



## **UNITED OVERSEAS BANK LIMITED**

(Incorporated in the Republic of Singapore)

Company Registration No. 193500026Z

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### Clarification of Newspaper Advertisement of Petition to wind-up UOBM

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*Singapore 14 February 2005.* United Overseas Bank Limited (“the Bank”) wishes to clarify an advertisement on 7 and 8 February 2005 in “The Star” newspaper in Malaysia, concerning a petition filed by one Tio Chee Hing (“the Petitioner”), for the winding-up of United Overseas Bank (Malaysia) Berhad (“UOBM”), a subsidiary of the Bank.

#### Background Information

The Petitioner had charged certain lands to UOBM. Sometime in March 1991, the State Government of Sabah compulsorily acquired part of the lands and paid the compensation moneys of about RM1.62 million (“Compensation Moneys”) to UOBM as chargee of the lands.

#### Petitioner’s claim struck out by Court of Appeal

In January 1990, the Petitioner sought a declaration that the charge in favour of UOBM was void but his claim was struck out in April 2004 by the Court of Appeal in Malaya. In July 2004, the Petitioner was refused leave to appeal to the Federal Court against the decision of the Court of Appeal.

#### Petitioner seeks similar claim in application to ACLR

Sometime in 2001, the Petitioner also applied to the Assistant Collector of Land Revenue (ACLR) Lahad Datu to cancel UOBM’s charge. In a ruling made in February 2002, the ACLR allowed the Petitioner’s application and ordered that the land register be rectified by cancelling UOBM’s charge (“ACLR order”). UOBM’s appeal against the ACLR order was dismissed by the Deputy Director of Lands and Surveys in November 2004 (“DDLS Decision”) whereupon UOBM filed an appeal to the High Court in Sabah and Sarawak in Tawau (“Tawau High Court Suit”).

#### Stay of ACLR Order

In August 2002, UOBM had obtained a stay of execution of the ACLR order from the Tawau High Court (“Tawau High Court Stay Order”). Notwithstanding the Tawau High Court Stay Order and the Tawau High Court Suit which is pending, the Petitioner served a statutory demand on UOBM on or about 17 November 2004 claiming the Compensation Moneys on the basis of the ACLR order and the DDLS Decision. A second statutory demand was served on or about 25 November 2004.



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On 1 December 2004, UOBM brought an action in the High Court in Sabah and Sarawak in Sandakan seeking, among other things, an order that the statutory demands be set aside ("Sandakan High Court Suit").

Restraining Orders

Pending the outcome of the Sandakan High Court Suit, UOBM obtained:-

- (a) on 2 December 2004, an order from the High Court in Sabah and Sarawak in Sandakan injunctioning and restraining the Petitioner from filing or presenting any petition for the winding up of UOBM pursuant to the statutory demands or based on the sum claimed until the completion of Sandakan High Court Suit ("Sandakan High Court Injunction Order"); and
- (b) on 10 January 2005, an interim order from the High Court of Malaya at Kuala Lumpur restraining the Petitioner from taking any steps to wind-up UOBM until the disposal of the Tawau High Court Suit and the Sandakan High Court Suit, and also restraining any advertisement of the petition ("KL High Court Injunction Order").

Notwithstanding the Sandakan High Court Injunction Order, the Petitioner filed the winding up petition against UOBM. Further, notwithstanding the KL High Court Injunction Order as well, and the fact that both the Tawau High Court Suit and the Sandakan High Court Suit are still pending, the Petitioner caused the winding-up petition to be advertised.

UOBM is advised by solicitors inter alia that the petition was advertised in "the Star" newspaper in Malaysia in breach of the KL High Court Injunction Order.

UOBM has applied to have the winding up petition struck out and will be making the necessary application to court to commit the Petitioner for contempt of court.

Mrs Vivien Chan  
Company Secretary