



PROPOSED ACQUISITION OF UNITED SECURITIES PUBLIC COMPANY LIMITED

The board of directors of UOB-Kay Hian Holdings Limited (the "Company") wishes to announce that the Company's subsidiary, UOB Kay Hian Securities (Thailand) Public Company Limited ("UOBKHST"), is proposing to acquire the securities business of United Securities Public Company Limited ("US"), a licensed stock broking company listed on the Stock Exchange of Thailand. To provide a fair exit to shareholders of US, UOBKHST shall make a voluntary tender offer for all the issued shares in the capital of US at an offer price of Baht 5.58 per share in cash.

The rationale for the proposed acquisition is to expand the Group's sales and client base and increase the Group's market share in Thailand. It is the intention of UOBKHST to integrate the stock broking businesses of US and UOBKHST after the acquisition so as to achieve better economies of scale.

The proposed acquisition is subject to, *inter alia*, the following:

- (a) approval obtained from the shareholders of US to transfer the business and assets of US to UOBKHST; and
- (b) necessary regulatory approvals obtained from the relevant authorities in Thailand and Singapore.

The aggregate value of purchase consideration for the proposed acquisition is approximately Baht 942 million (equivalent to approximately S\$39.6 million), payable in cash. As at 31 March 2011, the net assets of US is Baht 954 million. The proposed acquisition will be funded internally.

The proposed acquisition is not expected to have any material financial impact on the consolidated net tangible assets and earnings per share of the Group or on the profitability and financial position of the Group for the financial year ending 31 December 2011.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the proposed acquisition other than through their shareholdings in the Company.