



Major Property Industry Players Form Joint Venture For E-Businesses

May 11, 2000

City Developments Limited (CDL) and Far East Organization (FEO) intend to collaborate through a joint venture company, to be known as UniG Pte Ltd, to invest in e-commerce and m-commerce businesses and internet infrastructure. In this connection, CDL through its subsidiary Cliffmont Pte Ltd and FEO (through three listed entities within the FEO stable of companies namely Sino Land Company Limited, Yeo Hiap Seng Limited and Orchard Parade Holdings Limited) have today entered into a Memorandum of Understanding to record their intention.

UniG, whose name stands for "Universal Gateway to e-real estate", will leverage on real estate domain knowledge and assets to maximise the e-business potential. UniG will have an authorised capital of S\$150 million (US\$85 million). CDL and FEO (through the three listed entities mentioned above) will each have a 40% stake in UniG. A leading financial institution is expected to take up a 15% stake and the management of UniG will take up the balance 5% stake.

Together these two leading developers hold the biggest property portfolio in Singapore and have access to a global customer base. UniG will seek to team up with other real estate industry players in specific e-commerce businesses to broaden collaboration and harness the large collective customer base, asset base and buying power. UniG believes that industry-led internet business models in real estate offer tremendous opportunities for participants to enhance their efficiencies and create additional values for their existing businesses. As the initial focus, UniG will explore opportunities in business-to-business e-commerce and internet infrastructure that have significant industry content. UniG intends to expand to web channels that tap the large captive audiences in office buildings, industrial properties, residential homes and shopping centres.

In a few weeks, UniG plans to launch a construction portal that will involve a number of leading players in the real estate and construction industry.

Mr Kwek Leng Joo, Managing Director of CDL, and Mr Philip Ng, Chief Executive Officer of FEO, will be co-chairmen of UniG to lend their vast experience and partnerships brought by their two leading real estate organizations. The CEO of UniG will be Mr Fan Kow Hin, who was the General Manager and Executive Committee member of DBS Land. He was director of various public-listed companies including Raffles Holdings, The Ascott, Parkway Holdings, in Singapore; Australand in Australia; and United Malayan Land in Malaysia. Mr Fan was also director of various companies in Singapore, China, Hong Kong, Malaysia, Thailand, and Indonesia within the DBS Land group. In the last eight years, Mr Fan has been focusing on strategic transformation, and growth through business alliances, market expansion and new businesses.

Mr Kwek Leng Joo said "We see UniG as an exciting venture that provides an unprecedented platform for us to combine our Group's resources and diverse customer base with fellow industry players in and outside Singapore to go into internet business in a big way. We are confident that UniG will become a major player in the real estate internet space which creates value for everyone - developers, contractors, suppliers, service providers, public bodies and most importantly, users and customers."

Mr Philip Ng said, "We are in the throes of a worldwide revolution in business and how business is being done. No business or industry can afford to be left behind, and real estate, which is a mainstay of Asian economies is ripe for transformation. I foresee great value being created as all of us in real estate and construction work together to make ourselves e-relevant."

Mr Fan Kow Hin added, "This is the first time that big players in an industry in Singapore with international reach have come together in the internet space to find new opportunities in the new economy. The growth prospects are enormous."

UniG's new office will be at 1 Shenton Way, #01-01. The company has engaged a team of professionals with diverse expertise and experience in various fields. Among them are Mr Andrew Aathar who was Director (Residential Trading) of DBS Realty, a subsidiary of DBS Land and Mr Koo Shuang Yuan, who was Senior Manager (Property Fund and Investment) of DBS Land. UniG is actively recruiting more talent to complement its management team to bring in knowledge, creative ideas and partnerships and to execute its e-businesses.