

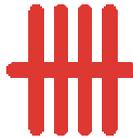


MERRILL LYNCH (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)

for and on behalf of

TYE HUA INVESTMENTS PTE. LTD.
(Incorporated in the Republic of Singapore)

a wholly-owned subsidiary of



United Overseas Bank Limited
(Incorporated in the Republic of Singapore)

VOLUNTARY CONDITIONAL CASH OFFER

FOR

INDUSTRIAL & COMMERCIAL BANK LIMITED
(Incorporated in the Republic of Singapore)

1. **Introduction**

Merrill Lynch (Singapore) Pte. Ltd. ("Merrill Lynch Singapore"), wishes to announce (the "Announcement"), for and on behalf of Tye Hua Investments Pte. Ltd. (the "Offeror"), that the Offeror intends to make a voluntary conditional cash offer (the "Offer") for all the issued and fully-paid ordinary shares of S\$1.00 each ("Shares") in the capital of Industrial & Commercial Bank Limited ("ICB"). The Offeror is a wholly-owned subsidiary of United Overseas Bank Limited ("UOB").

2. **The Offer**

- (a) The Offeror will make the Offer for all the Shares not already owned by the Offeror (the "Offer Shares") as at the date of the Offer, in accordance with Section 139 of the Securities and Futures Act 2001 and the Singapore Code on Take-overs and Mergers as revised with effect from 1 January 2002 (the "Code").
- (b) The Offer will be extended to all the issued Shares owned, controlled, or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in connection with the Offer.
- (c) The Offer, when made, will be on the following basis:-

For each Offer Share: S\$5.60 in cash (the "Offer Price").

- (d) The Offer Shares will be acquired (i) fully paid; (ii) free from all liens, equities, charges, encumbrances, rights of pre-emption and any other third party rights or interests of any nature whatsoever; and (iii) together with all rights, benefits and entitlements attached thereto as of the date of this Announcement and hereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by ICB on or after the date of this Announcement (including any dividend which may be declared, paid or made by ICB in respect of the financial year ended 31 December 2001).
- (e) In arriving at the Offer Price, the Offeror has taken into consideration the final dividend of S\$0.12 per Share (less 24.5 per cent. Singapore income tax) proposed by ICB in respect of the financial year ended 31 December 2001.
- (f) The Offer Price represents:-
- (i) a premium of approximately 8.7 per cent. to the last transacted price per Share on the Singapore Exchange Securities Trading Limited ("SGX-ST") of S\$5.15 as of 14 March 2002, the last trading day of Shares on the SGX-ST prior to the date of this Announcement (the "Last Pre-Announcement Trading Day");
 - (ii) a premium of approximately 11.8 per cent. to the average of the last transacted prices per Share on the SGX-ST of S\$5.01 over the 30 market day period from 30 January 2002 to 14 March 2002, the Last Pre-Announcement Trading Day;
 - (iii) a premium of approximately 15.1 per cent. to the average of the last transacted prices per Share on the SGX-ST of S\$4.87 over the 60 market day period from 14 December 2001 to 14 March 2002, the Last Pre-Announcement Trading Day;
 - (iv) a premium of approximately 18.0 per cent. to the average of the last transacted prices per Share on the SGX-ST of S\$4.75 over the 90 market day period from 1 November 2001 to 14 March 2002, the Last Pre-Announcement Trading Day; and
 - (v) a premium of approximately 0.5 per cent. to the audited net tangible asset value per Share as of 31 December 2001.

3. **Approval**

The Monetary Authority of Singapore ("MAS") has granted its approval in principle to the Offer.

4. **Conditions**

- (a) The Offer shall be conditional upon the Offeror having received (and not, where permitted, withdrawn) valid acceptances in respect of such number of Offer Shares which will result in the Offeror holding such number of Shares carrying not less than 90 per cent. of the voting rights attributable to the issued share capital of ICB (other than those Shares already held at the date of the Offer by, or by a nominee for, the Offeror or its subsidiaries).
- (b) The Offer will, therefore, not become or be capable of being declared unconditional until the Offeror has received acceptances in respect of such number of Offer Shares which will result in the Offeror holding such number of Shares carrying not less than 90 per cent. of the voting rights attributable to the issued share capital of ICB (other than those Shares already held at the date of the Offer by, or by a nominee for, the Offeror or its subsidiaries).

5. **Irrevocable Undertaking**

- (a) As at the date of this Announcement, the Offeror has received an irrevocable undertaking from UOB to accept the Offer in respect of all the Shares held by UOB prior to and up to the close of the Offer. UOB holds 87.45 per cent. of the issued share capital of ICB. The irrevocable undertaking from UOB will lapse if the Offer is withdrawn, lapses or does not become unconditional.
- (b) Save as disclosed, neither the Offeror nor any other party acting or deemed to be acting in concert with it has received any irrevocable undertaking from any party to accept or reject the Offer.

6. **Compulsory Acquisition and Delisting**

- (a) In view of the irrevocable undertaking given by UOB to accept the Offer in respect of the 147,173,247 Shares that UOB holds at the date of this Announcement, the Offeror will receive acceptances in respect of 87.45 per cent. of the issued share capital of ICB.
- (b) It is the intention of the Offeror to make ICB its wholly-owned subsidiary. It is therefore not the intention of the Offeror to preserve the listing status of ICB. If the Offeror receives acceptances pursuant to the Offer in respect of not less than 90 per cent. of the Offer Shares, it is the intention of the Offeror to exercise its right under Section 215(1) of the Companies Act, Chapter 50 to acquire compulsorily those Offer Shares not acquired by the Offeror pursuant to the Offer. The Offeror will then proceed to delist ICB from the SGX-ST.

7. **The Offeror**

- (a) The Offeror was incorporated in the Republic of Singapore on 18 January 2002. The Offeror is principally an investment holding company and has an issued and paid-up share capital of S\$2 divided into 2 ordinary shares of S\$1 each. The directors of the Offeror are Mr. Wee Ee Cheong and Mr. Koh Beng Seng.
- (b) UOB was incorporated in Singapore in 1935 under the name The United Chinese Bank Limited pursuant to Ordinance No. 155 (Companies). It adopted its present name in 1965. The principal activities of UOB and its subsidiaries are commercial banking and related financial services, merchant banking, venture capital, investment management, hire-purchase financing, gold and futures dealing, general and life insurance, nominee

services and trustee and management services. Through its associate companies, the UOB group of companies (the "UOB Group") is also involved in leasing, stockbroking, property development/management, hotel ownership and manufacturing and trading activities.

8. **ICB**

ICB was incorporated in the Republic of Singapore in 1953. It is a full licence bank providing an extensive range of commercial banking and financial services through its network of 10 branches in Singapore.

9. **Rationale for the Offer**

- (a) The Offer is being made in order to enable UOB to privatise ICB. The liberalisation of the financial sector in Singapore in recent years has resulted in the entry of more foreign banks into an already competitive domestic market. To compete effectively, banks need to attain sufficient scale in their operations and capability. Taking ICB private will give UOB more flexibility in managing the resources of ICB within the UOB Group. At the same time, it will enable ICB to benefit from the economies of scale that will arise from being fully integrated within the UOB Group.
- (b) The trading liquidity of the Shares has been low, with an average daily trading volume of approximately 18,307 Shares over the past 12 months, representing 0.01 per cent. of the total issued share capital of ICB. UOB believes that the Offer represents an attractive and equitable proposition to the shareholders of ICB. The Offer gives the shareholders of ICB the opportunity to realise their investment for a cash consideration (which is at a premium of 8.7 per cent. to the closing share price of ICB on 14 March 2002, the Last Pre-Announcement Trading Day).
- (c) In the context of the above, UOB has decided to make the Offer through the Offeror with a view to making ICB its wholly-owned subsidiary.

10. **Disclosures**

- (a) As at the date of this Announcement, the Offeror does not own or control, nor has it agreed to acquire, any Shares, except pursuant to the irrevocable undertaking referred to above in this Announcement.
- (b) As at the date of this Announcement, UOB is the beneficial owner of 147,173,247 Shares, representing approximately 87.45 per cent. of the issued share capital of ICB.
- (c) As at the date of this Announcement, (i) UOB, its Directors and its wholly-owned subsidiaries and (ii) the Offeror and its Directors (each, a "Relevant Person") own, control or have agreed to acquire an aggregate of 147,593,247 Shares, representing approximately 87.70 per cent. of the issued share capital of ICB (based on the latest information available to the Offeror as at the date of this Announcement), details of which are set out in Appendix 1 to this Announcement. None of the Relevant Persons has dealt with the Shares during the six-month period immediately preceding the date of this Announcement.
- (d) Save as disclosed in this Announcement, none of the Offeror or the Relevant Persons (i) owns, controls or has agreed to acquire any Shares as of the date of this Announcement, (ii) has dealt for value in any Shares during the six-month period immediately preceding the date of this Announcement or (iii) has received any

irrevocable undertaking from any party to accept or reject the Offer as of the date of this Announcement.

- (e) Merrill Lynch Singapore and its subsidiaries (i) do not own or control nor have agreed to acquire any Shares as at the date of this Announcement and (ii) have not dealt for value in any Shares during the six-month period immediately preceding the date of this Announcement.
- (f) In the interests of confidentiality, the Offeror has not made enquiries in respect of those of its subsidiaries which are not wholly-owned or of certain other parties who are or may be deemed to be acting in concert with the Offeror in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course subsequently and in the Offer Document (as defined below).

11. **Confirmation of Financial Resources**

Merrill Lynch Singapore, as financial adviser to the Offeror, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares.

12. **Offer Document**

The formal document, setting out the terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance of the Offer (the "Offer Document"), will be despatched to holders of Offer Shares not earlier than 14 days and not later than 21 days from the date of this Announcement, save that the Offer Document will not be sent to holders of Offer Shares whose addresses are outside Singapore as shown on the Register of Members of ICB due to the potential prohibitions or restrictions against sending such documents into the relevant overseas jurisdictions.

13. **Overseas Shareholders**

The availability of the Offer to persons not resident in Singapore may be affected by the laws of the relevant jurisdiction. ICB shareholders who are not resident in Singapore should inform themselves about, and observe, any applicable requirements. Further details in relation to overseas shareholders will be contained in the Offer Document.

14. **Responsibility Statement**

The Directors of the Offeror and UOB (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or publicly available sources (including, without limitation, in relation to ICB and its subsidiaries and associated companies), the sole responsibility of the Directors of the Offeror and UOB has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

Issued by
MERRILL LYNCH (SINGAPORE) PTE. LTD.

For and on behalf of
TYE HUA INVESTMENTS PTE. LTD.
15 March 2002
Singapore

Any inquiries relating to this Announcement or the Offer should be directed to the following individual:-

Tracey Woon
Managing Director
Merrill Lynch (Singapore) Pte. Ltd.
Telephone: 6330 7888
Fax: 6330 7130

APPENDIX 1

Details of Holdings in Shares

The details of the number of Shares held by the Relevant Persons as at the date of this Announcement are as follows:-

Name of Relevant Person	Direct Interest	Deemed Interest
Wee Ee Cheong	-	356,000
Ho Sim Guan	7,000	57,000
United Overseas Bank Limited	-	147,173,247