credit of the "Free Balance" of his Securities Account as at 5.00 p.m. on the Date of Receipt**.

(b) Depositors whose Securities Accounts will be credited with Offer Shares (continued)

If the number of Offer Shares in respect of acceptances for the Offer as inserted by a Depositor in Part B of the FAA exceeds the number of Offer Shares represented by the relevant original contract statement(s), or if no such number of Offer Shares is inserted by the Depositor, then the Depositor shall be **deemed to have accepted the Offer in respect of all the Offer Shares as represented by the relevant original contract statement(s).**

The Depositor's acceptance as aforesaid will constitute his unconditional and irrevocable undertaking and agreement to procure that the "Free Balance" of his Securities Account will be credited with the relevant number of Offer Shares within ten Market Days of the date of the relevant original contract statement(s). If by 5.00 p.m. on the tenth Market Day following the date of the relevant original contract statement(s), the "Free Balance" of the Depositor's Securities Account is not credited with, or is credited with less than, the relevant number of Offer Shares as aforesaid, then the acceptance by the Depositor of the Offer shall be **deemed to be only in respect of such number of Offer Shares as may be standing to the credit of the "Free Balance" of the Depositor's Securities Account as at 5.00 p.m. on the tenth Market Day following the date of the relevant original contract statement(s)**, provided that the acceptance by the Depositor of the Offer shall not in any event be deemed to exceed the number of Offer Shares inserted in Part B of the FAA or, if no number is inserted, the number of Offer Shares represented by the relevant original contract statement(s).

If upon receipt by CDP, on behalf of the Offeror, of the FAA and the relevant original contract statement(s) and other relevant documents, it is established that the Offer Shares represented by the relevant original contract statement(s) will not be credited or are not in the process of being credited to the Depositor's Securities Account (as, for example, where the Depositor sells or has sold such Offer Shares), then such an acceptance is liable to be rejected and neither CDP, Merrill Lynch Singapore nor the Offeror accepts any responsibility or liability for the consequences of such a rejection.

(c) Depositors whose Securities Accounts are and will be credited with Offer Shares

A Depositor who already has Offer Shares standing to the credit of the "Free Balance" of his Securities Account, and who has also purchased additional Offer Shares on the SGX-ST which are in the process of being credited to his Securities Account, may accept the Offer in respect of both the Offer Shares standing to the credit of the "Free Balance" of his Securities Account as well as the additional Offer Shares purchased which are in the process of being credited to his Securities Account. The provisions set out in paragraphs 1.1(a) and 1.1(b) of this Annexure D shall apply *mutatis mutandis* to such acceptance(s) by the Depositor.

(d) General

Depositors should note that for the purposes of the acceptances referred to in paragraphs 1.1(a) and 1.1(b) of this Annexure D, they may send in the original contract statement(s) in respect of the Offer Shares purchased on the SGX-ST, provided that the "Free Balance" of their Securities Accounts is credited with the relevant number of Offer Shares within ten Market Days of the date of the relevant original contract statement(s).

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to a Depositor's Securities Account. A Depositor can verify the number of Offer Shares credited to his Securities Account by e-mail, if he has registered for the CDP e-mail service. Alternatively, a Depositor may call personally at CDP with his identity card or passport to verify the number of Offer Shares credited to his Securities Account.

The Offeror will be entitled to reject any acceptance which are not comply with the provisions and instructions contained herein and in the FAA or which are otherwise incomplete, incorrect or invalid in any respect. It is the responsibility of the accepting Depositor to ensure that the FAA is properly completed in all respects. Any decision to reject the FAA on the ground that it has been incorrectly or incompletely signed, completed or submitted will be final and binding and neither CDP, Merrill Lynch Singapore nor the Offeror accepts any responsibility or liability for the consequences of such a decision.

Except as specifically provided for in paragraph 2.4 of the Offer Letter, paragraphs 1 and 4 of this Annexure D and Section 213(10) of the Act, acceptance of the Offer is irrevocable. An acknowledgement of receipt of the FAA will be given by CDP if it is submitted by hand to CDP. No acknowledgement will be given for submissions deposited into boxes located at CDP's premises.

(d) General (continued)

All communications, notices, documents and remittances to be delivered or sent to the accepting Depositors will be sent to them by ordinary post to their respective addresses as they appear in the records of CDP at the risk of the Depositors.

In the event the Offer does become or is declared unconditional in accordance with its terms, payment will be sent to the accepting Depositor by ordinary post to his address as it appears in the records of CDP at the risk of the person entitled thereto. CDP will send a notification letter by ordinary post to the accepting Depositor, at his address as it appears in the records of CDP, at such Depositor's own risk, stating the number of Offer Shares debited from his Securities Account and the number of New UOB Shares credited to his Securities Account.

In the event the Offer does not become or is not declared unconditional in accordance with its terms, the relevant number of Offer Shares in respect of which the Depositor has accepted the Offer will be transferred to the "Free Balance" of his Securities Account as soon as possible but, in any event, not later than 14 days from the lapse of the Offer.

1.2 Procedures for acceptance of the Offer by OUB Shareholders whose Offer Shares are not deposited with CDP but are represented by share certificates

An OUB Shareholder who has not deposited his Offer Shares with CDP is entitled to receive the Offer Document together with a FAT. For any OUB Shareholder wishing to accept the Offer, he must complete and sign the accompanying FAT in accordance with the provisions of the Offer Document and the provisions and instructions printed on the FAT (which provisions and instructions shall be deemed to form part of the terms of the Offer).

The completed and duly signed FAT must be forwarded by hand or by post (in the enclosed pre-addressed envelope at the accepting OUB Shareholders' own risk) together with the relevant share certificate(s) and/or other document(s) of title and/or other relevant documents required by the Offeror, to **United Overseas Bank Limited, c/o M&C Services Private Limited, 138 Robinson Road #17-00, Hong Leong Centre, Singapore 068906, so as to arrive NOT LATER THAN 3.30 p.m. on the Closing Date.**

If an OUB Shareholder's Offer Shares are represented by share certificate(s) which are not registered in his name, the relevant share certificate(s) and/or other document(s) of title and/or other relevant documents required by the Offeror must be sent together with the FAT, accompanied by transfer form(s), duly executed by the OUB Shareholder(s) in whose name(s) such share certificate(s) are registered in and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it).

The Offeror will be entitled to reject any acceptance which does not comply with the provisions contained herein and in the FAT or (subject to the preceding paragraph) which is not accompanied by the relevant share certificate(s) and/or other document(s) of title and/or other relevant document(s) required by the Offeror, or which is otherwise not complete or valid in any respect. It is the responsibility of the accepting OUB Shareholder to ensure that the FAT is properly completed in all respects. Any decision to reject the FAT on the grounds that it has been incorrectly or incompletely signed, completed or submitted will be final and binding and neither M&C Services Private Limited, Merrill Lynch Singapore nor the Offeror accepts any responsibility or liability for the consequences of such a decision.

Except as specifically provided for in paragraph 2.4 of the Offer Letter, paragraphs 1 and 4 of this Annexure D and Section 213(10) of the Act, acceptance of the Offer is irrevocable. No acknowledgement of receipt of any FAT, share certificate(s) and/or any other document(s) including, without limitation, documents of title will be given.

All communications, notices, certificates, documents and remittances to be delivered or sent to an accepting OUB Shareholder will be sent to him (or his designated agent or, in the case of joint accepting OUB Shareholders who have not designated any agent, to the one first named in the Register of Members of OUB) by ordinary post to his address as it appears in the Register of Members of OUB at the risk of the person entitled thereto (or, for the purposes of remittances only, to such different name and address as may be specified by the accepting OUB Shareholder in the FAT and at his own risk).

1.2 Procedures for acceptance of the Offer by OUB Shareholders whose Offer Shares are not deposited with CDP but are represented by share certificates (continued)

In the event of the Offer becoming or being declared unconditional in accordance with its terms, payment will be sent to the accepting OUB Shareholder (or his designated agent or, in the case of joint accepting OUB Shareholders who have not designated any agent, to the one first named in the Register of Members of OUB) by ordinary post to his address as it appears in the Register of Members of OUB at the risk of the person entitled thereto (or to such different name and address as may be specified by the accepting OUB Shareholder in the FAT and at his own risk).

In the event of the Offer not becoming or not being declared unconditional in accordance with its terms, the FAT and other documents will be returned at the risk of the accepting OUB Shareholder by ordinary post within 14 days of the lapse of the Offer.

1.3 Procedures for acceptance of the Offer by OUB Shareholders, some of whose Offer Shares are represented by share certificates and some of whose Offer Shares are credited in Securities Accounts

OUB Shareholders who hold the share certificate(s) of some of the Offer Shares beneficially owned by them and who have deposited the rest of the Offer Shares beneficially owned by them with CDP are required to complete a FAT for the Offer Shares in respect of which they hold the share certificate(s) and a FAA for the Offer Shares which are deposited with CDP, if they wish to accept the Offer in respect of all such Offer Shares. Both the FAA and the FAT must be completed and accompanied by the relevant documents and sent to the Offeror in accordance with the respective procedures for acceptance set out above in paragraphs 1.1 and 1.2 of this Annexure D.

OUB Shareholders who hold the share certificate(s) in respect of the Offer Shares beneficially owned by them and who wish to accept the Offer must not deposit their share certificate(s) with CDP during the period commencing on the date of the Offer Document and ending on the Closing Date (both dates inclusive).

OUB Shareholders who deposit the share certificate(s) in respect of the Offer Shares beneficially owned by them with CDP during this period may not have their Securities Accounts credited with the relevant number of Offer Shares in time for them to accept the Offer.

2. Settlement

2.1 Accepting OUB Shareholders whose Securities Accounts are credited with Offer Shares

Subject to (a) the Offer becoming or being declared unconditional in all respects and (b) the receipt by the Offeror from the accepting OUB Shareholders of all documents required by it which are complete in all respects and are in accordance with the requirements set out in the Offer Document and the FAA (including, without limitation, confirmation satisfactory to the Offeror that the number of Offer Shares tendered by the accepting OUB Shareholder in acceptance of the Offer stands to the credit of the "Free Balance" of their respective Securities Accounts with CDP) at the relevant time:-

- (i) remittances in the form of cheques for the appropriate amount; and
- (ii) one or more share certificates in respect of the New UOB Shares for the appropriate number of New UOB Shares registered in the name of CDP or its nominee,

will be sent to CDP or its nominee. CDP will despatch such remittances by ordinary post to the accepting OUB Shareholders at their own risk. In addition, CDP will debit the respective Securities Accounts of the accepting OUB Shareholders with the number of Offer Shares tendered by them in acceptance of the Offer and will credit those Securities Accounts with the appropriate number of New UOB Shares as soon as possible and in any event:-

- (i) in respect of acceptances of the Offer which are complete in all respects and are received on or before the date on which the Offer becomes or is declared unconditional in all respects, within 21 days of such date; or
- (ii) in respect of acceptances of the Offer which are complete in all respects and are received after the date on which the Offer becomes or is declared unconditional in all respects, but before the Closing Date, within 21 days of the date of such receipt.

2.1 **Accepting OUB Shareholders whose Securities Accounts are credited with Offer Shares (continued)**

CDP will send by ordinary post to the accepting OUB Shareholders at their respective addresses as they appear in the records of CDP, and at their own risk, statements showing the number of Offer Shares which have been debited against their respective Securities Accounts and the number of New UOB Shares which have been credited to those Securities Accounts.

2.2 **Accepting OUB Shareholders whose Offer Shares are represented by share certificates**

Subject to (a) the Offer becoming or being declared unconditional in all respects and (b) the receipt by the Offeror from the accepting OUB Shareholders of all relevant documents required by it which are complete in all respects and are in accordance with the requirements set out in the Offer Document, the FAT and all other relevant documents (including, without limitation, the share certificates relating to the Offer Shares tendered by the accepting OUB Shareholders in acceptance of the Offer):-

- (i) remittances in the form of cheques for the appropriate amounts; and
- (ii) one or more share certificates in respect of the New UOB Shares for the appropriate number of New UOB Shares registered in the name of the accepting OUB Shareholders,

will be despatched by ordinary post to the accepting OUB Shareholders (or their designated agents, as they may direct), and at their own risk, at their respective addresses as they appear in the Register of Members of OUB (or to such different names and addresses as may be specified by the accepting OUB Shareholders in the relevant FATs), as soon as practicable and in any event:-

- (i) in respect of acceptances of the Offer which are complete in all respects and are received on or before the date on which the Offer becomes or is declared unconditional in all respects, within 21 days of such date; or
- (ii) in respect of acceptances of the Offer which are complete in all respects and are received after the date on which the Offer becomes or is declared unconditional in all respects, but before the Closing Date, within 21 days of the date of such receipt.

Share certificates in respect of the New UOB Shares will not be valid for delivery pursuant to trades done on the SGX-ST although they will constitute good evidence of legal title.

2.3 **Overseas OUB Shareholders**

OUB Shareholders who are residents of or located in jurisdictions outside Singapore or custodians or trustees for or nominees of such persons should refer to paragraph 6 of this Annexure D.

3. **Announcements**

3.1 **Announcements**

By 9.30 a.m. on the Market Day (the “**Relevant Day**”) next following the day on which the Offer is due to expire, or becomes or is declared to be unconditional in all respects, or is revised or extended (where applicable), the Offeror will announce and simultaneously inform the SGX-ST of the position. Such announcement will also state (as nearly as practicable):-

- (a) the total number of Offer Shares for which valid acceptances of the Offer have been received;
- (b) the total number of Offer Shares held by the Offeror and any party acting in concert with it in connection with the Offer prior to the commencement of the offer period (as defined in the Code); and
- (c) the total number of Offer Shares acquired or agreed to be acquired by the Offeror and any party acting in concert with it during the offer period (as so defined),

and will specify the percentages of the issued share capital of OUB (including the OUB Shares issued or to be issued pursuant to the valid exercise of the OUB Options prior to the Closing Date) represented by such numbers.

If the Offeror is unable, within the time limit, to comply with this paragraph 3.1 of this Annexure D, the SGX-ST will consider suspension of trading in OUB Shares until the relevant information is given.

3.2 Certain Definitions

In the Offer Document, references to the making of an announcement or the giving of notice by the Offeror shall include the release of an announcement by Merrill Lynch Singapore or by advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone, telex, facsimile, MASNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

In computing the number of Offer Shares represented by acceptances, the Offeror will at the time of making an announcement take into account (a) acceptances which are valid in all respects or (b) acceptances which are duly completed and accompanied by original contract statements, validly issued by a member company of the SGX-ST in the name of the accepting OUB Shareholder in respect of the purchase by the accepting OUB Shareholder of Offer Shares which are deposited with CDP (subject to the "Free Balance" of the Securities Account with CDP of the accepting OUB Shareholder being credited with the relevant number of such Offer Shares within ten Market Days of the date of the relevant original contract statement(s)).

4. Rights of Withdrawal**4.1 Acceptances Irrevocable**

Subject to paragraph 2.4 of the Offer Letter, paragraphs 1 and 4 of this Annexure D and Section 213(10) of the Act, acceptances of the Offer shall be irrevocable.

4.2 Right of Withdrawal

If, having announced the Offer to be unconditional in all respects, the Offeror fails to comply with any of the other requirements set out in paragraph 3 of this Annexure D by 3.30 p.m. on the Relevant Day, any accepting OUB Shareholder shall be entitled to withdraw his acceptance by written notice to the Offeror at its registered office. Subject to the provisions of the "Long Stop Date" section set out in paragraph 2.4 of the Offer Letter, this right of withdrawal may be terminated not less than eight days after the Relevant Day by the Offeror confirming (if that be the case) that the Offer is still unconditional in all respects and complying with paragraph 3.1 of this Annexure D. For the purposes of the sub-paragraph titled "Further Period for Acceptance" set out in paragraph 2.4 of the Offer Letter, the period of 14 days first referred to therein will run from the date of such confirmation.

4.3 Further Right of Withdrawal

An accepting OUB Shareholder shall be entitled to withdraw his acceptance by written notice to the Offeror at its registered office after the expiry of 21 days from the first closing date of the Offer, if the Offer has not by such expiry date become or been declared unconditional in all respects; such entitlement to withdraw shall be exercisable until such time as the Offer becomes or is declared unconditional in all respects.

5. The OUB Options Proposal

Under the rules of the OUB Options Schemes, the OUB Options are not transferable by the OUB Optionholders. In view of this restriction, the Offeror will not make an offer to acquire the OUB Options (although, for the avoidance of doubt, the Offer will be extended to all new OUB Shares unconditionally issued or to be issued prior to the Closing Date pursuant to the valid exercise of the OUB Options). The Offeror will instead propose, subject to:-

- (i) the Offer becoming or being declared unconditional in all respects; and
- (ii) the relevant OUB Options continuing to be exercisable into new OUB Shares,

5. The OUB Options Proposal (continued)

to pay to an OUB Optionholder a cash amount determined in accordance with the OUB Options Proposal (briefly described in this paragraph) (the “**OUB Option Price**”) in consideration of such OUB Optionholder agreeing:-

- (a) not to exercise all or any of the OUB Options held by him in relation to his acceptance of the OUB Options Proposal (the “**Relevant OUB Options**”) into new OUB Shares; and
- (b) not to exercise all or any of his other rights as holder of the Relevant OUB Options,

in each case from the date of his acceptance of the OUB Options Proposal to the respective dates of expiry of the respective Relevant OUB Options. Further, if the Offer becomes or is declared unconditional in all respects, an OUB Optionholder who has accepted the OUB Options Proposal will also be required to surrender all of the Relevant OUB Options held by him for cancellation. If the Offer lapses or is withdrawn or if the Relevant OUB Options cease to be exercisable into new OUB Shares, the OUB Options Proposal will lapse accordingly.

The OUB Option Price is computed on a “see-through basis”. In other words, the OUB Option Price in relation to any OUB Option is the difference between:-

- (a) the implied offer price for each Offer Share under the Offer as of the date of the Announcement; and
- (b) the exercise price per OUB Share under the Relevant OUB Option concerned.

The implied offer price for each Offer Share under the Offer as of the date of the Announcement is equal to:-

$$S\$(A \times 0.52) + S\$4.02 = S\$10.00$$

Where “**A**” is S\$11.50, being the last transacted price of UOB Shares on the SGX-ST on the day preceding the date of the Announcement.

A separate letter setting out more fully the OUB Options Proposal made by the Offeror to the OUB Optionholders has been sent to them on the same day as the despatch of the Offer Document.

For the avoidance of doubt, whilst the OUB Options Proposal is conditional upon the Offer becoming or being declared unconditional in all respects, the Offer will not be conditional upon acceptances received in relation to the OUB Options Proposal. The Offer and the OUB Options Proposal are separate and are mutually exclusive. The OUB Options Proposal does not form part of the Offer, and *vice versa*.

Without prejudice to the generality of the foregoing, if an OUB Optionholder exercises his OUB Options in order to accept the Offer in respect of the new OUB Shares to be issued pursuant to such exercise, he may not accept the OUB Options Proposal in respect of such OUB Options. Conversely, if an OUB Optionholder wishes to accept the OUB Options Proposal in respect of his OUB Options, he may not exercise those OUB Options in order to accept the Offer in respect of the new OUB Shares to be issued pursuant to such exercise.

6. Overseas OUB Shareholders

- 6.1 The distribution of the Offer Document to OUB Shareholders who are residents of or located in jurisdictions outside Singapore or to persons who are custodians or trustees for or nominees of, such persons, may be prohibited or affected by the laws of the relevant overseas jurisdictions. Such persons should inform themselves about and observe any applicable legal requirements of such jurisdictions. It is the responsibility of any such person wishing to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents, which may be required or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdictions. Any such person will be responsible for any such issue, transfer or other taxes or other requisite payments by whomsoever payable and the Offeror and Merrill Lynch Singapore and any person acting on their behalf shall be fully indemnified and held harmless by such person for any such issue, transfer or other taxes as the Offeror and Merrill Lynch Singapore may be required to pay.

6. Overseas OUB Shareholders (continued)

6.2 It is currently not intended that the Offer will be made in or into, and the Offer is not capable of acceptance in or from, Australia, Canada, Japan, Malaysia, the United Kingdom or any other jurisdiction in or from which the making of the Offer is prohibited or affected by the laws of that jurisdiction. In addition, it is not currently intended that the Offer will be made, directly or indirectly, in or into or by use of mail or any means or instrumentality (including without limitation, by means of facsimile or electronic transmission, telephone or Internet) of interstate or foreign commerce of or any facilities of a securities exchange of, or in or into, the United States and it is not currently intended that the Offer will be capable of acceptance by any such use, means, instrumentality or facilities in or from the United States. Persons receiving the Offer Document (including, without limitation, custodians, nominees and trustees) should observe these restrictions and should not send or distribute them in, into or from such jurisdictions, and so doing may render invalid any related purported acceptance of the Offer. Persons wishing to accept the Offer should not use the mails or any means or instrumentality (including, without limitation, by means of facsimile or electronic transmission, telephone or Internet) of interstate or foreign commerce of or any facilities of a securities exchange of, or in or into, the United States for any purpose, directly or indirectly, relating to acceptance of the Offer.

6.3 The Offeror reserves the right not to treat an acceptance of the Offer as valid in respect of an accepting OUB Shareholder if he is a resident of or located in a jurisdiction outside Singapore or a custodian or trustee for or nominee of such person.

The Offeror reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the warranty set out in paragraph 2.3 of the Offer Letter could have been truthfully given and, if such investigation is made and as a result the Offeror determines (for any reason) that such representation and warranty could not have been so given, such acceptance may be rejected as invalid.

6.4 If, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the FAA or the FAT or any related document in, into or from the United States or uses the mails or any means or instrumentality (including, without limitation, by means of facsimile or electronic transmission, telephone or Internet) of interstate or foreign commerce of or any facilities of a securities exchange of the United States in connection with such forwarding, such person should (i) inform the recipient of such fact; (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and (iii) draw the attention of the recipient to this paragraph 6.

6.5 The Offeror and Merrill Lynch Singapore each reserve the right to notify any matter, including the fact that the Offer has been made, to all or any OUB Shareholders:

- (i) with a registered address outside Singapore; or
- (ii) whom the Offeror knows to be a custodian, trustee or nominee holding OUB Shares for persons who are residents of or located in jurisdictions outside Singapore,

by announcement or by paid advertisement in one or more daily newspapers published and circulated in Singapore in which event such notice shall be deemed to have been sufficiently given, notwithstanding any failure by any such OUB Shareholder to receive or see such notice and all references in this document to notice or the provision of information in writing by or on behalf of the Offeror shall be construed accordingly.

6.6 Notwithstanding paragraph 6.2 of this Annexure D, if the Offeror receives a duly completed and valid FAA or FAT from an OUB Shareholder resident of or located in a jurisdiction outside Singapore, and the issue of New UOB Shares to that OUB Shareholder is prohibited under the laws of such jurisdiction, but the Offeror determines after the date of the Offer Document that the distribution of cash in lieu of such New UOB Shares to or for the benefit of such OUB Shareholder is not prohibited, the Offeror may at its sole discretion:

- (i) arrange for the allotment to a nominee of the number of New UOB Shares to be issued in accordance with the Offer to which that OUB Shareholder would otherwise have been entitled;
- (ii) cause that nominee to sell such New UOB Shares in such a manner, at such price and on such other terms and conditions as are determined by the nominee; and
- (iii) pay (together with the Cash Consideration due to that OUB Shareholder pursuant to the Offer) to such OUB Shareholder the proceeds of sale remaining after deducting from the proceeds of sale by the nominee the expenses of the sale.

6. Overseas OUB Shareholders (continued)

- 6.7 The provisions of this paragraph 6 override any terms of the Offer inconsistent with them. The provisions of this paragraph 6 and/or any other terms of the Offer relating to OUB Shareholders who are not residents of or located in Singapore may be waived, varied or modified as regards specific OUB Shareholders or on a general basis by the Offeror in its absolute discretion. References to an OUB Shareholder in this paragraph 6 and in paragraph 2.3 of the Offer Letter shall mean:
- (i) the person or persons executing a FAA or FAT (jointly and individually) if such person or persons is/are not acting as a custodian or trustee for or nominee of any person or persons; and
 - (ii) such other person or persons (jointly and individually) if the person or persons executing a FAA or FAT is/are acting as a custodian or trustee for or nominee of another person or persons.
- 6.8 Overseas OUB Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position you should consult your professional adviser in the relevant jurisdiction.

ADDITIONAL INFORMATION ON UOB

1. INFORMATION ON UOB

(a) Directors

The names, addresses and descriptions of all the Directors as of the Latest Practicable Date are as follows:

Name	Address	Description
Wee Cho Yaw	2 Jalan Asuhan Singapore 299323	Chairman and Chief Executive Officer
Wee Ee Cheong	5 Camden Park Singapore 299795	Deputy Chairman and President
Koh Beng Seng	1A Surrey Road #09-00 Star Mansions Singapore 307741	Deputy President
Ho Sim Guan	47 Ridout Road Singapore 248445	Director
Ernest Wong Yuen Weng	50 Draycott Park #12-01 The Draycott Singapore 259396	Director
Wong Meng Meng	6A Rochalie Drive Singapore 248236	Director
John C Dean Jr	302 Old La Honda Road Woodside CA 94062 United States of America	Director
Sim Wong Hoo	5 Chestnut Terrace Singapore 679123	Director
Philip Yeo Liat Kok	55 West Coast Park Singapore 127662	Director
Dr Cham Tao Soon	10 First Avenue Singapore 268745	Director

(b) Principal Activities and Share Capital

UOB is a banking corporation which carries on the business of banking and finance in Singapore under a banking licence granted by the MAS.

As of December 31, 2000, UOB has an authorised share capital of S\$2,000,000,000 divided into 2,000,000,000 ordinary shares of S\$1.00 each. The Offeror has convened an EGM to be held on July 26, 2001, at which, *inter alia*, a resolution will be tabled for UOB Shareholders to consider and approve the increase of UOB's authorised share capital to S\$3,000,000,000 divided into 3,000,000,000 ordinary shares of S\$1.00 each.

As of the Latest Practicable Date, 1,052,798,831 ordinary shares of S\$1.00 each in the capital of the Offeror has been issued and are fully paid-up.

As of the Latest Practicable Date, there are 3,165,000 UOB Options granted under the UOB Executive Share Option Scheme and the UOB 1999 Share Option Scheme to subscribe for 3,165,000 new UOB Shares.

(c) Financial Summary

A summary of the consolidated income statements of the UOB Group for the last three financial years is set out below. Further details can be found in Annexure B.

(In S\$ million unless otherwise stated)	For the financial years ended December 31,		
	1998 ¹	1999	2000
Income before operating expenses	1,715	1,788	1,905
Operating profit before provisions	1,148	1,207	1,154
Provisions for possible loan losses and diminution in value of other assets	654	253	93
Profit before tax	483	1,026	1,186
Net profit attributable to UOB Shareholders	332	760	913
Earnings per share before tax (cents) ²			
– Basic	46	98	113
– Diluted	46	98	113
Earnings per share after tax (cents) ²			
– Basic	32	72	87
– Diluted	32	72	87
Dividends per share, gross (cents)	18	45	40
Net tangible asset backing per share (S\$) ²	5.62	5.89	6.43

Notes:

- ¹ Equity accounting was adopted from 1999 with 1998 comparatives re-stated to take into account the effect of equity accounting.
- ² Earnings per share and net tangible asset backing per share for 1998 have been adjusted for the bonus issue in 1999.

(d) Statement of Assets and Liabilities

A summary of the assets and liabilities of the UOB Group for the last three financial years is set out below. Further details can be found in Annexure B.

(S\$ million)	As of December 31,		
	1998 ¹	1999	2000
Capital issued and fully paid	995	1,052	1,052
Total shareholders' funds	5,878	6,191	6,770
Total assets	50,963	56,774	66,324
Placements and balances with banks and agents	11,466	16,385	23,609
Loans to customers including bills (net of provisions)	27,653	27,259	30,045
Total deposits	42,622	47,207	56,837

Note:

- ¹ Equity accounting was adopted from 1999 with 1998 comparatives re-stated to take into account the effect of equity accounting.

(e) Material Changes in Financial Position

As of the Latest Practicable Date, save as disclosed in the Offer Document and save for the information on the Offeror that is publicly available (including that contained in the annual report and financial statements of the Offeror for the financial year ended December 31, 2000), there has been no material change in the financial position of the Offeror since December 31, 2000, being the date of the last balance sheet of the Offeror laid before UOB Shareholders in general meeting.

(f) Registered Office

The registered office of UOB is at 80 Raffles Place, UOB Plaza, Singapore 048624.

2. SHAREHOLDINGS IN UOB AND OUB**2.1 Holdings and Dealings in UOB Shares as of the Latest Practicable Date****(a) Holdings of UOB Shares***(i) Substantial Shareholders*

	Direct Interest	Indirect Interest	Total	
	No. of Shares	No. of Shares	No. of Shares	%
Haw Par Corporation Ltd	Nil	62,882,816	62,882,816	5.97
Ho Sim Guan	5,565,142	**70,721,237	76,286,379	7.25
Tai Tak Estates Sdn Bhd	67,445,739	Nil	67,445,739	6.41
United Overseas Land Ltd	Nil	65,841,115	65,841,115	6.25
Wee Cho Yaw	16,390,248	*143,466,741	159,856,989	15.18
Wee Ee Cheong	2,774,899	*143,551,011	146,325,910	13.90
Wee Ee Chao	141,164	114,402,020	114,543,184	10.88
Wee Ee Lim	1,848,357	*143,342,235	145,190,592	13.79
Wee Investments Pte Ltd	109,780,071	1,299,971	111,080,042	10.55

* Wee Cho Yaw, Wee Ee Cheong, Wee Ee Chao and Wee Ee Lim are deemed to have an interest in 111,080,042 UOB Shares held by Wee Investments Pte Ltd.

** Ho Sim Guan is deemed to have an interest in 67,445,739 shares held by Tai Tak Estates Sdn Bhd.

(ii) Directors of the UOB Group (including their close relatives)

As of the Latest Practicable Date, the beneficial interests in UOB Shares of the directors of the UOB Group (including those of their close relatives) are as follow:-

Directors	No. of UOB Shares		
	Direct	Deemed	UOB Option
Ajeep Rassidi Bin Othman	Nil	Nil	6,000
Aw Tee Woo	Nil	Nil	20,000
Cham Tao Soon Dr	Nil	2,520	Nil
Chan Chee Kwong Bernard	Nil	Nil	1,000
Chan Choong Seng Daniel	15,059	Nil	53,000
Chan Kok Seong	Nil	Nil	10,000
Chan Mun Wai David	3,000	Nil	Nil
Chan Tze Leung Robert	20,705	Nil	60,000
Chan Vivien	600	2,000	40,000
Chen Seow Chan Joseph	19,000	630	100,000
Chen Ting Chang	250,835	Nil	Nil
Cheng Min Jih	Nil	Nil	2,000
Cheong Shin Keat Philip	5,100	Nil	5,000
Chua Hwee Pheng Iris	8,400	11,130	30,000
Chua Kim Hay	8,000	Nil	8,000
Chua Teng Hui	Nil	Nil	46,000
Chua Tian Teck ⁽¹⁾	3,000	Nil	Nil
Foo Kee Yee	Nil	Nil	22,000
Gan Hui Beng	Nil	Nil	8,000

<i>Directors</i>	<i>No. of UOB Shares</i>		
	Direct	Deemed	UOB Option
Goh Peng Siang	17,520	Nil	8,000
Heng Cher Joo	Nil	Nil	29,000
Ho Cheok Cheng Alan	Nil	Nil	8,000
Ho Sim Guan	5,565,142	70,978,684	Nil
Ho Sin Kheong	Nil	Nil	30,000
Ho Thian Sun Danny	6,300	Nil	20,000
Hwee Wai Cheng Susan	1,000	Nil	Nil
Khoo Kah Nan	3,151	Nil	13,000
Kuek Tong Au	Nil	Nil	60,000
Kwok Chong See Raymond	373	1,927	Nil
Lee Chin Chuan	Nil	59,614	Nil
Lee Chin Yong Francis	22,000	Nil	65,000
Lee Kang Hai Michael	2,000	Nil	10,000
Lee Kim Soon	Nil	Nil	22,000
Lee Swee Kiat Raymond	5,456	Nil	25,000
Lee Voon Seng	Nil	Nil	18,000
Lee Wai Fai	43,680	Nil	36,000
Lim Cheng Aun Ronald	8,383	1,685	40,000
Lim Kean Chye	117	Nil	Nil
Lim Say Tai	8,650	Nil	20,000
Lim Tee Kian	Nil	Nil	6,000
Lim Tian Pher James	3,000	Nil	6,000
Lin Kok Hoi	3,000	Nil	15,000
Lim Yeo Guat ⁽²⁾	3,565	Nil	Nil
Muneerah Bux	2,100	Nil	6,000
Neo Chin Sang	Nil	Nil	16,000
Neo Khay Pin	51,251	Nil	58,000
Ng Kee Wei	447,582	Nil	Nil
Ng Ling Tee	Nil	Nil	20,000
Ong Sea Eng Terence	720	3,420	75,000
Poon Hon Thang Samuel	Nil	Nil	90,000
Quek Cher Teck	4,250	Nil	30,000
Seah Kian Wee	Nil	Nil	8,000
Sim Puay Suang	5,000	Nil	50,000
Tan Deng Lang	11,034	1,061,123	11,000
Tan Tor Cher John	50	Nil	6,000
Tan Yip Hean	1,150	Nil	8,000
Tang Poon Wing	Nil	Nil	11,000
Tang See Chim	63,206	45,421	Nil
Tey Swee Nai Nancy	Nil	Nil	38,000
Wang Lian Khee	294	Nil	20,000
Wee Cho Yaw	16,390,248	*146,215,326	Nil
Wee Ee Cheong	2,774,899	*143,584,731	Nil
Wong Chung Fatt ⁽³⁾	1,000	Nil	Nil
Wong Kim Choong	15,000	Nil	20,000
Wong Kwong Yew	Nil	Nil	12,000
Wong Lup Khei	2,100	Nil	5,000
Wong Yuen Weng Ernest	70,000	Nil	Nil
Yee Wah Kok @ Wah Kow	Nil	Nil	14,000
Yeo Eng Cheong	500	Nil	50,000
Yoong Yan Pin	672	Nil	Nil
Yung Kin-Man Kevin	150	Nil	17,000
Wee Ee Chao ⁽⁴⁾	141,164	*114,402,020	Nil
Wee Ee Lim ⁽⁴⁾	1,848,357	*143,342,235	Nil
Wee Wei Ling ⁽⁴⁾	1,061,123	Nil	Nil
Wee Wei Chi ⁽⁴⁾	1,078,244	Nil	Nil
Wee Bee Ngo ⁽⁴⁾	286,716	Nil	Nil
Wee Bee Hoon ⁽⁴⁾	416,023	Nil	Nil
Ho Han Leong Calvin ⁽⁵⁾	1,157,100	Nil	Nil
Ho Han Siong Christopher ⁽⁵⁾	352,690	Nil	Nil

Directors	No. of UOB Shares		
	Direct	Deemed	UOB Option
Ho Han Keng ⁽⁵⁾	176,416	Nil	Nil
Ho Han Seng ⁽⁵⁾	180,337	Nil	Nil
Ho Chui Hong Serene ⁽⁵⁾	141,019	Nil	Nil
Ho Chui Luan Sheila ⁽⁵⁾	219,240	Nil	Nil
Ho Sim Keng ⁽⁵⁾	2,565,558	Nil	Nil
Ho Poh Kim ⁽⁵⁾	529,567	Nil	Nil
Ho Sim Lim ⁽⁵⁾	249,650	Nil	Nil
Ho Poh Geok ⁽⁵⁾	279,311	Nil	Nil
Ho Poh Tin ⁽⁵⁾	174,547	Nil	Nil
Ho Poh Lim ⁽⁵⁾	240,713	Nil	Nil
Ho Sim Hong ⁽⁵⁾	58,290	Nil	Nil
Ho Sim Moh ⁽⁵⁾	399	Nil	Nil
Estate of Ong Gek Hin @ Ong Yi Hsing <i>deceased</i> ⁽⁶⁾	5,572	Nil	Nil
Lee Swan Bee ⁽⁷⁾	4,270	Nil	Nil
Chan Choong Chor ⁽⁸⁾	1,000	Nil	Nil
Tan Shin Ying ⁽⁹⁾	2,400	Nil	Nil

* Wee Cho Yaw, Wee Ee Cheong, Wee Ee Chao and Wee Ee Lim are deemed to have an interest in 111,080,042 shares held by Wee Investments Pte Ltd.

- (1) Close relative of Chua Kim Hay.
(2) Close relative of Lim Tee Kian.
(3) Close relative of Wong Yuen Weng Ernest.
(4) Close relatives of Wee Cho Yaw & Wee Ee Cheong.
(5) Close relatives of Ho Sim Guan.
(6) Close relative of Ong Chu Meng.
(7) Close relative of Ong Sea Eng Terence.
(8) Close relative of Daniel Chan Choong Seng.
(9) Close relative of Tan Deng Lang.

(iii) *Deemed Concert Parties*

As of the Latest Practicable Date, the beneficial interests in UOB Shares of the parties deemed to be acting in concert with the Offeror (other than the directors of the UOB Group and their close relatives) are as follows⁽¹⁾:-

	Direct	Deemed
Haw Par Corporation Ltd	Nil	62,882,816
United Overseas Land Ltd	Nil	65,841,115
United International Securities Ltd	Nil	3,150,926
Singapore Consortium Investment Management Ltd – Singapore Index Fund	Nil	945,000

- (1) Further disclosures of the beneficial interests in UOB Shares of the parties deemed to be acting in concert with the Offeror will be announced from time to time.

(b) Dealings in UOB Shares*(i) UOB Group*

Nil.

(ii) Directors of the UOB Group (including their close relatives)

During the Reference Period and up to and ending on the Latest Practicable Date, the dealings in UOB Shares of the directors of the UOB Group (including those of their close relatives) are as follows:

Name	Date	Nature of Transaction	Number of shares	Transaction (\$\$) Price per share
Chan Chong Seng Daniel	30.3.2001	Sell	5,000	12.54
Lee Swee Kiat Raymond	28.3.201	Sell	4,000	12.70
Lee Wai Fai	30.3.2001	Sell	3,000	12.60
Ong Sea Eng Terence	12.4.2001	Buy	3,000	11.40
– Bank of East Asia Nominees				
Tan Deng Lang	28.3.2001	Sell	5,000	12.70
Tan Deng Lang	12.4.2001	Buy	3,000	11.30
Tan Deng Lang	17.4.2001	Buy	2,000	10.90
Tan Deng Lang	24.4.2001	Sell	3,000	11.90
Tan Deng Lang	25.4.2001	Sell	2,000	12.20
Tan Deng Lang	10.5.2001	Buy	2,000	11.10
Wee Wei Ling	28.3.2001	Sell	10,000	12.70
Wee Wei Ling	30.3.2001	Sell	10,000	12.70
Wee Wei Ling	11.4.2001	Buy	10,000	11.70
Wee Wei Ling	12.4.2001	Buy	20,000	11.375
Wee Wei Ling	17.4.2001	Buy	1,000	10.90
Wee Wei Ling	25.4.2001	Sell	11,000	12.20
Yung Kin-Man Kevin	13.6.2001	Sell	3,000	11.80

(iii) Deemed Concert Parties

During the Reference Period and up to and ending on the Latest Practicable Date, the dealings in UOB Shares of the parties deemed to be acting in concert with the Offeror (other than the directors of the UOB Group and their close relatives) are as follows⁽¹⁾:-

Name	Date	Nature of Transaction	Number of shares	Transaction (\$\$) Price per share
United International Securities Ltd	27.3.2001	Sell	50,000	12.23
United International Securities Ltd	28.3.2001	Sell	25,000	12.556
United International Securities Ltd	30.3.2001	Sell	50,000	12.50
United International Securities Ltd	5.4.2001	Sell	25,000	12.70

⁽¹⁾ Further disclosures of the dealings in UOB Shares of the parties deemed to be acting in concert with the Offeror will be announced from time to time.

2.2 Holdings and Dealings in OUB Shares as of the Latest Practicable Date.

(a) Holdings of OUB Shares

(i) UOB Group

As of the Latest Practicable Date, the UOB Group's beneficial interests in OUB Shares are as follows:-

	No. of OUB Shares	
	Direct	Deemed
UOB Life Assurance Limited	Nil	600,000
United Overseas Insurance Limited	Nil	20,000

(ii) Directors of the UOB Group and its Associated Companies (including their close relatives)

As of the Latest Practicable Date, the beneficial interests in OUB Shares of the directors of the UOB Group and its Associated Companies (including those of their close relatives) are as follows:-

Directors	No. of OUB Shares	
	Direct	Deemed
Bastari Irwan	5,000	Nil
Cham Tao Soon	Nil	6,260
Chan Choong Chor ⁽¹⁾	9,000	Nil
Chan Mun Wai David	5,000	Nil
Chan Vivien	Nil	24,000
Chen Ting Chang	74,576	121,275
Chen Rosy ⁽²⁾	59,866	Nil
Chen Yieh ⁽²⁾	138,600	Nil
Chong Tjee Teng Nicholas	89,752	Nil
	669,512	
	(OUB Options)	
Chua Eng Him	21,000	Nil
Chua Hwee Pheng Iris	7,250	Nil
Chua Teng Hui	6,000	Nil
Chua Tian Teck ⁽³⁾	2,000	Nil
Chung Boon Cheow	Nil	2,887
Gan Hui Beng	2,000	Nil
Goh Mui Hong	39,819	Nil
	190,013	
	(OUB Options)	
Han Ah Kuan	Nil	2,411
Ho Poh Geok	1,000	Nil
Koh Raymond ⁽⁴⁾	3,811	Nil
Kuo How Nam	16,075	Nil
Lai Teck Poh	25,000	Nil
Lee Chin Chuan	Nil	64,312
Lee Swee Kiat Raymond	4,000	Nil
Ong Sea Eng	2,000	8,000
Ong Yi Ying ⁽⁵⁾	3,618	Nil
Ow Che Noong Victor	1,550	Nil
Peng Chung Mien	5,000	Nil
Phua Charlie	Nil	2,000
Soh Kim Soon	50,000	10,000
Tan Leong Teck	Nil	2,000
Tang See Chim	5,000	21,432
Tang Wee Loke	110,000	30,000
Tey Swee Nai Nancy	8,000	Nil
Wang Lian Khee	5,000	Nil

Directors	No. of OUB Shares	
	Direct	Deemed
Wee Bee Ngo	8,099	Nil
Wee Ee Cheong	Nil	1,000
Wee Tew Lim	10,000	11,587
Wong Hong Ching	Nil	5,000
Wong Suk Chun	1,142	Nil

(1) Close relative of Chan Choong Seng Daniel.

(2) Close relatives of Chen Ting Chang.

(3) Close relative of Chua Kim Hay.

(4) Close relative of Koh Beng Seng.

(5) Close relative of Ong Chu Meng.

(iii) *Deemed Concert Parties*

As of the Latest Practicable Date, the beneficial interests in OUB Shares of the parties deemed to be acting in concert with the Offeror (other than the directors of the UOB Group and its Associated Companies and their close relatives) are as follows:-

	No. of OUB Shares	
	Direct	Deemed
UOB Kay Hian Opportunities Fund Pte Ltd	161,000	Nil
Singapore Consortium Investment Management Ltd	964,000	Nil

(b) *Dealings of OUB Shares*

(i) *UOB Group*

During the Reference Period and up to and ending on the Latest Practicable Date, the UOB Group had not dealt in OUB Shares.

(ii) *Directors of the UOB Group and its Associated Companies (including their close relatives)*

During the Reference Period and up to and ending on the Latest Practicable Date, the dealings in OUB Shares of the directors of the UOB Group and its Associated Companies (and those of their close relatives) are as follows:-

Name	Date	Nature of Transaction	Number of shares	Transaction Price per share (\$)
Ang Keng How ⁽¹⁾	14.5.2001	Buy	5,000	6.94
Ang Keng How ⁽¹⁾	22.5.2001	Sell	15,000	7.19
Choo Choon Hong ⁽²⁾	2.7.2001	Sell	1,000	9.75
Choo Choon Hong ⁽²⁾	25.6.2001	Sell	1,000	9.10
Chua Hwee Pheng Iris	22.6.2001	Sell	2,000	8.85
Chua Hwee Pheng Iris	27.6.2001	Sell	2,000	9.30
Fong Cheng Kee	2.7.2001	Buy	15,000	9.75
Goh Mui Hong	17.7.2001	Sell	39,000	9.45
Hee Geok Lin ⁽³⁾	13.6.2001	Sell	3,000	7.60
Ho Sim Guan	9.4.2001	Buy	12,000	6.15
Ho Sim Guan	27.4.2001	Sell	9,000	7.10
Ho Sim Guan	22.6.2001	Sell	3,000	8.95
Hwang Soo Jin	26.6.2001	Sell	10,000	9.10
Lee Swee Kiat Raymond	28.3.2001	Buy	8,000	6.55
Lee Swee Kiat Raymond	21.6.2001	Sell	4,000	8.15
Lim Cheng Aun Ronald	13.6.2001	Sell	2,000	7.60
Low Yin Leng	24.4.2001	Sell	1,000	6.80
Low Yin Leng	25.6.2001	Sell	1,000	9.05
Ow Kum Fei	2.4.2001	Buy	2,000	6.25

Name	Date	Nature of Transaction	Number of shares	Transaction Price per share (\$)
Ow Kum Fei	9.4.2001	Buy	2,000	6.10
Ow Kum Fei	10.4.2001	Buy	1,000	6.10
Ow Kum Fei	19.4.2001	Sell	5,000	6.70
Peng Chung Mien	3.4.2001	Buy	2,000	6.05
Peng Chung Mien	10.4.2001	Sell	2,000	6.50
Poon Thin Yien	25.6.2001	Buy	1,000	8.90
Poon Thin Yien	28.6.2001	Sell	1,000	9.35
Soh Kim Soon	28.3.2001	Buy	10,000	6.40
Soh Kim Soon	29.3.2001	Buy	10,000	6.05
Soh Kim Soon	30.3.2001	Sell	10,000	6.30
Soh Kim Soon	26.4.2001	Sell	10,000	7.00
Soh Kim Soon	19.6.2001	Sell	10,000	8.20
Soh Kim Soon	22.6.2001	Sell	10,000	9.00
Tan Tor Cher John	23.4.2001	Sell	1,000	6.70
Wee Eng Chye	30.4.2001	Buy	2,000	7.10
Wee Eng Chye	5.6.2001	Sell	2,000	7.70

- (1) Close relative of Chua Poh Geok, a director of an Associated Company of UOB.
- (2) Close relative of Han Ah Kuan, a director of an Associated Company of UOB.
- (3) Close relative of Chua Eng Him, a director of an Associated Company of UOB.

(iii) *Deemed Concert Parties*

During the Reference Period and up to and ending on the Latest Practicable Date, the dealings in OUB Shares of the parties deemed to be acting in concert with the Offeror (other than the directors of the UOB Group and its Associated Companies and their close relatives) are as follows:-

Name	Date	Nature of Transaction	Number of shares	Transaction Price per share (\$)
UOB Kay Hian Opportunities Fund Pte Ltd	25.6.2001	Buy	10,000	8.95
UOB Kay Hian Opportunities Fund Pte Ltd	26.6.2001	Buy	191,000	9.0974
UOB Kay Hian Opportunities Fund Pte Ltd	17.7.2001	Sell	40,000	9.35
Singapore Consortium Investment Management Ltd	18.05.2001	Buy	26,000	6.8693
UOB Kay Hian Pte Ltd	2.7.2001	Sell	3,000	9.70
UOB Kay Hian Pte Ltd	17.7.2001	Sell	60,000	9.35

2.3 Holdings of and Dealings in UOB Shares and OUB Shares by OUB Shareholders who have given Irrevocable Undertakings to Accept the Offer

- (a) As of the Latest Practicable Date, Wah Hin, OUE and OUI do not have any beneficial interest in UOB Shares.
- (b) As of the Latest Practicable Date, the beneficial interests in OUB Shares of parties who, prior to the posting of this Offer Document, have given irrevocable undertakings to accept the Offer, are as follows:-

OUB Shares

<i>Name of parties</i>	<i>No. of UOB Shares</i>	
	Direct	Deemed
Wah Hin & Co. (Pte.) Ltd.	156,195,715	—
Overseas Union Enterprises Limited	92,957,171	—
Overseas Union Insurance Limited	13,459,214	—

- (c) During the Reference Period and up to and ending on the Latest Practicable Date, Wah Hin, OUE and OUI did not deal in UOB Shares and OUB Shares.

3. ISSUE OF REGULATORY CAPITAL

The Offeror currently proposes to issue up to approximately S\$3,200 million of regulatory capital either in the form of Upper Tier 2 subordinated notes or alternative capital securities to strengthen the Offeror's capital structure after the completion of the Offer.

ADDITIONAL INFORMATION ON OUB

1. INFORMATION ON OUB

(a) Directors

The names, addresses and descriptions of all the directors of OUB as of the Latest Practicable Date are as follows:

Name	Address	Description
Lee Hee Seng	103 Gallop Park Road Singapore 258997	Group Chairman.
Peter Seah Lim Huat	45 Binjai Park Singapore 589845	Vice-Chairman and Chief Executive Officer.
Tan Kok Quan	12 Bishopsgate Singapore 249984	Lawyer.
Professor Lim Pin	2 Jalan Harum Singapore 268476	University Professor, Department of Medicine, National University of Singapore.
Dr Andrew Chew Guan Khuan	3 Jalan Tanah Puteh Singapore 457329	Chairman, Public Service Commission.
Mrs Margaret Lien Wen Hsien	"E" Holland Park Singapore 249472	Company Director.
Ngiam Tong Dow	4 Chestnut Avenue Singapore 679490	Chairman, Housing & Development Board. Chairman, Central Provident Fund Board.
Ng Boon Yew	24 Fernhill Crescent Singapore 259178	Certified Public Accountant.

(b) Principal Activities and Share Capital

A brief description of the principal activities of OUB is set out at paragraph 7 of the Offer Letter.

Based on OUB's annual report for the year 2000, OUB has an authorised share capital of S\$2,000,000,000 divided into 2,000,000,000 ordinary shares of S\$1.00 each of which 993,535,000 ordinary shares of S\$1.00 each has been issued and are fully paid-up.

(c) Financial Summary

A summary of the consolidated income statements of the OUB Group for the last three financial years is set out below. Further details can be found in Annexure B.

(In S\$ million unless otherwise stated)	For the financial years ended December 31,		
	1998 ¹	1999	2000
Income before operating expenses	1,088	1,209	1,276
Operating profit before provisions	701	772	790
Provisions for possible loan losses and diminution in value of other assets	472	211	123
Profit before tax	243	606	720
Net profit attributable to members	177	450	545
Earnings per share before tax (cents) ²			
– Basic	25	62	73
– Diluted	25	61	72
Earnings per share after tax (cents) ²			
– Basic	18	46	55
– Diluted	18	46	55
Dividends per share, gross (cents)	15	17	20
Net tangible asset backing per share (S\$) ²	4.41	4.76	5.19

Notes:

- Equity accounting was adopted from 1999 with 1998 comparatives re-stated to take into account the effect of equity accounting.*
- Earnings per share and net tangible asset backing per share for 1998 have been adjusted for the bonus issue in 1999.*

(d) Statement of Assets and Liabilities

A summary of the assets and liabilities of the OUB Group for the last three financial years is set out below. Further details can be found in Annexure B.

(\$ million)	As of December 31,		
	1998 ¹	1999	2000
Capital issued and fully paid	817	991	994
Total shareholders' funds	4,307	4,721	5,161
Total assets	43,472	39,372	46,603
Placements with and loans to banks	13,128	7,043	9,394
Loans to customers including bills (net of provisions)	23,966	25,004	28,575
Total deposits	37,608	32,876	39,799

Note:

- Equity accounting was adopted from 1999 with 1998 comparatives re-stated to take into account the effect of equity accounting.*

(e) Material Changes in Financial Position

As of the Latest Practicable Date, save as disclosed in the Offer Document and save for the information on OUB that is publicly available (including that contained in the annual report and accounts of the OUB Group for the financial year ended December 31, 2000), to the best of the knowledge and belief of the Offeror and the Directors, there has been no material change in the financial position of OUB since December 31, 2000, being the date of the last balance sheet of OUB laid before OUB Shareholders in general meeting.

(f) OUB Options

Subject to the rules of the OUB Share Option Scheme 1995 (“**OUB 1995 ESOS**”):

- (i) An OUB Option may be granted to a full-time employee in the corporate grade of or equivalent to Assistant Vice President and above of OUB or its wholly-owned subsidiary and any executive director of OUB who is eligible to participate (the “**Grantee**”).
- (ii) The OUB Options are exercisable during the Option Period (as defined below). For the purposes of the OUB 1995 ESOS, “**Option Period**” is defined as the period commencing 12 months from the date when an offer is made to the Grantee to participate in the OUB 1995 ESOS (the “**Offering Date**”) and expiring at the end of 60 months from the Offering Date. However, in the case of a Grantee with less than twelve months of service, the Option Period shall commence 24 months from the Offering Date and expire at the end of 60 months from the Offering Date.

Subject to the rules of the OUB Share Option Scheme 2001 (“**OUB 2001 ESOS**”):

- (i) An OUB Option may be granted to an employee holding such rank (as may be designated from time to time by the committee appointed by OUB’s board of directors to administer the OUB 2001 ESOS and above of OUB or its subsidiary).
- (ii) The OUB Options are exercisable during the Exercise Period (as defined below). For the purposes of the OUB 2001 ESOS, “**Exercise Period**” is defined as the period commencing after the 1st anniversary of the date on which the OUB Options concerned are granted and expiring on the 10th anniversary of such date.

Both the rules of the OUB 1995 ESOS and the rules of the OUB 2001 ESOS provide that, *inter alia*, an OUB Optionholder, in the event of a take-over offer being made for the OUB Shares and such offer becoming or being declared unconditional, shall subject to the respective rules be entitled within six months of the date on which such offer becomes or is declared unconditional (but not after the expiry of the relevant Option Period or Exercise Period (as the case may be)) to exercise any OUB Option as yet unexercised, provided that if during such period, the Offeror becomes entitled or bound to exercise rights of compulsory acquisition of the OUB Shares under the provisions of the Act and gives notice to the OUB Optionholders that it intends to exercise such rights on a specified date, the OUB Option concerned shall remain exercisable by the OUB Optionholder until the expiry of such specified date or the expiry of the relevant Option Period or Exercise Period (as the case may be), whichever is earlier. In such an event, any OUB Option not so exercised within the period referred to above shall lapse.

Based on OUB's annual report for the year 2000, there were 26,175,010 outstanding OUB Options to subscribe for 26,175,010 new OUB Shares at exercise prices ranging from S\$1.89 to S\$8.68, and a weighted average price of S\$7.01 as of December 31, 2000 as follows:-

Date of grant of OUB Options	Expiry date of OUB Options	Subscription Price per OUB Share (S\$)	Number of OUB Shares which may be issued pursuant to the exercise of outstanding OUB Options
1995 Replacement Options	October 1, 2005	5.28	1,384,250
1996 Options	September 30, 2001	5.31	56,630
1996 Replacement Options	September 30, 2006	5.31	2,487,121
1997 Options	October 5, 2002	5.04	55,495
1997 Replacement Options	October 5, 2007	5.04	2,325,384
1998 Options	September 30, 2003	1.89	15,040
1998 Replacement Options	September 30, 2008	1.89	2,226,923
1999 Options	September 19, 2009	7.88	8,029,167
2000 Options	August 31, 2010	8.68	9,595,000

(g) Registered Office

The registered office of OUB is at 1 Raffles Place, OUB Centre, Singapore 048616.

ADDITIONAL STATUTORY AND GENERAL INFORMATION

1. Disclosure of Interests

- (a) Save as disclosed in Appendix 4 of Annexure A and Annexure E, neither the Offeror nor any party acting or deemed to be acting in concert with the Offeror (i) owns, controls or has agreed to acquire any OUB Shares or (ii) had dealt in any OUB Shares during the Reference Period and up to and ending on the Latest Practicable Date.
- (b) Save as disclosed in the Offer Document, neither the Offeror nor any party acting or deemed to be acting in concert with the Offeror has received any irrevocable undertakings from any party to accept or reject the Offer or the OUB Options Proposal.
- (c) There is no agreement, arrangement or understanding between the Offeror or any party acting in concert with it and any director of the Offeror or OUB whereby the total emoluments received or to be received by the directors of the Offeror or OUB will be affected or varied as a direct consequence of the Offer.
- (d) Save as disclosed in paragraph 3.1 of the Offer Letter and Appendix 3 of Annexure A, there is no agreement or arrangement or understanding between the Offeror or any party acting in concert with it and any of the present or recent directors of OUB or the present or recent OUB Shareholders that has any connection with or is dependent on the Offer.
- (e) There is no agreement or arrangement whereby any of the Offer Shares acquired by the Offeror pursuant to the Offer will or may be transferred to any other person. However, the Offeror reserves the right to transfer any of the Offer Shares to any of its related corporations.
- (f) The Offer is not conditional on OUB approving or consenting to any payment or other benefits being made or given to any director of OUB or to any director of any corporation which is by virtue of Section 6 of the Act deemed to be related to OUB, as compensation for loss of office or as consideration for, or in connection with, his retirement from office.

2. General

- (a) All costs and expenses of or incidental to the preparation and circulation of the Offer Document, the FAT, the FAA and the OUB Options Proposal (other than professional fees and other costs relating to the Offer and the OUB Options Proposal and any revision thereof incurred or to be incurred by OUB) and stamp duty and transfer fees resulting from acceptances of the Offer will be paid by the Offeror.
- (b) As of the Latest Practicable Date, as far as the Directors are aware, there has been no material change in the information set out in Appendix 3 of Annexure A.
- (c) PricewaterhouseCoopers has given, and has not withdrawn, its written consent to the issue of the Offer Document with the reference to its name and the inclusion herein of the Accountants' Report and its letter and references to its name, in the form and context in which they appear in the Offer Document.
- (d) Merrill Lynch Singapore has given, and has not withdrawn, its written consent to the issue of the Offer Document with the inclusion herein of its letters and references to its name, in the form and context in which they appear in the Offer Document.

3. Market Quotations

The following table sets out the high, low and last transacted prices of UOB Shares and OUB Shares on the SGX-ST on a monthly basis from February 2001 to May 2001, and on daily basis from June 1, 2001 to the Latest Practicable Date, as reported on Bloomberg:-

UOB Shares	High (S\$)	Low (S\$)	Last Transacted Price (S\$)	
2001				
<u>Monthly Trades</u>				
February	14.20	13.10	13.80	
March	13.70	11.30	12.70	
April	12.90	10.90	12.10	
May	12.20	10.80	11.50	
<u>Daily Trades</u>				
June	1	11.60	11.40	11.50
	4	11.80	11.50	11.70
	5	11.80	11.60	11.60
	6	11.90	11.70	11.70
	7	11.80	11.70	11.70
	8	12.00	11.80	12.00
	11	11.90	11.60	11.60
	12	11.70	11.40	11.60
	13	11.80	11.40	11.70
	14	12.00	11.70	11.80
	15	12.10	11.70	12.10
	18	12.00	11.80	12.00
	19	12.00	11.70	11.90
	20	12.10	11.80	12.00
	21	12.30	11.90	12.00
	22	12.50	12.10	12.50
	25	12.40	11.80	11.90
	26	12.00	11.70	11.90
	27	12.00	11.70	11.80
	28	11.90	11.30	11.50
July	2	11.30	10.80	11.00
	3	11.10	10.80	11.00
	4	11.00	10.70	10.70
	5	10.80	10.60	10.70
	6	10.70	10.60	10.60
	9	10.70	10.30	10.60
	10	10.90	10.60	10.80
	11	10.80	10.60	10.70
	12	10.80	10.60	10.80
	13	10.80	10.60	10.70
	16	10.70	10.40	10.50
	17	10.50	10.30	10.30
	18	10.40	10.30	10.40
	19	10.40	10.30	10.30
	20	10.70	10.40	10.70

OUB Shares	High (S\$)	Low (S\$)	Last Transacted Price (S\$)	
2001				
<u>Monthly Trades</u>				
February	8.25	7.85	8.20	
March	8.10	6.00	6.30	
April	7.20	6.10	7.10	
May	7.35	6.75	6.95	
<u>Daily Trades</u>				
June	1	7.00	6.85	6.95
	4	7.10	6.95	7.05
	5	7.15	7.05	7.15
	6	7.35	7.15	7.30
	7	7.40	7.20	7.35
	8	7.50	7.40	7.50
	11	7.45	7.30	7.30
	12	7.30	7.10	7.20
	13	7.70	7.45	7.55
	14	8.00	7.65	7.95
	15	7.95	7.80	7.95
	18	8.20	7.95	8.20
	19	8.20	8.00	8.20
	20	8.20	8.05	8.20
	21	8.70	8.10	8.55
	22	9.10	8.55	9.05
	25	9.10	8.70	9.00
	26	9.40	9.00	9.25
	27	9.35	9.20	9.30
	28	9.50	9.30	9.45
July	2	9.80	9.60	9.70
	3	9.70	9.50	9.60
	4	9.55	9.35	9.40
	5	9.50	9.35	9.50
	6	9.45	9.35	9.35
	9	9.45	9.25	9.35
	10	9.55	9.35	9.45
	11	9.45	9.35	9.35
	12	9.45	9.35	9.35
	13	9.45	9.35	9.35
	16	9.45	9.30	9.45
	17	9.45	9.35	9.40
	18	9.50	9.40	9.45
	19	9.45	9.35	9.45
	20	9.50	9.45	9.50

The highest and lowest closing prices of UOB Shares and OUB Shares on the SGX-ST during the five months immediately preceding the Latest Practicable Date and the respective date(s) on which they occur are as follows:

- (a) highest market sale price : S\$14.20 per UOB Share on February 27, 2001;
- (b) lowest market sale price : S\$10.30 per UOB Share on July 9, 17, 18 and 19, 2001;
- (c) highest market sale price : S\$9.80 per OUB Share on July 2, 2001; and
- (d) lowest market sale price : S\$6.00 per OUB Share on March 29, 2001.

4. Documents for Inspection

Copies of the following documents may be inspected at the offices of Wong Partnership at 80 Raffles Place #58-01, UOB Plaza 1, Singapore 048624 during normal business hours for the period during which the Offer remains open for acceptance:-

- (a) the Memorandum and Articles of Association of the Offeror;
- (b) the annual reports of the Offeror for each of the three financial years ended December 31, 1998, 1999 and 2000;
- (c) the letter of consent from PricewaterhouseCoopers referred to in paragraph 2(c) of this Annexure G;
- (d) the letter of consent from Merrill Lynch Singapore referred to in paragraph 2(d) of this Annexure G; and
- (e) the respective letters of undertaking given by Wah Hin, OUB, OUE, OUI, UOB and Mr Wee Cho Yaw, referred to in Annexure C.

LETTER FROM PRICEWATERHOUSECOOPERS

Set out below is the text of the letter from PricewaterhouseCoopers in relation to the statement on cost savings, one-off restructuring costs and revenue attrition as set out in paragraph 3.2 of this Offer Document titled "Potential Benefits of the Union".

The Board of Directors
United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

and

Merrill Lynch (Singapore) Pte. Ltd.
1 Temasek Avenue
#28-01 Millenia Tower
Singapore 039192

July 26, 2001

VOLUNTARY CONDITIONAL OFFER FOR OVERSEAS UNION BANK LIMITED ("OUB")

Dear Sirs,

This letter has been prepared for inclusion in this Offer Document dated July 26, 2001, to the Shareholders of OUB relating to the voluntary conditional offer by United Overseas Bank Limited ("UOB").

We have examined the statement of estimated cost savings, one-off restructuring costs and revenue attrition ("Statement") set out in the "Potential Benefits of the Union" section on pages 9 to 13 of this Offer Document, in accordance with the Singapore Standard on Auditing applicable to the examination of prospective financial information. The Directors of UOB are solely responsible for the Statement, including the basis and assumptions set out on pages 12 and 13 of this Offer Document that have been used in arriving at the estimated cost savings, one-off restructuring costs and revenue attrition.

The Statement has been prepared for the voluntary conditional offer by UOB using a set of assumptions that include hypothetical assumptions about future events and related management's actions. Consequently, readers are cautioned that the Statement may not be appropriate for purposes other than to provide a hypothetical indication of possible cost savings, one-off restructuring costs and revenue attrition.

We have not examined the reasonableness of the basis and assumptions used, and have not conducted an independent audit of the financial or other information used in preparing the Statement. We do not express any opinion as to the achievability of the cost savings, and reasonableness of the one-off restructuring costs and revenue attrition identified by UOB.

In our opinion, the Statement, so far as the accounting policies and calculations are concerned, is properly prepared on the basis of the assumptions and is consistent with the accounting policies normally adopted by UOB, those accounting policies being consistent with Singapore Statements of Accounting Standard.

Our work in connection with the Statement has been undertaken solely for the purposes of reporting as required by the Securities Industry Council of Singapore to Merrill Lynch (Singapore) Pte. Ltd. ("Merrill Lynch Singapore") and the Directors of UOB. We accept no responsibility to OUB or its shareholders or any other person (other than Merrill Lynch Singapore and the Directors of UOB) in respect of, arising out of or in connection with that work.

Yours faithfully,

PricewaterhouseCoopers
Certified Public Accountants
Singapore

Partner: Ms Tay Heem Juay

LETTER FROM MERRILL LYNCH SINGAPORE

Set out below is the text of the letter from Merrill Lynch Singapore in relation to the statement on cost savings, one-off restructuring costs and revenue attrition as set out in paragraph 3.2 of the Offer Letter titled "Potential Benefits of the Union".

The Board of Directors
United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

July 26, 2001

Dear Sirs,

This letter has been prepared for inclusion in the Offer Document dated July 26, 2001 (the "**Offer Document**"), to the Shareholders of Overseas Union Bank Limited ("**OUB**") relating to the voluntary conditional offer by United Overseas Bank Limited ("**UOB**") for OUB.

Capitalised terms used herein but not otherwise defined shall have the respective meanings assigned to them in this Offer Document.

The estimated figures for cost savings, one-off restructuring costs and revenue attrition (the "**estimated figures**") set out in paragraph 3.2 of the Offer Letter under "Potential Benefits of the Union", and the sources of the estimated figures and the assumptions in respect thereof, are the sole responsibility of the Directors. We have examined the estimated figures and have discussed with you the bases upon which the estimated figures have been arrived at. We have also considered, and relied upon, the letter dated July 26, 2001 from PricewaterhouseCoopers ("**PwC**"), the auditors of UOB, addressed to yourselves and ourselves regarding the accounting policies and calculations upon which the estimated figures have been arrived at.

We do not express any opinion as to the achievability of the estimated figures or the Potential Benefits of the Union identified by the Board in paragraph 3.2 of the Offer Letter.

On the bases and assumptions adopted by you and the accounting policies and calculations as reviewed by PwC upon which the estimated figures were arrived at, we are of the opinion that the estimated figures have been stated in this Offer Document by the Directors after due care and careful enquiry.

This letter is provided only to the Directors solely for the purpose of the Directors complying with Rule 15 of The Singapore Code on Take-overs and Mergers, 1985 and for no other purpose. We accept no responsibility to OUB or its shareholders or any other person (other than the Directors) in respect of, arising out of or in connection with this letter.

Yours faithfully,

Tommy Tan
Managing Director

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DEFINITIONS AND GLOSSARY OF TERMS

Except where the context otherwise requires, the following definitions apply throughout this document, the Forms of Acceptance and Authorisation and the Forms of Acceptance and Transfer:-

“Act”	:	The Companies Act, Chapter 50 of the Statutes of the Republic of Singapore, as amended or modified from time to time.
“Announcement”	:	The announcement on June 29, 2001 of the proposed Offer.
“Associated Company”	:	A company in which an investor company, together with its subsidiaries, has a long-term equity interest of at least 20 per cent. but not more than 50 per cent., and over whose financial and operating policy decisions it has significant influence, and Associated Companies shall be construed accordingly.
“Auditors”	:	PricewaterhouseCoopers, the auditors of the Offeror for the time being.
“Board”	:	The board of Directors of the Offeror.
“Cash Consideration”	:	The cash component of the Offer, being S\$4.02 for each Offer Share.
“CDP”	:	The Central Depository (Pte) Limited.
“Closing Date”	:	3.30 p.m. on Friday, August 17, 2001 (or such later date(s) as may be announced from time to time by or on behalf of the Offeror), being the last day on which the Offer is open for acceptance.
“Code”	:	The Singapore Code on Take-overs and Mergers, 1985, as amended or modified from time to time.
“Combined Group”	:	The UOB Group and the OUB Group.
“DBS”	:	DBS Group Holdings Ltd.
“DBS Offer”	:	The voluntary conditional take-over offer by Goldman Sachs (Singapore) Pte. for and on behalf of DBS in respect of OUB Shares announced on June 22, 2001.
“Directors”	:	The directors of the Offeror as of the Latest Practicable Date.
“document”	:	The Offer Document together with the Chairman’s letter and the explanatory pages accompanying it.
“EGM”	:	Extraordinary General Meeting.
“FAA”	:	Form of Acceptance and Authorisation.
“FAT”	:	Form of Acceptance and Transfer.
“Latest Practicable Date”	:	July 20, 2001, being the latest practicable date prior to the printing of the Offer Document.
“local banks”	:	DBS, Keppel Capital Holdings Ltd, Oversea-Chinese Banking Corporation Limited, OUB and UOB.
“Market Day”	:	A day on which securities are traded on the SGX-ST.
“MAS”	:	The Monetary Authority of Singapore.
“Merrill Lynch Singapore”	:	Merrill Lynch (Singapore) Pte. Ltd.

“New UOB Shares”	:	New ordinary shares of S\$1.00 each in the share capital of the Offeror to be issued as part consideration in connection with the Offer, to be credited as fully-paid when issued and which will rank <i>pari passu</i> in all respects with the then existing UOB Shares as of the date of the Announcement (and thereafter), including the right to all dividends, rights and distributions thereon (other than any interim dividends for the six-month period ended June 30, 2001, of an amount not exceeding 15 cents per UOB Share) declared, made or paid by UOB prior to the Closing Date.
“Offer”	:	The voluntary conditional take-over offer for all the Offer Shares in accordance with the Code and Section 213 of the Act contained in the Offer Document.
“Offer Document”	:	The Offer Letter (including the front cover and the inside front cover of this document, but excluding the Chairman’s letter and the explanatory pages accompanying it) together with the Annexures and appendices set out thereto, and the FAA and the FAT.
“Offer Letter”	:	The letter issued by Merrill Lynch Singapore, acting for and on behalf of the Offeror, to OUB Shareholders in connection with the Offer, such letter forming part of the Offer Document.
“Offer Shares”	:	Existing issued or unconditionally allotted and fully-paid OUB Shares (excluding OUB Shares already held as of the date of the Offer Document by, or by a nominee for, the Offeror or its subsidiaries) and any further OUB Shares which are issued or unconditionally allotted and fully-paid prior to the Closing Date pursuant to the valid exercise of OUB Options prior to the Closing Date, together with all rights, benefits and entitlements attaching thereto as of the date of the Announcement (and thereafter) including the right to all dividends, rights and distributions thereon (other than any interim dividends for the six-month period ended June 30, 2001, of an amount not exceeding 9 cents per OUB Share) declared, made or paid by OUB prior to the Closing Date.
“Offeror” or “UOB”	:	United Overseas Bank Limited.
“OUB”	:	Overseas Union Bank Limited.
“OUB Group”	:	OUB and its subsidiaries.
“OUB Optionholders”	:	Holders of OUB Options.
“OUB Options”	:	Outstanding options to subscribe for new OUB Shares granted pursuant to the OUB Share Option Scheme 1995 or the OUB Share Option Scheme 2001, as the case may be.
“OUB Options Proposal”	:	The proposal put forward by the Board to OUB Optionholders briefly described in paragraph 5 of Annexure D.
“OUB Options Scheme”	:	Collectively, the OUB Share Option Scheme 1995 and the OUB Share Option Scheme 2001.
“OUB Shareholders”	:	The registered holders for the time being of OUB Shares (other than the CDP), or in the case of Depositors, Depositors who have OUB Shares entered against their names in the Depository Register.
“OUB Shares”	:	Ordinary shares of S\$1.00 each in the share capital of OUB.
“per cent.” or “%”	:	Percentage or <i>per centum</i> .
“Reference Period”	:	The three-month period from March 27, 2001 to June 28, 2001 (the date prior to the date of the Announcement).
“Relevant Persons”	:	UOB, its wholly owned subsidiaries and its/their directors.

“Securities Account”	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“SGX-ST Listing Manual”	:	The Listing Manual of the SGX-ST.
“Share Consideration”	:	The share component of the Offer, being 0.52 New UOB Shares for each Offer Share.
“SIC”	:	Securities Industry Council.
“subsidiary”	:	In respect of a corporation, a corporation which is for the time being a subsidiary of the first-mentioned corporation as defined by Section 5 of the Act.
“S\$” and “cents”	:	Singapore dollars and cents, being the lawful currency of Singapore.
“United States”	:	The United States of America.
“Unsettled Trade Date”	:	July 19, 2001.
“UOB Group”	:	The Offeror and its subsidiaries.
“UOB Options”	:	Outstanding options to subscribe for new UOB Shares granted pursuant to the UOB Executive Share Option Scheme and the UOB 1999 Share Option Scheme, as the case may be.
“UOB Shareholders”	:	The registered holders for the time being of UOB Shares (other than the CDP), or in the case of Depositors, Depositors who have UOB Shares entered against their names in the Depository Register.
“UOB Shares”	:	Ordinary shares of S\$1.00 each in the share capital of the Offeror.

The terms “Depositor”, “Depository Register” and “Depository Agent” shall have the meanings ascribed to them respectively by Section 130A of the Act.

Words denoting the singular shall, where applicable, include the plural and *vice versa*, and words denoting the masculine gender shall, where appropriate, include the feminine and neuter genders.

References to persons shall include references to corporations.

Any reference in the Offer Document to an “Annexure” is a reference to an annexure to the Offer Letter.

Any reference in the Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Act, or any statutory modification thereof, and used in this document shall, where applicable, have the same meaning assigned to it under the Act.

Any reference in the Offer Document to a time of day shall be a reference to Singapore time unless otherwise stated.

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