

LETTER TO SHAREHOLDERS

OUE

OUE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 196400050E)

Directors:

Dr. Stephen Riady (*Executive Chairman and Group Chief Executive Officer*)
Mr. Christopher James Williams (*Deputy Chairman*)
Mr. Brian Riady (*Deputy Chief Executive Officer and Executive Director*)
Mr. Kelvin Lo Kee Wai (*Non-Executive Independent Director*)
Mr. Sin Boon Ann (*Non-Executive Lead Independent Director*)
Mr. Kin Chan (*Non-Executive Non-Independent Director*)

Registered Office:

50 Collyer Quay
#18-01/02 OUE Bayfront
Singapore 049321

30 April 2020

To: The Shareholders of OUE Limited (the "**Company**")

Dear Sir/Madam

1. INTRODUCTION

1.1 **Background.** We refer to:

- (a) the Notice of the Fifty-Seventh Annual General Meeting ("**AGM**") of the Company dated 30 April 2020 (the "**Notice**"), accompanying the Annual Report for the financial year ended 31 December 2019, convening the Fifty-Seventh AGM of the Company to be held on 22 May 2020 (the "**2020 AGM**"); and
- (b) Ordinary Resolution No. 8 relating to the proposed renewal of the Share Purchase Mandate (as defined in paragraph 2.1 below, as proposed in the Notice).

1.2 **Letter to Shareholders.** The purpose of this Letter is to provide shareholders of the Company ("**Shareholders**") with information relating to Ordinary Resolution No. 8 as proposed in the Notice.

1.3 **SGX-ST.** The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

1.4 **Advice to Shareholders.** Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 **Share Purchase Mandate.** At the annual general meeting of the Company held on 30 April 2019 (the "**2019 AGM**"), Shareholders had approved the renewal of the mandate (the "**Share Purchase Mandate**") to enable the Company to purchase or otherwise acquire ordinary shares of the Company ("**Shares**"). The rationale for, the authority and limitations on, and the financial effects of, the Share Purchase Mandate were set out in the Letter to Shareholders dated 12 April 2019 (the "**2019 Letter**") and Ordinary Resolution No. 7 set out in the Notice of the 2019 AGM.

The Share Purchase Mandate was expressed to take effect on the date of the passing of Ordinary Resolution No. 7 at the 2019 AGM and will expire on the date of the forthcoming 2020 AGM to be held on 22 May 2020. Accordingly, Shareholders' approval is being sought for the renewal of the Share Purchase Mandate at the 2020 AGM.

As at 24 April 2020, being the latest practicable date prior to the printing of this Letter (the "**Latest Practicable Date**"), the Company had purchased or acquired 904,200 Shares by way of Market Purchase (as defined in paragraph 2.3.3 below) pursuant to the Share Purchase Mandate approved by Shareholders at the 2019 AGM. The highest and lowest average price paid was S\$1.2736 and S\$0.9857 per Share respectively and the total consideration paid for the purchases was S\$1,019,504 excluding commission, brokerage and goods and services tax.

As at the Latest Practicable Date, the Company had not purchased or acquired any of its Shares by way of Off-Market Purchases (as defined in paragraph 2.3.3 below) pursuant to the Share Purchase Mandate approved by Shareholders at the 2019 AGM.

2.2 **Rationale.** The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) In managing the business of the Company and its subsidiaries (the “**Group**”), management will strive to increase Shareholders’ value by improving, inter alia, the return on equity of the Company. In addition to growth and expansion of the business, share purchases may be considered as one of the ways through which the return on equity of the Company may be enhanced.
- (b) In line with international practice, the Share Purchase Mandate will provide the Company with greater flexibility in managing its capital and maximising returns to its Shareholders. To the extent that the Company has capital and surplus funds which are in excess of its financial needs, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner.
- (c) The Share Purchase Mandate will provide the Company the flexibility to undertake share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

The purchase or acquisition of Shares will only be undertaken if it can benefit the Company and Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10% limit described in paragraph 2.3.1 below. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the financial condition of the Group as a whole.

2.3 **Authority and Limits of the Share Purchase Mandate.** The authority and limitations placed on the Share Purchase Mandate, if renewed at the 2020 AGM, are substantially the same as were previously approved by Shareholders at the 2019 AGM save that the definition of “Average Closing Price” (for determining the maximum purchase price for the purchase or acquisition of Shares pursuant to the Share Purchase Mandate) has been changed to take into account amendments to the listing manual of the SGX-ST (the “**Listing Manual**”) which took effect on 7 February 2020. These are summarised below:

2.3.1 **Maximum Number of Shares**

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company is limited to that number of Shares representing not more than 10% of the total number of issued Shares as at the date of the 2020 AGM at which the proposed renewal of the Share Purchase Mandate is approved. Treasury shares and subsidiary holdings (as defined in the Listing Manual)¹ will be disregarded for purposes of computing the 10% limit.

As at the Latest Practicable Date, the Company held 80,990,200 treasury shares and no subsidiary holdings.

Purely for illustrative purposes, on the basis of 981,601,860² Shares in issue as at the Latest Practicable Date and disregarding the 80,990,200 Shares held in treasury as at the Latest Practicable Date, and assuming that on or prior to the 2020 AGM:

- (a) no further Shares are issued;
- (b) no further Shares are purchased or acquired by the Company and no Shares purchased or acquired by the Company are held as treasury shares; and
- (c) no Shares are held as subsidiary holdings,

not more than 90,061,166 Shares (representing 10% of the total number of issued Shares (disregarding the Shares held in treasury)) may be purchased or acquired by the Company pursuant to the proposed Share Purchase Mandate.

2.3.2 **Duration of Authority**

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2020 AGM at which the proposed renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next AGM of the Company is held or required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or
- (c) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest.

2.3.3 **Manner of Purchases or Acquisitions of Shares**

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases (“**Market Purchases**”) transacted on the SGX-ST through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) off-market purchases (“**Off-Market Purchases**”) in accordance with an equal access scheme.

The Directors of the Company (the “**Directors**”) may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act, Chapter 50 (the “**Companies Act**”) as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes.

¹ “Subsidiary holdings” is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Chapter 50.

² The 981,601,860 Shares includes 80,990,200 Shares held in treasury as at the Latest Practicable Date.

An Off-Market Purchase in accordance with an equal access scheme must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same (except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares).

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (I) the terms and conditions of the offer;
- (II) the period and procedures for acceptances; and
- (III) the information required under Rules 883(2), (3), (4), (5) and (6) of the Listing Manual.

2.3.4 **Purchase Price**

The purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for a Share will be determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors, in the case of a Market Purchase and an Off-Market Purchase pursuant to an equal access scheme, must not exceed 105% of the Average Closing Price of the Shares, in either case, excluding related expenses of the purchase or acquisition (the "**Maximum Price**").

For the above purposes:

"**Average Closing Price**" means the average of the last dealt prices of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the date of the Market Purchase by the Company, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase; and

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 **Status of Purchased Shares.** Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company, which are cancelled and are not held as treasury shares.

2.5 **Treasury Shares.** Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

2.5.1 **Maximum Holdings**

The number of Shares held as treasury shares³ cannot at any time exceed 10% of the total number of issued Shares.

2.5.2 **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

³ For these purposes, "treasury shares" shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act, Chapter 50.

2.5.3 **Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time but subject always to The Singapore Code on Take-overs and Mergers (the "**Take-over Code**"):

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after such sale, transfer, cancellation and/or use, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.6 Source of Funds. The Company may purchase or acquire its own Shares out of capital, as well as from its profits.

The Company will use its internal resources or external borrowings or a combination of both to finance the purchase or acquisition of its Shares pursuant to the Share Purchase Mandate. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that it would materially affect the working capital requirements of the Group.

2.7 Financial Effects. The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, inter alia, the number of Shares purchased or acquired and the price paid for such Shares. The financial effects on the Company and the Group, based on the audited consolidated financial statements of the Company and the Group for the financial year ended 31 December 2019, are based on the assumptions set out below:

2.7.1 Purchase or Acquisition out of Capital and/or Profits

A payment made by the Company in consideration of the purchase or acquisition of Shares may be made out of the Company's profits and/or capital so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

2.7.2 Number of Shares Acquired or Purchased

Based on the number of issued and paid-up Shares of 900,611,660 as at the Latest Practicable Date (which number excludes the 80,990,200 Shares held as treasury shares) and on the assumptions set out in paragraph 2.3.1 above, the purchase by the Company of up to the maximum limit of 10% of its issued Shares will result in the purchase or acquisition of 90,061,166 Shares.

2.7.3 Maximum Price Paid for Shares Acquired or Purchased

Assuming that the Company purchases or acquires 90,061,166 Shares at the Maximum Price, in the case of both Market Purchases and Off-Market Purchases, of S\$1.1613 for one Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase of 90,061,166 Shares is approximately S\$104,588,032.

2.7.4 Illustrative Financial Effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Purchase Mandate will depend on, inter alia, the aggregate number of Shares purchased or acquired and the consideration paid at the relevant time.

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 2.7.2 and 2.7.3 above, the financial effects on the consolidated financial statements of the Company and the Group for the financial year ended 31 December 2019 based on a purchase or acquisition of Shares by the Company of up to 10% of the total number of its issued Shares would have been as follows:

	Group		Company	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
Total equity	6,117,145	6,012,557	3,052,397	2,947,809
Net assets attributable to owners of the Company	4,073,296	3,968,708	3,052,397	2,947,809
Intangible assets and goodwill	41,658	41,658	–	–
Current assets	1,165,337	1,060,749	2,975,289	2,870,701
Current liabilities	1,616,372	1,616,372	775,765	775,765
Total borrowings	3,989,623	3,989,623	453,447	453,447
Cash and cash equivalents	477,712	373,124	195,805	91,217
Number of issued and paid-up Shares excluding treasury shares ('000)	900,612	810,550	900,612	810,550
Weighted average number of Shares ('000)	900,612	810,550	900,612	810,550
Net profit attributable to owners of the Company	255,217	255,217	89,374	89,374
Financial Ratios:				
Basic earnings per Share (S\$)	0.28	0.31	0.10	0.11
Net asset value per Share (S\$)	4.52	4.90	3.39	3.64
Net gearing ⁽¹⁾ (times)	0.58	0.61	0.08	0.12

Note:

⁽¹⁾ Net gearing means the ratio of total borrowings net of cash and cash equivalents to total equity net of intangible assets and goodwill.

Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on historical numbers for the financial year ended 31 December 2019, and is not necessarily representative of future financial performance.

Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire part of or the entire 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

The Company will take into account both financial and non-financial factors (for example, share market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

- 2.8 **Tax Implications.** Shareholders who are in doubt as to their respective tax positions or the tax implications of share repurchases by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.
- 2.9 **Listing Status of the Shares.** The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by public shareholders. As at the Latest Practicable Date, approximately 30.40% of the total number of issued Shares (excluding the Shares held in treasury) is held by public Shareholders.

Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

2.10 Listing Rules. Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) must include, inter alia, details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and subsidiary holdings after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price or trade sensitive development has occurred or has been the subject of a decision until the price or trade sensitive information has been publicly announced.

In particular, the Company will not purchase or acquire any Shares through Market Purchases and Off-Market Purchases during the period of one month immediately preceding the announcement of the Company's full-year results and the period of two weeks immediately preceding the announcement of the Company's results for each of the first three quarters of the financial year (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one month immediately preceding the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements).

2.11 Take-over Implications. Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

2.11.1 Obligation to Make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in the change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

2.11.2 Persons Acting in Concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, inter alia, the following individuals and companies to be persons acting in concert with each other:

- (a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts); and
- (b) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with each other, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

The circumstances under which the Shareholders (including the Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.11.3 Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, the Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of Ordinary Resolution No. 8 authorising the Share Purchase Mandate.

Based on the interests of the substantial Shareholders as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date as set out in paragraph 3.2 below, none of the substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the acquisition or purchase by the Company of the maximum limit of 10% of the total number of its issued Shares as at the Latest Practicable Date.

Shareholders are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any share purchases by the Company.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

3.1 **Directors' Interests in Shares.** The interests of the Directors in the Shares as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

Director	Direct Interest		Deemed Interest	
	Number of Shares	(%)	Number of Shares	(%)
Stephen Riady ⁽¹⁾	-	-	618,916,410 ⁽¹⁾	68.72 ⁽³⁾
Christopher James Williams	-	-	-	-
Brian Riady	-	-	-	-
Kelvin Lo Kee Wai	-	-	-	-
Sin Boon Ann	-	-	-	-
Kin Chan	-	-	618,916,410 ⁽²⁾	68.72 ⁽³⁾

Notes:

⁽¹⁾ Dr. Stephen Riady holds the entire issued share capital of Lippo Capital Group Limited which is deemed to have an interest in the Shares. For further details, please see Note (12) under interests of substantial Shareholders below.

⁽²⁾ Mr. Kin Chan is the beneficial holder of more than 20% of the issued share capital of Argyle Street Management Holdings Limited. Accordingly, Mr. Kin Chan is deemed to have an interest in the Shares in which Argyle Street Management Holdings Limited has a deemed interest. For further details, please see Note (18) under interests of substantial Shareholders below.

⁽³⁾ The shareholding percentage is calculated based on 900,611,660 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

3.2 **Substantial Shareholders' Interests in Shares.** The interests of the substantial Shareholders in Shares based on the information available to the Company and as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are set out below:

Substantial Shareholder	Direct Interest		Deemed Interest	
	Number of Shares	(%)	Number of Shares	(%)
OUE Realty Pte. Ltd. (" OUER ")	502,513,060	55.80 ⁽²⁰⁾	-	-
Golden Concord Asia Limited (" GCAL ")	116,403,350	12.92 ⁽²⁰⁾	502,513,060 ⁽¹⁾	55.80 ⁽²⁰⁾
Fortune Crane Limited (" FCL ", formerly known as Fortune Code Limited)	-	-	618,916,410 ⁽²⁾	68.72 ⁽²⁰⁾
Lippo ASM Asia Property Limited (" LAAPL ")	-	-	618,916,410 ⁽³⁾	68.72 ⁽²⁰⁾
HKC Property Investment Holdings Limited (" HKC Property ")	-	-	618,916,410 ⁽⁴⁾	68.72 ⁽²⁰⁾
Hongkong Chinese Limited (" HCL ")	-	-	618,916,410 ⁽⁵⁾	68.72 ⁽²⁰⁾
Hennessy Holdings Limited (" HHL ")	-	-	618,916,410 ⁽⁶⁾	68.72 ⁽²⁰⁾
Prime Success Limited (" PSL ")	-	-	618,916,410 ⁽⁷⁾	68.72 ⁽²⁰⁾
Lippo Limited (" LL ")	-	-	618,916,410 ⁽⁸⁾	68.72 ⁽²⁰⁾
Lippo Capital Limited (" LCL ")	-	-	618,916,410 ⁽⁹⁾	68.72 ⁽²⁰⁾
Lippo Capital Holdings Company Limited (" LCH ")	-	-	618,916,410 ⁽¹⁰⁾	68.72 ⁽²⁰⁾
Lippo Capital Group Limited (" LCG ")	-	-	618,916,410 ⁽¹¹⁾	68.72 ⁽²⁰⁾
Stephen Riady	-	-	618,916,410 ⁽¹²⁾	68.72 ⁽²⁰⁾
PT Trijaya Utama Mandiri (" PT Trijaya ")	-	-	618,916,410 ⁽¹³⁾	68.72 ⁽²⁰⁾
James Tjahaja Riady	-	-	618,916,410 ⁽¹⁴⁾	68.72 ⁽²⁰⁾
Admiralty Station Management Limited (" Admiralty ")	-	-	618,916,410 ⁽¹⁵⁾	68.72 ⁽²⁰⁾
Argyle Street Management Limited (" ASML ")	-	-	618,916,410 ⁽¹⁶⁾	68.72 ⁽²⁰⁾
Argyle Street Management Holdings Limited (" ASMHL ")	-	-	618,916,410 ⁽¹⁷⁾	68.72 ⁽²⁰⁾
Kin Chan (" KC ")	-	-	618,916,410 ⁽¹⁸⁾	68.72 ⁽²⁰⁾
V-Nee Yeh (" VY ")	-	-	618,916,410 ⁽¹⁹⁾	68.72 ⁽²⁰⁾

Notes:

- (1) GCAL is deemed to have an interest in the Shares held by OUER. OUER is a wholly-owned subsidiary of GCAL.
- (2) FCL has a deemed interest in the Shares through the direct and deemed interests of its wholly-owned subsidiary, GCAL.
- (3) LAAPL is deemed to have an interest in the Shares in which its subsidiary, FCL, has a deemed interest.
- (4) LAAPL is jointly held by HKC Property and Admiralty. Accordingly, HKC Property is deemed to have an interest in the Shares in which LAAPL has a deemed interest.
- (5) HCL is the immediate holding company of HKC Property. Accordingly, HCL is deemed to have an interest in the Shares in which HKC Property has a deemed interest.
- (6) HHL is an intermediate holding company of HKC Property. Accordingly, HHL is deemed to have an interest in the Shares in which HKC Property has a deemed interest.
- (7) PSL is an intermediate holding company of HKC Property. Accordingly, PSL is deemed to have an interest in the Shares in which HKC Property has a deemed interest.
- (8) LL is an intermediate holding company of HKC Property. Accordingly, LL is deemed to have an interest in the Shares in which HKC Property has a deemed interest.

- (9) LCL is an intermediate holding company of HKC Property. Accordingly, LCL is deemed to have an interest in the Shares in which HKC Property has a deemed interest.
- (10) LCH is an intermediate holding company of HKC Property. Accordingly, LCH is deemed to have an interest in the Shares in which HKC Property has a deemed interest.
- (11) LCG is the holding company of LCH, which in turn is an intermediate holding company of HKC Property. Accordingly, LCG is deemed to have an interest in the Shares in which HKC Property has a deemed interest.
- (12) Dr. Stephen Riady holds the entire issued share capital of LCG, which is the holding company of LCH. LCH in turn is an intermediate holding company of HKC Property. Accordingly, Dr. Stephen Riady is deemed to have an interest in the Shares in which HKC Property has a deemed interest. Dr. Stephen Riady is the Executive Chairman and Group Chief Executive Officer of the Company. Dr. Stephen Riady is also the chairman of LL and HCL, both of which have a deemed interest in the Shares.
- (13) PT Trijaya holds more than 20% of the shares in LCL, which in turn is an intermediate holding company of HKC Property. Accordingly, PT Trijaya is deemed to have an interest in the Shares in which HKC Property has a deemed interest.
- (14) Mr. James Tjahaja Riady effectively holds all the shares in PT Trijaya, which holds more than 20% of the shares in LCL. LCL in turn is an intermediate holding company of HKC Property. Accordingly, Mr. James Tjahaja Riady is deemed to have an interest in the Shares in which HKC Property has a deemed interest.
- (15) LAAPL is jointly held by HKC Property and Admiralty. Accordingly, Admiralty is deemed to have an interest in the Shares in which LAAPL has a deemed interest.
- (16) ASML owns 100% of the voting shares in the capital of Admiralty. Accordingly, ASML is deemed to have an interest in the Shares in which Admiralty has a deemed interest.
- (17) ASMHL is the immediate holding company of ASML. Accordingly, ASMHL is deemed to have an interest in the Shares in which ASML has a deemed interest.
- (18) KC is the beneficial holder of more than 20% of the issued share capital of ASMHL. Accordingly, KC is deemed to have an interest in the Shares in which ASMHL has a deemed interest.
- (19) VY is the beneficial holder of more than 20% of the issued share capital of ASMHL. Accordingly, VY is deemed to have an interest in the Shares in which ASMHL has a deemed interest.
- (20) The shareholding percentage is calculated based on 900,611,660 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

4. DIRECTORS' RECOMMENDATIONS

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution No. 8, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate to be proposed at the 2020 AGM.

5. INSPECTION OF DOCUMENTS

The Annual Report for the financial year ended 31 December 2019 and the 2019 Letter may be accessed at the Company's website at the URL <https://oue.com.sg/investor-relations/annual-reports>.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, and the Company and its subsidiaries which are relevant to the proposed renewal of the Share Purchase Mandate, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter 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 Letter in its proper form and context.

Yours faithfully
for and on behalf of the
Board of Directors of
OUE Limited

Brian Riady
Deputy Chief Executive Officer

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