

CIRCULAR DATED 21 JUNE 2021

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Capitalised terms appearing on the cover of this Circular shall have the same meanings as defined herein. If you have sold or transferred all your shares in the capital of Union Gas Holdings Limited (the “**Company**”) held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular with the Notice of Extraordinary General Meeting (“**EGM**”) and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee.

The legal advisers appointed by the Company for the purpose of the corporate actions set out in this Circular is Morgan Lewis Stamford LLC.

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, CIMB Bank Berhad, Singapore Branch (“**Sponsor**”) in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”). This Circular has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact persons for the Sponsor is Mr. Ken Lee, Associate Director, Investment Banking, Singapore. The contact particulars are 50 Raffles Place #09-01, Singapore Land Tower, Singapore 048623, Telephone: (65) 6337 5115.

This Circular has been made available via publication on SGXNet at <https://www.sgx.com/securities/company-announcements>. A printed copy of this Circular will NOT be despatched to Shareholders.

Due to the current COVID-19 restriction orders in Singapore, this EGM will be held by electronic means and therefore Shareholders will not be able to attend the EGM. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by (a) watching or listening to the EGM proceedings through a “live” webcast comprising both video (audio-visual) and audio feeds, (b) submitting questions in advance of the EGM, and/or (c) voting by proxy for resolution tabled at the EGM.

Please refer to paragraph 10 of this Circular for further information, including the steps to be taken by Shareholders to participate at the EGM.



UNION GAS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 201626970Z)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO:

- (1) **THE PROPOSED TRANSFER OF LISTING OF THE COMPANY FROM THE CATALIST TO THE MAINBOARD OF THE SGX-ST**
- (2) **THE PROPOSED ADOPTION OF A NEW SHARE ISSUE MANDATE**
- (3) **THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS SHARE OPTION SCHEME**
- (4) **THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS PERFORMANCE SHARE PLAN**

Important Dates and Times

| | | |
|--|---|----------------------------|
| Last date and time for lodgement of Proxy Form | : | 10 July 2021 at 9.00 a.m. |
| Date and time of Extraordinary General Meeting | : | 13 July 2021 at 9.00 a.m. |
| Place of Extraordinary General Meeting | : | By way of electronic means |

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

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| “2018 Acquisitions” | : | The acquisition by the Company of, <i>inter alia</i> , the entire issued and paid-up share capital of U-Gas Pte. Ltd. from Union Energy Corporation, as well as certain non-contractual domestic customer relationships from Semgas Supply Pte. Ltd., which were completed on 23 April 2018 |
| “Act” | : | The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time |
| “AGM” | : | The annual general meeting of the Company held on 29 April 2021 |
| “Award” | : | A contingent award of Shares granted under the Existing Union Gas PSP |
| “Board” | : | The board of directors of the Company as at the date of this Circular |
| “Catalist” | : | The sponsor-supervised listing platform of the SGX-ST |
| “Catalist Rules” | : | The SGX-ST Listing Manual Section B: Rules of Catalist as may be amended from time to time |
| “CDP” | : | The Central Depository (Pte) Limited |
| “CEO” | : | Chief Executive Officer or equivalent of the Company |
| “Circular” | : | This circular to Shareholders dated 21 June 2021 |
| “CNG” | : | Compressed natural gas |
| “CNG Business” | : | The operation of a fuel station at 50 Old Toh Tuck Road to produce, sell and distribute CNG primarily to natural gas vehicles and industrial customers for their commercial use |
| “Committee” | : | The remuneration committee of the Company |
| “Company” | : | Union Gas Holdings Limited |
| “Constitution” | : | The constitution of the Company, as amended, modified or supplemented from time to time |
| “Diesel Business” | : | The sale and distribution of diesel to retail customers at 50 Old Toh Tuck Road, as well as the transport, distribution and bulk sale of diesel to commercial customers |
| “Directors” | : | Directors of the Company as at the date of this Circular |
| “EGM” | : | The extraordinary general meeting of the Company, to be convened for the purposes of considering and, if thought fit, passing with or without modifications, the Proposed Transfer as set out in the Notice of EGM |
| “Existing Share Buy-back Mandate” | : | The existing share buy-back mandate of the Company which was approved by Shareholders at the AGM |

DEFINITIONS

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| “Existing Share Issue Mandate” | : | The existing share issue mandate of the Company which was approved by Shareholders at the AGM |
| “Existing Union Gas ESOS” | : | The Union Gas ESOS, which was adopted by the Company on 19 June 2017 prior to its listing on the Catalist |
| “Existing Union Gas ESOS Rules” | : | The rules of the Existing Union Gas ESOS, as may be amended from time to time, and any reference to a particular Union Gas ESOS Rule shall be construed accordingly |
| “Existing Union Gas PSP” | : | The Union Gas PSP, which was adopted by the Company on 19 June 2017 prior to its listing on the Catalist |
| “Existing Union Gas PSP Rules” | : | The rules of the Existing Union Gas PSP, as may be amended from time to time, and any reference to a particular Union Gas PSP Rule shall be construed accordingly |
| “FY2020” | : | The financial year ended 31 December 2020 |
| “Group” | : | The Company and its subsidiaries, collectively |
| “Instruments” | : | Offer, agreements or options in relation to any new Share to be allotted or issued under the New Share Issue Mandate |
| “IPO” | : | The initial public offering of the Company on the Catalist on 21 July 2017 |
| “Issued Shares” | : | The total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of EGM |
| “Latest Practicable Date” | : | 11 June 2021, being the latest practicable date prior to the issuance of this Circular |
| “Listing Manual” | : | Catalist Rules or Mainboard Rules (as the case may be), as amended, modified or supplemented from time to time |
| “LPG” | : | Liquefied petroleum gas |
| “LPG Business” | : | The retail distribution of bottled LPG cylinders and sale of LPG-related accessories in Singapore |
| “Mainboard” | : | The mainboard of the SGX-ST |
| “Mainboard Rules” | : | The rules of the Listing Manual applicable to issuers listed on the Mainboard, as amended, modified or supplemented from time to time |
| “Market Day” | : | A day on which the SGX-ST is open for trading in securities |
| “New Share Issue Mandate” | : | The proposed general mandate to allot and issue new Shares and convertibles securities in the capital of the Company, details of which are set out in Section 5 of this Circular |
| “Notice of EGM” | : | The notice of EGM which is as set out on pages N-1 to N-5 of this Circular |
| “Option” | : | The right to subscribe for Shares granted or to be granted to the employee pursuant to the Existing Union Gas ESOS and for the time being subsisting |

DEFINITIONS

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| “Proposed Adoption of the New Share Issue Mandate” | : | The proposed adoption of the New Share Issue Mandate to replace the Existing Share Issue Mandate |
| “Proposed Amendments to the Existing Union Gas ESOS” | : | The proposed amendments to the Existing Union ESOS, more particularly described in Section 4 in this Circular |
| “Proposed Amendments to the Existing Union Gas PSP” | : | The proposed amendments to the Existing Union PSP, more particularly described in Section 5 in this Circular |
| “Proposed Transfer” | : | The proposed transfer of the listing of the Company from the Catalist to the Mainboard, more particularly described in Section 2 in this Circular |
| “Proposed Transfer Date” | : | The proposed date of transfer of the Company from the Catalist to the Mainboard |
| “Prospectus” | : | The prospectus of the Company in connection with its IPO |
| “Public” | : | Persons other than: (a) directors, chief executive officer, substantial shareholders, or controlling shareholders of the Company or its subsidiary companies; and (b) associates of the persons in paragraph (a) above |
| “Register of Directors’ Shareholdings” | : | The register maintained by the Company setting out details of the Directors and their respective shareholdings |
| “Register of Members” | : | The principal register of members (duly registered holders of shares) |
| “Registration Deadline” | : | 9.00 a.m. on 10 July 2021 |
| “SFA” | : | Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time |
| “SGX-ST” or “Exchange” | : | Singapore Exchange Securities Trading Limited |
| “Shareholders” | : | Persons (other than CDP) who are for the time being registered as holders of Shares in the register of members maintained by the Company and Depositors who have Shares entered against their names in the Depository Register |
| “Shares” | : | Ordinary shares in the issued share capital of the Company |
| “Special Resolution” | : | A resolution proposed and passed as such by a majority consisting at least 75% of the total number of votes cast for and against such resolution at a meeting of Shareholders |
| “Sponsor” | : | The continuing sponsor of the Company, being CIMB Bank Berhad, Singapore Branch |
| “SRS” | : | Supplementary Retirement Scheme |
| “S\$” and “cents” | : | Singapore dollars and cents respectively, being the lawful currency of Singapore |

DEFINITIONS

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|-----------------------------|---|---|
| “ Union Gas ESOS ” | : | The Union Gas Employee Share Option Scheme of the Company |
| “ Union Gas PSP ” | : | The Union Gas Performance Share Plan of the Company |
| “ WBDI ” | : | Worldbridge Industrial Developments Ltd |
| “%” or “ per cent. ” | : | Percentage or per centum |

The terms “**Depositor**”, “**Depository Register**” and “**Depository Agent**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms “**associates**” and “**controlling shareholders**” shall have the meanings ascribed to them respectively in the Catalist Rules.

The terms “**subsidiaries**”, “**Substantial Shareholders**” and “**related corporations**” shall have the meanings ascribed to them respectively in the Act.

Except where specifically defined, the terms “**we**”, “**us**” and “**our**” in this Circular refer to the Group.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall, where applicable, include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures that precede them.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Act or any statutory modification thereof, as the case may be.

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date unless otherwise stated.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to, those using words such as “expect”, “seek”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Company nor the Sponsor undertakes any obligation to update publicly or revise any forward-looking statements for any reasons, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

UNION GAS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201626970Z)

Directors:

Mr. Teo Kiang Ang (Non-Executive Chairman)
Mr. Teo Hark Piang (Executive Director and Chief Executive Officer)
Mr. Loo Hock Leong (Lead Independent Director)
Mr. Lim Chwee Kim (Independent Director)
Mr. Heng Chye Kiou (Independent Director)

Registered Office:

3 Lorong Bakar Batu
#07-04 Union
Industrial Center
Singapore 348741

21 June 2021

To: **Shareholders of Union Gas Holdings Limited**

Dear Sir / Madam,

- (1) **THE PROPOSED TRANSFER OF LISTING OF THE COMPANY FROM THE CATALIST TO THE MAINBOARD OF THE SGX-ST;**
- (2) **THE PROPOSED ADOPTION OF A NEW SHARE ISSUE MANDATE;**
- (3) **THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS SHARE OPTION SCHEME; AND**
- (4) **THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS PERFORMANCE SHARE PLAN**

1. INTRODUCTION

1.1 The Directors are convening the EGM to seek the approval of Shareholders for:

- (a) the proposed transfer of the listing of the Company from the Catalist to the Mainboard of the SGX-ST; and
- (b) in conjunction with the Proposed Transfer:
 - (i) the proposed adoption of the New Share Issue Mandate to comply with the requirements under Mainboard Rule 806(2);
 - (ii) the Proposed Amendments to the Existing Union Gas ESOS to comply with Mainboard Rule 845; and
 - (iii) the Proposed Amendments to the Existing Union Gas PSP to comply with Mainboard Rule 845.

The Company sought approval from the SGX-ST on 27 April 2021 and the SGX-ST had on 10 June 2021 informed the Company that it had no objection to the Proposed Amendments to the Existing Union Gas ESOS and the Proposed Amendments to the Existing Union Gas PSP. The approval of the SGX-ST shall not be taken as an indication of the merits of the Proposed Amendments to the Existing Union Gas ESOS and the Proposed Amendments to the Existing Union Gas PSP.

LETTER TO SHAREHOLDERS

The purpose of this Circular is to provide Shareholders with relevant information relating to, and the rationale for, the above proposals and to seek Shareholders' approval in respect of the same at the EGM. The Notice of EGM is set out at pages N-1 to N-5 of this Circular.

Shareholders should note that the resolutions relating to the Proposed Adoption of the New Share Issue Mandate, Proposed Amendments to the Existing Union Gas ESOS, and Proposed Amendments to the Existing Union Gas PSP are conditional upon the passing of the resolution approving the Proposed Transfer but not vice versa. In the event that the special resolution relating to the Proposed Transfer is not passed, the resolutions relating to the Proposed Adoption of the New Share Issue Mandate, Proposed Amendments to the Existing Union Gas ESOS, and Proposed Amendments to the Existing Union Gas PSP will also not be passed.

2. THE PROPOSED TRANSFER

2.1 Announcement

On 10 June 2021, the Directors announced that the Company had obtained the approval in-principle from the SGX-ST in relation to the Proposed Transfer. The approval in-principle is subject to:

- (a) compliance with the SGX-ST's listing requirements;
- (b) Shareholders' approval being obtained for the Proposed Transfer via a Special Resolution under Rule 408(5) of the Catalist Rules;
- (c) an immediate announcement via SGXNET of the Proposed Transfer; and
- (d) submission of:
 - (i) a written undertaking from the Company in the format set out in Appendix 2.3.1 of the Mainboard Rules to comply with all of the SGX-ST's requirements and policies applicable to issuers listed on the Mainboard;
 - (ii) a written undertaking by the Company and the Sponsor that they are not aware of any material information which has not been previously announced via SGXNET which will affect the Company's suitability for the transfer to the Mainboard;
 - (iii) a written undertaking from each of the Directors in the form set out in Appendix 7.7 of the Mainboard Rules and an undertaking from the Company to procure the same written undertaking from any new director appointed to the Company's Board after the Proposed Transfer takes place; and
 - (iv) a written confirmation from the Company that it is in compliance with all applicable Catalist Rules.

The approval in-principle from the SGX-ST is not to be taken as an indication of the merits of the Proposed Transfer, the Company, its subsidiaries or its securities.

2.2 Rationale of the Proposed Transfer

The Directors are of the view that a listing on the Mainboard would provide the Company with greater visibility and recognition in the market and amongst investors and enhance the image and profile of the Company both locally and internationally.

In addition, the Directors believe that listing on the Mainboard would provide the Company with a wider platform to reach out to a larger investor base (which may include institutional investors and/or overseas-based investors), with greater opportunities for future fund raising and corporate actions. This could potentially facilitate the Company to better tap into capital markets (both equity and debt) where such opportunities for certain funding raising activities are presented to companies of larger market capitalisation and/or companies listed on the Mainboard, to meet the Group's funding requirements and provide the Group with greater flexibility to pursue its future plans.

LETTER TO SHAREHOLDERS

In addition, listing on the Mainboard is expected to enhance the Company's branding and sustainability as the Directors believe that being listed on the SGX Mainboard accords the Company with positive mindshare in the market and amongst job seekers. This enables the Company to recruit better talents, strengthen its brand and expand business opportunities.

2.3 Requirements for the Proposed Transfer

A transfer from the Catalist to the Mainboard is governed by Catalist Rule 408 and part IV of Chapter 2 of the SGX-ST Listing Manual. As shown in the following table, the Company has met all the requirements for the Proposed Transfer, save for the requirement for Shareholders' approval, which is the subject of this Circular.

| Catalist Rule | Provision of Catalist Rule | Compliance by the Company |
|---------------|--|--|
| Rule 408(1) | The issuer must be listed on SGX-ST Catalist for at least two (2) years. | <p>The Company was listed on the Catalist on 21 July 2017. Therefore, it has met the requirement for being listed on the Catalist for at least two (2) years.</p> <p>Accordingly, Catalist Rule 408(1) has been complied with.</p> |
| Rule 408(2) | <p>(a) The Company must meet the following minimum quantitative requirements:</p> <p style="margin-left: 20px;">(i) Mainboard Rules 210(2)(a) and 210(3); or</p> <p style="margin-left: 20px;">(ii) Mainboard Rules 210(2)(b) and 210(3); or</p> <p style="margin-left: 20px;">(iii) Mainboard Rules 210(2)(c) and 210(4)(a); and</p> <p>(b) and other listing requirements that the Exchange may prescribe (either generally or in any particular case).</p> <p>When determining whether the issuer complies with the market capitalisation requirement in Mainboard Rule 210(2)(b) or Mainboard Rule 210(2)(c), the Exchange will take into account the issuer's average daily market capitalisation for one (1) month preceding the application date. The Company will be relying on Mainboard Rules 210(b) and 210(3) for the Proposed Transfer.</p> | <p>The Company complies with the quantitative requirements specified under Catalist Rule 408(2)(a)(ii) on the following grounds:</p> <p><u>Compliance with Mainboard Rule 210(2)(b)</u></p> <p><i>Pursuant to Mainboard Rule 210(2)(b), the Company must have been profitable in the latest financial year, have an operating track record of at least three years and a market capitalisation of not less than S\$150 million based on the issue price and post-invitation issued share capital.</i></p> <p>Based on the Group's audited consolidated financial statements for FY2020, the Group had an operating revenue of approximately S\$86.19 million for the year ended 31 December 2020. The consolidated pre-tax profits of the Group for FY2020 were approximately S\$16.38 million.</p> <p>In FY2020, the Group had recognised (i) pay-outs from the Job Support Scheme of approximately S\$1.53 million; (ii) pay-outs from government grants of approximately S\$0.37 million; (iii) gain on disposal of property plant and equipment of approximately S\$0.26 million; and (iv) non-operational income relating to rental</p> |

LETTER TO SHAREHOLDERS

| Catalist Rule | Provision of Catalist Rule | Compliance by the Company |
|---------------|----------------------------|---|
| | | <p>income of approximately S\$0.18 million. There were no contribution from any extraordinary items or exceptional items. Excluding the non-recurrent and non-operational income items highlighted in above of approximately S\$2.34 million, the Group's consolidated pre-tax profits of the Group for FY2020 would have been approximately S\$14.04 million.</p> <p>The Group has a positive net cash flow of approximately S\$19.45 million from operating activities for FY2020. The Group has approximately S\$40.19 million in Shareholder's equity and a positive net current working capital of approximately S\$20.21 million as at 31 December 2020.</p> <p>When determining whether the Company complies with the market capitalisation requirement in Mainboard Rule 210(2)(b), the SGX-ST will take into account the Company's average daily market capitalisation for one month preceding the application date. The Company has an average daily market capitalisation of S\$177,363,347 for one month preceding the date of application (28 March 2021 to 27 April 2021), and S\$204,054,450 for one month preceding the Latest Practicable Date (12 May 2021 to 11 June 2021).</p> <p>Accordingly, the Company has satisfied the requirements under Mainboard Rule 210(2)(b).</p> <p><u>Compliance with Mainboard Rule 210(3)</u></p> <p><i>Pursuant to Mainboard Rule 210(3)(a), an issuer must have been engaged in substantially the same business and have been under substantially the same management throughout the period for which the relevant profit test applies.</i></p> |

LETTER TO SHAREHOLDERS

| Catalist Rule | Provision of Catalist Rule | Compliance by the Company |
|---------------|----------------------------|---|
| | | <p>The Group is a provider of fuel products in Singapore. The main business of the Group as disclosed in its Prospectus dated 13 July 2017 in connection with IPO, comprised the following three (3) segments:</p> <p>(a) <u>LPG Business</u> – The retail distribution of bottled LPG cylinders and sale of LPG-related accessories to mainly domestic households in Singapore;</p> <p>(b) <u>CNG Business</u> – The operation of a fuel station at 50 Old Toh Tuck Road to produce, sell and distribute CNG primarily to natural gas vehicles and industrial customers for their commercial use; and</p> <p>(c) <u>Diesel Business</u> – The sale and distribution of diesel to retail customers at 50 Old Toh Tuck Road, as well as the transport, distribution and bulk sale of diesel to commercial customers.</p> <p>Subsequent to its IPO, the Company had, on 23 April 2018, acquired, <i>inter alia</i>, the entire issued and paid-up share capital of U-Gas Pte. Ltd. as well as certain non-contractual domestic customer relationships from Semgas Supply Pte. Ltd. (the “2018 Acquisitions”). Following the 2018 Acquisitions, the Company expanded its customer base and distribution network in its LPG Business to include hawker centres as well as to more domestic households, both of which do not substantially alter the nature of the Company’s LPG Business.</p> <p>Other recent events relating to the Group’s business would include:</p> <p>(l) the Company’s collaboration with Surbana Jurong Infrastructure Pte. Ltd. on 3 March 2021 to study and explore the re-development potential of 50 Old Toh Tuck Road, with the aim of transforming it into a</p> |

LETTER TO SHAREHOLDERS

| Catalist Rule | Provision of Catalist Rule | Compliance by the Company |
|---------------|----------------------------|--|
| | | <p>sustainable multi-fuels and energy facility to meet evolving energy requirements and challenges of the future. However, this study is currently in its early stages and the Company does not have any concrete plans to restructure its business at the current juncture; and</p> <p>(II) the Company's collaboration with Worldbridge Industrial Developments Ltd ("WBDI") on a proposed joint venture with WBDI for the distribution and supply of LPG in the Kingdom of Cambodia. WBDI is a part of the WorldBridge International Group, a diverse solutions provider and conglomerate based in the Kingdom of Cambodia. The Company has, on 10 March 2021, signed a non-binding letter of intent with WBDI and is currently negotiating the terms of the joint venture. At the appropriate juncture in the future, the Company may seek the approval from Shareholders in connection with any definitive agreements and transactions with WBDI, where required pursuant to the Listing Manual.</p> <p>The Company has also been led by Mr. Teo Kiang Ang and his family members, together with the other members of the Board since the IPO date in 2017. With the exception of the appointment of Mr. Teo Hark Piang as an executive director on 1 November 2018 and subsequently as the Chief Executive Officer on 25 April 2019, the composition of the Board of the Company has remained constant since the IPO date. Mr. Teo Hark Piang is the son of Mr. Teo Kiang Ang, the founder of the Company and the Chairman of the Board.</p> <p>Accordingly, the requirement in Mainboard Rule 210(3), namely, that the Group has been engaged in substantially the same business and</p> |

LETTER TO SHAREHOLDERS

| Catalist Rule | Provision of Catalist Rule | Compliance by the Company |
|---------------|----------------------------|---|
| | | <p>have been under substantially the same management throughout the period for which the three years operating track record applies (being last three financial years ended 31 December 2018, 2019 and 2020) is complied with.</p> <p><i>Pursuant to Mainboard Rule 210(3)(b), if the group made low profits or losses in the two years before the application due to specific factors which were of a temporary nature and such adverse factors have either ceased or are expected to be rectified upon the issuer's transfer to the Mainboard, the application may still be considered.</i></p> <p>Mainboard Rule 210(3)(b) does not apply as the Group has been profitable and did not make low profits or losses in the last 2 financial years before the Proposed Transfer.</p> <p><i>Pursuant to Mainboard Rule 210(3)(c), in determining the profits, exceptional or non-recurrent income and extraordinary items must be excluded.</i></p> <p>The Company did not take into account extraordinary or exceptional non-recurrent and non-operational income items of approximately S\$2.34 million in determining its profit.</p> <p><i>Pursuant to Mainboard Rule 210(3)(d), the SGX-ST will normally not consider an application for listing from an issuer which has changed or proposes to change its financial year end if the SGX-ST is of the opinion that the purpose of the change is to take advantage of exceptional or seasonal profits to show a better profit record.</i></p> <p>The Group has not changed its financial year end for the past 3 financial years to which the profits of the Group and up to the latest interim financial statements that have been announced. The Group also has no intention of changing its financial year end going forward.</p> <p>Accordingly, Catalist Rule 408(2) has been complied with.</p> |

LETTER TO SHAREHOLDERS

| Catalist Rule | Provision of Catalist Rule | Compliance by the Company |
|---------------|--|---|
| Rule 408(3) | The issuer has to provide the Exchange with an undertaking to comply with all the Exchange's requirements and policies applicable to issuers listed on the SGX Mainboard (the " Undertaking "). The Undertaking must be in the form set out in Appendix 2.3.1 of the Mainboard Rules. | <p>The Company has provided the Undertaking in the form set out in Appendix 2.3.1 of the Mainboard Rules.</p> <p>Accordingly, Catalist Rule 408(3) has been complied with.</p> |
| Rule 408(4) | An offer information statement required by the SFA (meeting the requirements in the Sixteenth Schedule) must be lodged with the Authority if the issuer intends to offer additional securities on SGX Mainboard, or a draft shareholder's circular to approve the transfer must be submitted to the Exchange where there is no additional offer of securities. | <p>The Company does not intend to offer additional securities on the SGX Mainboard. This Circular is being provided to Shareholders to, inter alia, provide them with the requisite information relating to the Proposed Transfer.</p> <p>Accordingly, Catalist Rule 408(4) has been complied with.</p> |
| Rule 408(5) | The issuer's shareholders have approved the Proposed Transfer by way of a special resolution | <p>The Directors are convening the EGM to seek the approval of Shareholders for the Proposed Transfer by way of a Special Resolution.</p> <p>Accordingly, upon the approval of Shareholders being obtained at the EGM for the Proposed Transfer, Catalist Rule 408(5) will be complied with.</p> |
| Rule 408(6) | The issuer is in compliance with all applicable Catalist Rules | <p>The Company has confirmed that the Company is in compliance with all applicable Catalist Rules.</p> <p>Accordingly, Catalist Rule 408(6) has been complied with.</p> |

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| Catalist Rule | Provision of Catalist Rule | Compliance by the Company | | | | | | | | | |
|--|---|---------------------------|--|--|--|---|------------------------|---------|-----|-----|---|
| Rule 408(7) | <p>The issuer may have to meet the minimum shareholding spread requirements applicable to Mainboard issuers set out in Mainboard Rule 210(1).</p> <p>Pursuant to Mainboard Listing Rule 210(1)(a), the following shareholding spread requirements must be met:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: center;">PUBLIC FLOAT</th> </tr> <tr> <th style="text-align: center;">Market Capitalisation (\$ million) ("M")</th> <th style="text-align: center;">Proportion of post-invitation share capital in public hands</th> <th style="text-align: center;">Number of shareholders</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">M < 300</td> <td style="text-align: center;">25%</td> <td style="text-align: center;">500</td> </tr> </tbody> </table> | PUBLIC FLOAT | | | Market Capitalisation (\$ million) ("M") | Proportion of post-invitation share capital in public hands | Number of shareholders | M < 300 | 25% | 500 | <p>The Company complies with the requirements under Mainboard Rule 210(1) on the following grounds:</p> <p>(a) The Company's market capitalisation as at the Latest Practicable Date is S\$228,968,392, determined by multiplying the 228,968,392 Shares in issue by the last trading price of the Shares of approximately S\$1.00 on the Latest Practicable Date.</p> <p>(b) As at the Latest Practicable Date, the number of Shares held by public shareholders is approximately 65,860,428 Shares, which comprises 28.76% of the total issued shares of the Company of 228,968,392 Shares.</p> <p>As at the Latest Practicable Date, the Company also has a total of 1,171 shareholders. This meets the requirement of at least 500 shareholders under the Mainboard Rule 210(1)(a). As such, the Company has met the requirement of a public float of at least 25% under Mainboard Rule 210(1)(a).</p> <p>Accordingly, Catalist Rule 408(7) has been complied with.</p> |
| PUBLIC FLOAT | | | | | | | | | | | |
| Market Capitalisation (\$ million) ("M") | Proportion of post-invitation share capital in public hands | Number of shareholders | | | | | | | | | |
| M < 300 | 25% | 500 | | | | | | | | | |

3. THE PROPOSED ADOPTION OF THE NEW SHARE ISSUE MANDATE

3.1 Introduction

The Existing Share Issue Mandate of the Company which was obtained at the AGM in accordance with the Catalist Rules, authorises the Directors to allot and issue new Shares in the capital of the Company in accordance with the provisions under Catalist Rule 806.

Under the Existing Share Issue Mandate, the Directors are empowered to allot and issue Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM, of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing Shareholders shall not exceed 50% of the total number of issued Shares (excluding treasury shares).

Pursuant to the aforementioned thresholds, based on the Company's issued share capital of 228,929,780 Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM, the maximum number of Shares to be issued other than on a pro-rata basis is 114,464,890 Shares (excluding treasury shares and subsidiary holdings), representing 50% of the total number

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of issued Shares (excluding treasury shares and subsidiary holdings). As at the date of this Circular, no Shares have been issued under the Existing Share Issue Mandate¹, and the Company has no intention of issuing any Shares under its Existing Share Issue Mandate prior to the Proposed Transfer Date.

Upon the transfer of the listing of the Company from Catalist to the Mainboard of SGX-ST becoming effective, the Company is subject to the requirements of the Mainboard Rules. Consequently, in order for the Directors to continue issuing Shares without seeking any further approval from Shareholders, the Existing Share Issue Mandate (which is regulated by the Catalist Rules) is proposed to be replaced with the New Share Issue Mandate which complies with the Mainboard Rules.

The main differences between the Catalist Rules and Mainboard Rules relating to the general share issue mandate are summarised in the table below:

| | Catalist Rules | Mainboard Rules |
|--|---|---|
| Limits | The limit of the general share issue mandate set out in Rule 806(2)(a) of the Catalist Rules is 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time of the passing of the resolution approving the mandate. | The limit of the general share issue mandate set out in Rule 806(2) of the Mainboard Rules is 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time of the passing of the resolution approving the mandate. |
| Non-Pro Rata limits (ordinary resolution) | Pursuant to Rule 806(2)(a) of the Catalist Rules, issuers can only issue up to 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time of the passing of the resolution approving the mandate on a non-pro rata basis. | Pursuant to Rule 806(2) of the Mainboard Rules, issuers can only issue up to 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time of the passing of the resolution approving the mandate on a non-pro rata basis. |
| Non-Pro Rata limited (special resolution) | Pursuant to Rule 806(2)(b) of the Catalist Rules, issuers can issue up to 100.0% of the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time of the passing of the resolution approving the mandate on a non-pro rata basis if Shareholders approve this by way of a special resolution. | None. |

¹ The Company had, on 7 June 2021, issued 38,612 Shares under the Existing Union Gas PSP and none under the Existing Share Issue Mandate.

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Accordingly, the Company will be seeking Shareholders' approval at the EGM for the Proposed Adoption of the New Share Issue Mandate to authorise the Directors to:

- (a) allot and issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or
- (b) make or grant Instruments that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other Instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit pursuant to Section 161 of the Companies Act and Mainboard Rule 806.

3.2 Rationale for the Proposed Adoption of the New Share Issue Mandate

A general share issue mandate pursuant to Mainboard Rule 806, if granted by Shareholders at the EGM to be convened, will empower the Directors to issue and allot Shares and/or convertible securities within the express limits of the mandate during the validity of such mandate, without seeking any further approval from Shareholders.

A general (as opposed to a specific) approval for the Directors to issue Shares and/or convertible securities of the Company under the New Share Issue Mandate will enable the Company to act quickly and take advantage of market conditions.

3.3 Limits of the New Share Issue Mandate

Pursuant to Mainboard Rule 806, the aggregate number of Shares that may be issued by the Company pursuant to the New Share Issue Mandate (including Shares to be issued in pursuance of the Instruments made or granted pursuant to the New Share Issue Mandate) shall not exceed fifty per cent (50%) of the Issued Shares, of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing Shareholders of the Company shall not exceed twenty per cent (20%) of the total number of Issued Shares (excluding treasury shares and subsidiary holdings).

For illustration purposes only, based on the Company's Issued Shares of 228,968,392 Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, the aggregate number of Shares that may be issued by the Company pursuant to the New Share Issue Mandate (including Shares to be issued in pursuance of the Instruments made or granted pursuant to the New Share Issue Mandate) shall not exceed 114,484,196 Shares, representing approximately 50% of the Issued Shares, of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing Shareholders of the Company shall not exceed 45,793,678 Shares, representing approximately 20% of the total number of Issued Shares (excluding treasury shares and subsidiary holdings).

Subject to such manner of calculation as may be prescribed by the SGX-ST, for the purpose of determining the aggregate number of Shares that may be issued (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this authority), the percentage of total Issued Shares shall be based on the total Issued Shares (excluding treasury shares and subsidiary holdings) as at the date of EGM, after adjusting for:

- (a) new Shares arising from the conversion or exercise of any convertible securities outstanding;
- (b) new Shares arising from exercising share options or vesting of share awards outstanding and/or subsisting as at the date of EGM, provided that the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Mainboard Rules; and
- (c) any subsequent bonus issue, consolidation or subdivision of Shares,

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adjustments in accordance to subparagraph 3.3(a) and 3.3(b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate.

Additionally, in exercising the authority to issue Shares, the Company will comply with the provisions of the Mainboard Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Constitution for the time being of the Company.

3.4 Validity period of the New Share Issue Mandate

The New Share Issue Mandate, which is to be tabled as an ordinary resolution at the EGM, if approved by Shareholders, will supersede and replace the Existing Share Issue Mandate and shall take force and effect from the effective date of the transfer of the listing of the Company from Catalist to the Mainboard of SGX-ST, and the Existing Share Issue Mandate shall correspondingly be deemed revoked with effect from the same date. The New Share Issue Mandate shall continue in force until the next annual general meeting of the Company or the date by which the next annual general meeting is required to be held, whichever is earlier, unless prior thereto, the New Share Issue Mandate is carried out to the full extent mandated or the New Share Issue Mandate is revoked or varied by the Company in a general meeting.

4. THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

4.1 Introduction

The Company adopted the Existing Union Gas ESOS on 19 June 2017 prior to its listing on the Catalist and it shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the IPO Date (i.e. 27 July 2017). The Proposed Amendments to the Existing Union Gas ESOS, which is to be tabled as an ordinary resolution at the EGM, if approved by Shareholders, will not affect the expiry date of the Existing Union Gas ESOS.

In connection with the Proposed Transfer, the Company is proposing that the Existing Union Gas ESOS Rules be amended to take into account the requirements of the Mainboard Rules, and that Shareholders' approval is sought at the EGM for, inter alia, the Proposed Amendments to the Existing Union Gas ESOS.

4.2 Proposed Amendments

Capitalised terms and phrases in this section, unless otherwise defined in this Circular, have the same meaning as when used in the Existing Union Gas ESOS Rules.

The Proposed Amendments to the Existing Union Gas ESOS Rules are set out in the **Appendix A** to this Circular.

4.2.1 Definitions of the Existing Union Gas ESOS Rules

Rule 1 of the Existing Union Gas ESOS Rules currently adopts the definition of the terms "Associate" and "Catalist Rules" as follows:

| | | |
|------------------|---|---|
| "Associate" | : | <i>Shall have the meaning assigned to it in the Catalist Rules</i> |
| "Catalist Rules" | : | <i>The rules constituted in Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as may be amended or modified from time to time</i> |

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It is now proposed that the definition of the terms “Catalist Rules” be deleted and replaced as follows:

“Associate” : *Shall have the meaning assigned to it in the ~~Catalist Rules~~ **Mainboard Rules***

“**Mainboard Rules**” : ***The rules of the Listing Manual applicable to issuers listed on the Mainboard, as amended, modified, supplemented from time to time***

4.2.2 Maximum Entitlement

Rule 5 of the Existing Union Gas ESOS Rules currently states that:

“Subject to Rule 4 and Rule 10, the aggregate number of Shares in respect of which Options may be offered to a Grantee for acquisition in accordance with the Scheme shall be determined at the discretion of the Committee who shall take into account criteria such as rank, past performance, years of service and potential development of the Grantee.”

It is now proposed that Rule 5 be amended to include the following:

“For the purpose of determining the maximum entitlement for each class or category of Participants and the maximum entitlement for any one Participant of which Options may be offered,

- (i) **the aggregate number of Options available to the Controlling Shareholders and Associates must not exceed 25% of the Options available under the Scheme;**
- (ii) **the number of Options available to each Controlling Shareholder or Associate must not exceed 10% of the Options available under the Scheme; and**
- (iii) **the aggregate number of Options available to directors and employees of the Company’s parent company and its subsidiaries must not exceed 20% of the Options available under the Scheme,**

and will be subject to the limits as stipulated under the Mainboard Rule 845.”

4.2.3 Exercise Price

It is now proposed that Rule 9 of the Existing Union Gas ESOS Rules be amended as follows:

“Subject to any adjustment pursuant to Rule 10, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee at its absolute discretion, and shall be fixed by the Committee at:

- (a) *the Market Price; or*
- (b) *a price which is set at a discount to the Market Price, ~~the quantum of such discount to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed 20% of the Market Price in respect of that Option.~~ **provided that:***
 - (i) **the maximum discount shall not exceed 20.0% of the Market Price (or such other percentage or amount as may be determined by the Committee and permitted by the SGX-ST); and**
 - (ii) **the Shareholders in general meeting shall have authorised, in a separate resolution, the making of offers and grants of Options under the Scheme at a discount not exceeding the maximum discount as aforesaid.”**

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4.2.4 Reporting Requirements

It is now proposed that Rule 25 of the Existing Union Gas ESOS Rules be amended as follows:

*“Under the ~~Catalist~~ **Mainboard** Rules, an immediate announcement must be made on the Offer Date and the announcement must provide details of the grant, including the following:*

- (a) date of grant;*
- (b) exercise price of the Options granted;*
- (c) number of Options granted;*
- (d) market price of the Shares on the date of grant;*
- (e) number of Options granted to each Director and Controlling Shareholder (and each of their Associates), if any; and*
- (f) the validity period of the Options.*

The Company shall make the following disclosure in its annual report for so long as the Scheme continues in operation:

- (a) the names of the members of the Committee;*
- (b) the information required in the table below for the following Participants (which for the avoidance of doubt, shall include Participants who have exercised all their Options in any particular Financial Year):*
 - (i) participants who are Directors of the Company;*
 - (ii) participants who are Controlling Shareholders and their Associates; and*
 - (iii) participants, other than those in (i) and (ii) above, who receive Shares pursuant to the exercise of Options under the Scheme which, in aggregate, represent 5.0% or more of the aggregate of the total number of Shares available under the Scheme; and*

| Name of Participant | Options granted during financial year under review (including terms) | Aggregate Options granted since commencement of the Scheme to end of financial year under review | Aggregate Options exercised since commencement of the Scheme to end of financial year under review | Aggregate Options outstanding at the end of financial year under review |
|----------------------------|---|---|---|--|
|----------------------------|---|---|---|--|

- (c) the number and proportion of Options granted at a discount during the financial year under review in respect of every 10.0% discount range, up to the maximum quantum of discount granted; and*

*such other information as may be required by the ~~Catalist~~ **Mainboard** Rules or the Act, provided that if any of the above requirements are not applicable, an appropriate negative statement will be included in our annual report.”*

4.3 Rationale

The Proposed Amendments to the Existing Union Gas ESOS will facilitate and enable the Company to comply with the Mainboard Rules should Shareholders’ approval for the Proposed Transfer be obtained at the EGM to be convened.

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5. THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS PSP

5.1 Introduction

The Company adopted the Existing Union Gas PSP on 19 June 2017 prior to its listing on the Catalist and it shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the IPO Date (i.e. 27 July 2017). The Proposed Amendments to the Existing Union Gas PSP, which is to be tabled as an ordinary resolution at the EGM, if approved by Shareholders, will not affect the expiry date of the Existing Union Gas PSP.

In connection with the Proposed Transfer, the Company is proposing that the Existing Union Gas PSP Rules be amended to take into account the requirements of the Mainboard Rules, and that Shareholders' approval is sought at the EGM for, inter alia, the Proposed Amendments to the Existing Union Gas PSP.

5.2 Proposed Amendments

Capitalised terms and phrases in this section, unless otherwise defined in this Circular, have the same meaning as when used in the Existing Union Gas PSP Rules.

The Proposed Amendments to the Existing Union Gas PSP Rules are set out in the **Appendix B** to this Circular

5.2.1 Definitions of the Existing Union Gas PSP

Rule 1 of the Existing Union Gas PSP Rules currently adopts the definition of the terms "Associate" and "Catalist Rules" as follows:

| | | |
|------------------|---|---|
| "Associate" | : | <i>Shall have the meaning assigned to it in the Catalist Rules</i> |
| "Catalist Rules" | : | <i>The rules constituted in Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as may be amended or modified from time to time</i> |

It is now proposed that the definition of the terms "Associate" and "Catalist Rules" be amended as follows:

| | | |
|--|---|--|
| "Associate" | : | <i>Shall have the meaning assigned to it in the Catalist Rules <u>Mainboard Rules</u></i> |
| "Catalist Rules" <u>"Mainboard Rules"</u> | : | <i>The rules constituted in Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as may be amended or modified from time to time <u>The rules of the Listing Manual applicable to issuers listed on the Mainboard, as amended, modified, supplemented from time to time</u></i> |

5.2.2 Grant of Awards

Rule 5.3 of the Existing Union Gas PSP Rules currently states that:

"The Committee shall decide in relation to an Award:

- (a) the Participant;*
- (b) the Award Date;*
- (c) the Performance Period;*
- (d) the number of Shares which are the subject of the Award;*

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- (e) *the Performance Condition;*
- (f) *the Release Schedule; and*
- (g) *any other condition which the Committee may determine in relation to that Award."*

It is now proposed that Rule 5.3A be included to clarify the following:

"For the purpose of determining the maximum entitlement for each class or category of Participants and the maximum entitlement for any one Participant of which Awards may be offered,

- (i) **the aggregate number of Award available to the Controlling Shareholders and Associates must not exceed 25% of the Awards available under the Plan;**
- (ii) **the number of Award available to each Controlling Shareholder or Associate must not exceed 10% of the Awards available under the Plan; and**
- (iii) **the aggregate number of Award available to directors and employees of the Company's parent company and its subsidiaries must not exceed 20% of the Awards available under the Plan,**

and will be subject to the limits as stipulated under the Mainboard Rule 845."

5.2.3 Reporting Requirements

It is now proposed that Rule 19 of the Existing Union Gas PSP Rules be amended as follows:

*"Under the ~~Catalist~~ **Mainboard** Rules, an immediate announcement must be made on the Award Date and the announcement must provide details of the grant, including the following:*

- (a) *date of grant;*
- (b) *market price of the Shares on the Award Date;*
- (c) *number of Shares granted under the Award;*
- (d) *number of Shares granted to each Director and Controlling Shareholder (and each of their Associates) under the Award, if any; and*
- (e) *the vesting period in relation to the Award.*

The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation:

- (a) *the names of the members of the Committee administering the Plan;*
- (b) *in respect of the following Participants of the Plan:*
 - (i) *directors of the Company;*
 - (ii) *Controlling Shareholders and their Associates; and*
 - (iii) *Participants (other than those in paragraphs (i) and (ii) above) who have received Shares pursuant to the Release of Awards granted under the Plan which, in aggregate, represent five (5) per cent. or more of the aggregate of the total number of Shares available under the Plan,*

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the following information:

| Name of participant | Aggregate number of Shares comprised in Awards under the Union Gas PSP during the financial year under review (including terms) | Aggregate number of Shares comprised in Awards vested to such participant since commencement of the Union Gas PSP to end of financial year under review | Aggregate number of Shares comprised in Awards issued since commencement of the Union Gas PSP to end of financial year under review | Aggregate number of Shares comprised in Awards which have not been released as at the end of financial year under review |
|----------------------------|--|--|--|---|
|----------------------------|--|--|--|---|

such other information as may be required by the ~~Catalist~~ **Mainboard** Rules or the Act, provided that if any of the above requirements are not applicable, an appropriate negative statement will be included in the annual report.”

5.3 Rationale

The Proposed Amendments to the Existing Union Gas PSP will facilitate and enable the Company to comply with the Mainboard Rules should Shareholders’ approval for the Proposed Transfer be obtained at the EGM to be convened.

5.4 Existing Awards

In FY2020, the Company allotted and issued 28,958 new Shares under the Existing Union Gas PSP to its employees pursuant to the vesting of share Awards granted on 6 June 2019. In the course of FY2021 till the Latest Practicable Date, the Company has allotted and issued 38,612 new Shares under the Existing Union Gas PSP to its employees pursuant to the vesting of share Awards granted on 6 June 2019. As at the Latest Practicable Date, no shares were awarded as an Award to any Directors, Controlling Shareholders or their Associates under the Existing Union Gas PSP and none of the participants received more than 5% of the total number of shares available to be allotted and issued under the Existing Union Gas PSP.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

6.1 Interests of Directors

The interests (both direct and indirect interests) of the Directors in the issued share capital of the Company, as recorded in the Register of Directors’ Shareholdings as at the Latest Practicable Date, are as follows:

| Name of Director | Direct Interest | Deemed Interest |
|-----------------------------------|------------------------|------------------------|
| Shares of the Company | | |
| Teo Kiang Ang ^{(1), (2)} | 67,813,500 | 34,989,964 |
| Teo Hark Piang | 25,479,500 | – |
| Loo Hock Leong ⁽³⁾ | 800,000 | – |
| Lim Chwee Kim | 300,000 | – |
| Heng Chye Kiou | – | – |

Notes:–

- (1) Mr. Teo Kiang Ang, who is the non-executive Chairman of the Company, is the father of Mr. Teo Hark Piang, who is an Executive Director and the CEO of the Company.

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- (2) 63,850,000 ordinary shares are held through a nominee account with Citibank Nominees Singapore Pte. Ltd.

Mr. Teo Kiang Ang is deemed interested in (i) 6,127,100 Shares held by LK Tang Pte. Ltd., which is 100% owned by Mr. Teo Kiang Ang; (ii) 24,329,430 Shares held by UEC, which is 6.73% owned by Mr. Teo Kiang Ang and 55.16% owned by See Young Investments Pte. Ltd., which is in turn 100% owned by Mr. Teo Kiang Ang, and (iii) 4,533,434 Shares held by Semgas Supply Pte. Ltd., which is 100% owned by UEC, which is in turn 6.73% owned by Mr. Teo Kiang Ang and 55.16% owned by See Young Investments Pte. Ltd., which is in turn 100% owned by Mr. Teo Kiang Ang.

- (3) Shares are held through a nominee account with DBS Nominees (Private) Limited.

6.2 Interests of Substantial Shareholders

As of the Latest Practicable Date, the shareholding of the Substantial Shareholders are as follows:–

| | Direct Interest | % | Deemed Interest | % | Total | % |
|------------------------------------|-----------------|------|---------------------------|------|-------------|------|
| Teo Kiang Ang ⁽¹⁾ | 67,813,500 | 29.6 | 34,989,964 ⁽³⁾ | 15.3 | 102,803,464 | 44.9 |
| Teo Hark Piang ⁽²⁾ | 25,479,500 | 11.1 | – | – | 25,479,500 | 11.1 |
| Union Energy Corporation Pte. Ltd. | 24,329,430 | 10.6 | 4,533,434 ⁽⁴⁾ | 2.0 | 28,862,864 | 12.6 |

Notes:–

- (1) Mr. Teo Kiang Ang is the Non-executive Chairman and controlling shareholder of the Company.
63,850,000 ordinary shares are held through a nominee account with Citibank Nominees Singapore Pte. Ltd.
- (2) Mr. Teo Hark Piang the Executive director and Chief Executive Officer of the Company, is the son of Mr. Teo Kiang Ang, the Non-executive Chairman and Controlling Shareholder of the Company.
- (3) Mr. Teo Kiang Ang is deemed interested in (i) 6,127,100 Shares held by LK Tang Pte. Ltd., which is 100% owned by Mr. Teo Kiang Ang; (ii) 24,329,430 Shares held by UEC, which is 6.73% owned by Mr. Teo Kiang Ang and 55.16% owned by See Young Investments Pte. Ltd., which is in turn 100% owned by Mr. Teo Kiang Ang, and (iii) 4,533,434 Shares held by Semgas Supply Pte. Ltd., which is 100% owned by UEC, which is in turn 6.73% owned by Mr. Teo Kiang Ang and 55.16% owned by See Young Investments Pte. Ltd., which is in turn 100% owned by Mr. Teo Kiang Ang.
- (4) UEC is deemed interested in 4,533,434 Shares held by Semgas Supply Pte. Ltd. through its 100% shareholding in Semgas Supply Pte. Ltd.

6.3 Interests of Directors and Substantial Shareholder(s) in the Proposed Transfer

None of the Directors or Substantial Shareholders of the Company or their respective associates has any interest, direct or indirect, in the Proposed Transfer, other than through their respective shareholdings in the Company.

7. DIRECTORS' RECOMMENDATIONS

The Directors, in rendering their recommendations, have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any Shareholder. As different Shareholders would have different investment objectives, the Directors recommend that any individual Shareholder who may require specific advice in relation to the Proposed Transfer should consult his stockbroker, bank manager, solicitor, accountant or other professional advisers.

7.1 Special Resolution – Proposed Transfer

The Directors, having considered and reviewed the rationale for and benefits of the Proposed Transfer are of the opinion that the Proposed Transfer is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the Special Resolution relating to the Proposed Transfer, as set out in the Notice of EGM.

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7.2 Ordinary Resolutions – Proposed Adoption of the New Share Issue Mandate, Proposed Amendments to the Existing Union Gas ESOS and Proposed Amendments to the Existing Union Gas PSP

The Directors, having considered and reviewed the information and rationale for the Proposed Adoption of the New Share Issue Mandate, are of the opinion that the New Share Issue Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolutions relating to the Proposed Adoption of the New Share Issue Mandate as set out in the Notice of EGM.

As the Directors are entitled to participate in the Union Gas ESOS and Union Gas PSP, the Directors have abstained from making any recommendation on the Proposed Amendments to the Existing Union Gas ESOS and the Proposed Amendments to the Existing Union Gas PSP.

Shareholders should note that the resolutions relating to the Proposed Adoption of the New Share Issue Mandate, Proposed Amendments to the Existing Union Gas ESOS, and Proposed Amendments to the Existing Union Gas PSP are conditional upon the passing of the resolution approving the Proposed Transfer but not vice versa. In the event that the special resolution relating to the Proposed Transfer is not passed, the resolutions relating to the Proposed Adoption of the New Share Issue Mandate, Proposed Amendments to the Existing Union Gas ESOS and Proposed Amendments to the Existing Union Gas PSP will also not be passed.

8. ABSTENTION FROM VOTING

All Directors (save for the Chairman of the Board) who are entitled to participate in the Union Gas ESOS and Union Gas PSP, shall abstain from voting in respect of their holdings of Shares (if any) on the ordinary resolutions relating to the Union Gas ESOS and Union Gas PSP, unless specific instructions have been given in the proxy form on how the vote is to be cast.

Shareholders (including employees of the Company and its subsidiaries who are also Shareholders) who are entitled to participate in the Union Gas ESOS and Union Gas PSP, should also abstain from voting at the EGM on the ordinary resolutions relating to the Union Gas ESOS and Union Gas PSP.

9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-5 of this Circular, will be held by way of electronic means (via live webcast and audio only means) on 13 July 2021 at 9.00 a.m. for the purpose of considering and, if thought fit, passing (with or without any modification) the resolutions set out in the Notice of EGM.

10. ACTIONS TO BE TAKEN BY SHAREHOLDERS

In light of the current COVID-19 measures in Singapore, this EGM will be held by electronic means and therefore, Shareholders will NOT be able to attend the EGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM through a “live” webcast or “live” audio feed as set out below:

10.1 Watching the EGM proceedings via Webinar

Shareholders must pre-register at the pre-registration website at the URL <http://forms.uniongas.com.sg/egm/2021/MainboardEGM-registration.html> from now till 9.00 a.m. on 10 July 2021 to enable the Company to verify their status as Shareholders.

Following the verification, authenticated Shareholders will receive an email by 5.00 p.m. on 11 July 2021. The email will contain login credentials and instructions to access the live audio-visual webcast of the EGM proceedings. Shareholders who do not receive an email by 5.00 p.m. on 11 July 2021, but have registered by 9.00 a.m. on 10 July 2021, should contact the Company at srs.teamc@boardroomlimited.com or call the general telephone number at +65 6536 5355 between 10.00 a.m. to 4.00 p.m. for assistance.

LETTER TO SHAREHOLDERS

10.2 Submitting questions in advance of the EGM

Shareholders will not be able to ask questions during the live audio-visual webcast of the EGM proceedings. Therefore, it is important for Shareholders to pre-register and submit their questions in advance of the EGM.

Shareholders who pre-register to watch the live webcast or listen to the live audio feed may also submit questions related to the EGM to <http://forms.uniongas.com.sg/egm/2021/MainboardEGM-registration.html>. All questions must be submitted by 9.00 a.m. on 8 July 2021 and the Company will not be able to address questions received after the cut-off time and date. The Company shall address substantial and relevant questions (as may be determined by the Company) received from the Shareholders relating to the Proposed Disposal prior to the EGM via SGXNet and/or during the EGM proceedings.

The Company will publish the minutes as well as responses to the questions received of the EGM on the SGXNet within one (1) month after the EGM.

10.3 Submitting Proxy Form

Shareholders (other than CDP) holding Shares who wish to vote, should complete, sign and return the Shareholder Proxy Form attached to the Notice of EGM in accordance with the instructions printed therein as soon as possible and, must appoint the Chairman of the EGM as their proxy by completing and submitting the Proxy Form to the Company in the following manner:

- (a) If submitted by post, be deposited at the Share Registrar's office at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623; or
- (b) If submitted electronically, be submitted via email to the Company at srs.teamc@boardroomlimited.com,

in either case not later than seventy-two (72) hours before the time fixed for holding the EGM, which is by 9.00 a.m. on 10 July 2021.

In appointing the Chairman of the EGM as Proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting in the Proxy Form, failing which the appointment will be treated as invalid.

If the appointor is a corporate, the Proxy Form must be executed under seal or the hand of its duly authorised officer or attorney.

In view of the current COVID-19 measures which may make it difficult for Shareholders to submit completed proxy forms by post, Shareholders are strongly encouraged to submit completed proxy forms electronically via email.

The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly complete, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy (such as in the case the appointor submits more than one instrument of proxy).

A Depositor's name must appear on the Depository Register maintained by the CDP at least seventy-two (72) hours before the time fixed for holding the EGM in order for the Depositor to be entitled to vote on the resolution at the EGM by appointing the Chairman of the EGM as his/her proxy to do so on his/her behalf. In view of Section 81SJ(4) of the Securities and Futures Act (Cap. 289), Singapore, a Depositor shall not be regarded as a shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his/her name appears in the Depository Register maintained by the CDP at least seventy-two (72) hours before the EGM. Any Shareholder who is holding his/her shares via the CDP but whose name is not registered with the CDP seventy-two (72) hours before the EGM will not be entitled to attend and vote at the EGM. Accordingly, even if such Shareholder deposits his/her proxy form seventy-two (72) hours before the EGM, the

LETTER TO SHAREHOLDERS

Chairman of the EGM who is appointed as his/her proxy will not be entitled to vote on his/her behalf at the EGM.

SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective SRS Operators at least seven (7) working days before the EGM (i.e. by 9.00 a.m. on 1 July 2021), to ensure that their votes are submitted.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular, and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transfer, the Proposed Adoption of the New Share Issue Mandate, Proposed Amendments to the Existing Union Gas ESOS, Proposed Amendments to the Existing Union Gas PSP, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information 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 these sources and/or reproduced in the Circular in its proper form and context.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 3 Lorong Bakar Batu #07-04 Union Industrial Center Singapore 348741 during normal business hours from 9.00 a.m. to 5.00 p.m. for three (3) months from the date of the EGM:

- (a) The annual report of the Company for FY2020;
- (b) the Existing Union Gas ESOS;
- (c) the Existing Union Gas PSP; and
- (d) the Constitution of the Company.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send an email request to ir@uniongas.com.sg to make an appointment in advance. The Company will arrange a date when each Shareholder can come to the registered office to inspect accordingly. The inspection of documents will be arranged with each Shareholder to limit the number of people who are present at the registered office at any one point in time and such arrangements are subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

LETTER TO SHAREHOLDERS

13. CAUTIONARY STATEMENT

Shareholders and potential investors should exercise caution when trading in Shares, and where in doubt as to the action they should take, they should consult their financial, tax or other advisors.

Yours faithfully
For and on behalf of
the Board of Directors of
UNION GAS HOLDINGS LIMITED

Teo Hark Piang
Executive Director and Chief Executive Officer

21 June 2021

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

THE PROPOSED AMENDMENTS TO THE RULES OF THE EXISTING UNION GAS EMPLOYEE SHARE OPTION SCHEME

RULES OF THE UNION GAS EMPLOYEE SHARE OPTION SCHEME

1. DEFINITIONS

In this Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings:

- “Act” : The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
- “Associate” : Shall have the meaning assigned to it in the ~~Catalist~~ **Mainboard Rules**
- “Associated Company” : A company in which at least 20% but not more than 50% of its issued shares are held by the Company or the Group and over which the Company has Control
- “Associated Company Employee” : Any confirmed employee (including directors) of an Associated Company selected by the Committee to participate in the Scheme
- “Auditors” : The auditors of the Company for the time being
- “Board” : The board of Directors of the Company for the time being
- ~~“Catalist Rules”~~
“Mainboard Rules” : ~~The rules constituted in Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as may be amended or modified from time to time~~
The rules of the Listing Manual applicable to issuers listed on the Mainboard, as amended, modified, supplemented from time to time
- “CDP” : The Central Depository (Pte) Limited
- “Committee” : The Remuneration Committee of the Company
- “Company” : Union Gas Holdings Limited
- “Control” : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
- “Controlling Shareholder” : A shareholder who:
- (a) holds directly or indirectly 15% or more of the total number of issued Shares (excluding Shares held by the Company as treasury shares) (unless otherwise determined by the SGX-ST that a person who satisfies this subparagraph is not a controlling shareholder); or
 - (b) in fact exercises Control over the Company
- “Date of Grant” : The date on which an Option is granted to a Participant pursuant to Rule 7

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

- “Director”* : A person holding office as a director for the time being of the Company
- “EGM”* : Extraordinary General Meeting
- “Executive Director”* : A director who is an employee of our Group and who performs and executive function
- “Exercise Price”* : The price at which a Participant shall acquire each Share upon the exercise of an Option, as determined in accordance with Rule 9, or such adjusted price as may be applicable pursuant to Rule 10
- “Financial Year”* : Each period of twelve (12) months or more or less than twelve (12) months, at the end of which the balance of accounts of the Company are prepared and audited, for the purpose of laying the same before an annual general meeting of the Company
- “Grantee”* : The person to whom an offer of an Option is made
- “Group”* : The Company, its Subsidiaries and Associated Companies (as they may exist from time to time)
- “Group Employee”* : Any confirmed employee of our Group (including an Executive Director) selected by the Committee to participate in the Scheme in accordance with Rule 4
- “Market Day”* : A day on which the SGX-ST is open for trading of securities
- “Market Price”* : The average of the last dealt prices for a Share determined by reference to the daily Official List published by the SGX-ST for a period of five (5) consecutive Market Days immediately prior to the relevant Offer Date Provided always that in the case of a Market Day on which the Shares are not traded on the SGX-ST, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices
- “Non-executive Director”* : A director of our Group, other than one who performs an executive function
- “Offer Date”* : The date on which an offer to grant an Option is made pursuant to the Scheme
- “Option”* : The right to acquire Shares granted or to be granted to a Group Employee or a Non-executive Director pursuant to the Scheme and for the time being subsisting.
- “Option Period”* : Subject as provided in Rules 11 and 15, the period for the exercise of an Option being:
- (a) in the case of an Option granted with the Exercise Price set at Market Price, a period beginning one (1) year from the Offer Date of that Option and expiring on the tenth year from the relevant Offer Date or such earlier date as

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

may be determined by the Committee, subject as provided in Rules 11 and 15, and any other conditions as may be determined by the Committee from time to time; and

- (b) in the case of an Option granted with the Exercise Price set at a discount to the Market Price, a period beginning two (2) years from the Offer Date of that Option and expiring on the tenth year from the relevant Offer Date or such earlier date as may be determined by the Committee, subject as provided in Rules 11 and 15, and any other conditions as may be determined by the Committee from time to time

| | | |
|----------------|---|--|
| “Participant” | : | The holder of an Option |
| “Record Date” | : | The date as at the close of business on which the Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions |
| “Scheme” | : | The Union Gas Employee Share Option Scheme |
| “S\$” | : | Singapore dollars |
| “SGX-ST” | : | The Singapore Exchange Securities Trading Limited |
| “Shares” | : | Ordinary shares in the capital of the Company |
| “Shareholders” | : | The registered holders for the time being of the Shares (other than CDP) or in the case of Depositors, Depositors who have Shares entered against their names in the Depository Register |
| “Subsidiary” | : | A company which is for the time being a subsidiary of the Company as defined by Section 5 of the Act |

The terms “Depositor”, “Depository Register” and “Depository Agent” shall have the meanings ascribed to them respectively in the Securities and Futures Act (Chapter 289) of Singapore.

Words denoting the singular shall, where applicable, include the plural and *vice versa* and words denoting the masculine gender shall, where applicable, include the feminine and neuter gender. References to persons shall include corporations.

Any reference in the Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and used in this Scheme shall, where applicable, have the same meaning assigned to it under the Act. Any reference in this Scheme to a time of day shall be a reference to Singapore time unless otherwise stated.

2. NAME OF THE SCHEME

The Scheme shall be called the “Union Gas Employee Share Option Scheme”.

3. OBJECTIVES OF THE SCHEME

The Scheme will provide an opportunity for Group Employees who have contributed significantly to the growth and performance of the Group and Non-executive Directors and who satisfy the eligibility criteria as set out in Rule 4 of the Scheme, to participate in the equity of the Company.

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

The Scheme is primarily a share incentive scheme. It recognises the fact that the services of Group Employees and Non-executive Directors are important to the success and continued well-being of the Group. Implementation of the Scheme will enable the Company to give recognition to the contributions made by such Group Employees and Non-executive Directors. At the same time, it will give such Group Employees and Non-executive Directors an opportunity to have a direct interest in the Company at no direct cost to its profitability and will also help to achieve the following positive objectives:

- (a) to motivate Participants to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;
- (b) to retain key employees and directors whose contributions are essential to the long-term growth and prosperity of the Group;
- (c) to instil loyalty to, and a stronger identification by Participants with the long-term prosperity of, the Group;
- (d) to attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders; and
- (e) to align the interests of Participants with the interests of the Shareholders.

4. ELIGIBILITY

4.1 The following persons shall be eligible to participate in the Scheme at the absolute discretion of the Committee:

- (a) Group Employees (including Executive Directors) who have attained the age of twenty-one (21) years on or prior to the relevant Offer Date and are not undischarged bankrupts and have not entered into a composition with their respective creditors, and who have, as of the Date of Grant, been in the employment of the Group for a period of at least twelve (12) months, or such shorter period as the Committee may determine; and
- (b) Non-executive Directors who have attained the age of twenty-one (21) years on or prior to the relevant Offer Date and are not undischarged bankrupts and have not entered into a composition with their respective creditors.

Directors and employees of the Company's parent company and its Subsidiaries (other than the Company and the Company's Subsidiaries) are not entitled to participate in the Scheme.

There will be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by any other company within the Group.

4.2 Controlling Shareholders and their Associates who satisfy the criteria set out in Paragraph 4.1 above shall be eligible to participate in the Scheme provided that:

- (a) their participation; and
- (b) the actual or maximum number of Shares and terms of any Options to be granted to them,

have been approved by independent shareholders of the Company at a general meeting in separate resolutions for each such person and, in respect of each such person, in separate resolutions for each of (i) his participation and (ii) the actual or maximum number of Shares and terms of any Options to be granted to him, provided always that it shall not be necessary to obtain the approval of the independent shareholders of the Company for the participation in the Scheme of a Controlling Shareholder or his Associate who is, at the relevant time, already a Participant.

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

Controlling Shareholders and their Associates shall abstain from voting on any resolution in relation to their participation in the Scheme and the grant of Options to them.

5. MAXIMUM ENTITLEMENT

Subject to Rule 4 and Rule 10, the aggregate number of Shares in respect of which Options may be offered to a Grantee for acquisition in accordance with the Scheme shall be determined at the discretion of the Committee who shall take into account criteria such as rank, past performance, years of service and potential development of the Grantee.

For the purpose of determining the maximum entitlement for each class or category of Participants and the maximum entitlement for any one Participant of which Options may be offered,

- (i) **the aggregate number of Options available to the Controlling Shareholders and Associates must not exceed 25% of the Options available under the Scheme;**
- (ii) **the number of Options available to each Controlling Shareholder or Associate must not exceed 10% of the Options available under the Scheme; and**
- (iii) **the aggregate number of options available to directors and employees of the Company's parent company and its subsidiaries must not exceed 20% of the Options available under the Scheme,**

and will be subject to the limits as stipulated under the Mainboard Rule 845.

6. LIMITATION ON THE SIZE OF THE SCHEME

- 6.1 The aggregate number of Shares over which the Committee may grant Options on any date, when added to the number of Shares issued and issuable or transferred and to be transferred in respect of all Options granted under the Scheme and the number of Shares issued and issuable or transferred and to be transferred in respect of all options or awards granted under any other share option schemes or share schemes of the Company, shall not exceed 15% of the total number of issued Shares (excluding Shares held by the Company as treasury shares) on the day immediately preceding the Offer Date of the Option.
- 6.2 The aggregate number of Shares which may be issued or transferred pursuant to Options under the Scheme to Participants who are Controlling Shareholders and their Associates shall not exceed twenty-five (25)% of the Shares available under the Scheme.
- 6.3 The number of Shares which may be issued or transferred pursuant to Options under the Scheme to each Participant who is a Controlling Shareholder or his Associate shall not exceed ten (10) per cent. of the Shares available under the Scheme.

7. OFFER DATE

- 7.1 The Committee may, save as provided in Rule 4, Rule 5 and Rule 6, offer to grant Options to such Grantees as it may select in its absolute discretion at any time during the period when the Scheme is in force, except that no Options shall be granted during the period of thirty (30) days immediately preceding the date of announcement of the Company's interim and/or final results (whichever the case may be). In addition, in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, offers to grant Options may only be made on or after the third Market Day on which such announcement is released.
- 7.2 An offer to grant the Option to a Grantee shall be made by way of a letter (the "**Letter of Offer**") in the form or substantially in the form set out in Annex 1, subject to such amendments as the Committee may determine from time to time.

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

8. ACCEPTANCE OF OFFER

- 8.1 An Option offered to a Grantee pursuant to Rule 7 may only be accepted by the Grantee within thirty (30) days after the relevant Offer Date and not later than 5.00 p.m. on the thirtieth (30th) day from such Offer Date (a) by completing, signing and returning to the Company the Acceptance Form in or substantially in the form set out in Annex 2, subject to such modification as the Committee may from time to time determine, accompanied by payment of S\$1.00 as consideration or such other amount and such other documentation as the Committee may require and (b) if, at the date on which the Company receives from the Grantee the Acceptance Form in respect of the Option as aforesaid, he remains eligible to participate in the Scheme in accordance with these Rules.
- 8.2 If a grant of an Option is not accepted strictly in the manner as provided in this Rule 8, such offer shall, upon the expiry of the thirty (30) day period, automatically lapse and shall forthwith be deemed to be null and void and be of no effect.
- 8.3 The Company shall be entitled to reject any purported acceptance of a grant of an Option made pursuant to this Rule 8 or Exercise Notice (as defined in Rule 12) given pursuant to Rule 12 which does not strictly comply with the terms of the Scheme.
- 8.4 Options are personal to the Grantees to whom they are granted and shall not be sold, mortgaged, transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part or in any way whatsoever without the Committee's prior written approval, but may be exercised by the Grantee's duly appointed personal representative as provided in Rule 11.6 in the event of the death of such Grantee.
- 8.5 The Grantee may accept or refuse the whole or part of the offer. If only part of the offer is accepted, the Grantee shall accept the offer in multiples of 100 Shares. The Committee shall, within fifteen (15) Market Days of receipt of the Acceptance Form and consideration, acknowledge receipt of the same.
- 8.6 In the event that a grant of an Option results in a contravention of any applicable law or regulation, such grant shall be null and void and be of no effect and the relevant Participant shall have no claim whatsoever against the Company.
- 8.7 Unless the Committee determines otherwise, an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
- (a) it is not accepted in the manner as provided in Rule 8.1 within the thirty (30) day period; or
 - (b) the Participant dies prior to his acceptance of the Option; or
 - (c) the Participant is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or
 - (d) the Grantee, being a Group Employee, ceases to be in the employment of the Group or (being an Executive Director) ceases to be a director of the Company, in each case, for any reason whatsoever prior to his acceptance of the Option; or
 - (e) the Company is liquidated or wound-up prior to the Grantee's acceptance of the Option.

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

9. EXERCISE PRICE

9.1 Subject to any adjustment pursuant to Rule 10, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee at its absolute discretion, and shall be fixed by the Committee at:

- (a) the Market Price; or
- (b) a price which is set at a discount to the Market Price, ~~the quantum of such discount to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed 20% of the Market Price in respect of that Option.~~ **provided that:**

- (i) **the maximum discount shall not exceed 20.0% of the Market Price (or such other percentage or amount as may be determined by the Committee and permitted by the SGX-ST); and**

- (ii) **the Shareholders in general meeting shall have authorised, in a separate resolution, the making of offers and grants of Options under the Scheme at a discount not exceeding the maximum discount as aforesaid.**

9.2 In making any determination under Rule 9.1(b) on whether to give a discount and the quantum of such discount, the Committee shall be at liberty to take into consideration such criteria as the Committee may, at its absolute discretion, deem appropriate, including but not limited to:

- (a) the performance of the Company, its Subsidiaries and Associated Companies, as the case may be, taking into account financial parameters such as net profit after tax, return on equity and earnings growth;
- (b) the years of service and individual performance of the eligible Group Employee;
- (c) the contribution of the eligible Group Employee to the success and development of the Company and/or the Group; and
- (d) the prevailing market conditions.

10. ALTERATION OF CAPITAL

10.1 If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, capital reduction, subdivision, consolidation or distribution, or otherwise howsoever) should take place, then:

- (a) the Exercise Price in respect of the Shares comprised in the Option to the extent unexercised; and/or
- (b) the class and/or number of Shares comprised in the Option to the extent unexercised and the rights attached thereto; and/or
- (c) the maximum entitlement in any one Financial Year; and/or
- (d) the class and/or number of Shares in respect of which additional Options may be granted to Participants,

may, at the option of the Committee, be adjusted in such manner as the Committee may determine to be appropriate, including retrospective adjustments, where such variation occurs after the date of exercise of an Option but the Record Date relating to such variation precedes such date of exercise and, except in relation to a capitalisation issue, upon the written confirmation of the

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

Auditors (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable.

- 10.2 Notwithstanding the provisions of Rule 10.1 above, no such adjustment shall be made (a) if as a result, the Participant receives a benefit that a Shareholder does not receive; and (b) unless the Committee after considering all relevant circumstances considers it equitable to do so.
- 10.3 The issue of securities as consideration for an acquisition of any assets by the Company or a private placement of securities or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares, in accordance with the Catalist Rules, undertaken by the Company on the SGX-ST during the period when a share repurchase mandate granted by the Shareholders (including any renewal of such mandate) is in force, will not be regarded as a circumstance requiring adjustment under the provisions of this Rule 10.
- 10.4 The restriction on the number of Shares to be offered to any Grantee under Rule 5 above, shall not apply to the number of additional Shares or Options over additional Shares issued or transferred by virtue of any adjustment to the number of Shares and/or Options pursuant to this Rule 10.
- 10.5 Upon any adjustment required to be made, the Company shall notify each Participant (or his duly appointed personal representative(s)) in writing and deliver to him (or, where applicable, his duly appointed personal representative(s)) a statement setting forth the new Exercise Price thereafter in effect and the class and/or number of Shares thereafter comprised in the Option so far as unexercised and the maximum entitlement in any one Financial Year.

11. OPTION PERIOD

- 11.1 Options granted with the Exercise Price set at Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), at any time, by a Participant after the first anniversary of the Offer Date of that Option, provided always that the Options shall be exercised before the tenth anniversary of the relevant Offer Date, or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and a Participant shall have no claim against the Company.
- 11.2 Options granted with the Exercise Price set at a discount to Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), at any time, by a Participant after the second anniversary from the Offer Date of that Option, provided always that the Options granted to Group Employees shall be exercised before the tenth anniversary of the relevant Offer Date, and Options granted to Non-executive Directors shall be exercised before the fifth anniversary of the relevant Offer Date, or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and a Participant shall have no claim against the Company.
- 11.3 An Option shall, to the extent unexercised, immediately lapse and become null and void and a Participant shall have no claim against the Company:
- (a) subject to Rules 11.4, 11.5 and 11.6, upon the Participant ceasing to be in the employment of the Company or any of the companies within the Group for any reason whatsoever; or
 - (b) upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Option; or
 - (c) in the event of misconduct on the part of the Participant, as determined by the Committee in its absolute discretion.

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

For the purpose of Rule 11.3(a), a Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

11.4 If a Participant ceases to be employed by the Group by reason of his:

- (a) ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee;
- (b) redundancy;
- (c) retirement at or after a normal retirement age; or
- (d) retirement before that age with the consent of the Committee,

or for any other reason approved in writing by the Committee, he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

11.5 If a Participant ceases to be employed by a Subsidiary:

- (a) by reason of the Subsidiary, by which he is principally employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such Subsidiary, being transferred otherwise than to another company within the Group; or
- (b) for any other reason, provided the Committee gives its consent in writing,

he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

11.6 If a Participant dies and at the date of his death holds any unexercised Option, such Option may, at the absolute discretion of the Committee, be exercised by the duly appointed legal personal representatives of the Participant within the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

11.7 If a Participant, who is also an Executive Director or a Non-executive Director (as the case may be), ceases to be a director for any reason whatsoever, he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

12. EXERCISE OF OPTIONS, ALLOTMENT OR TRANSFER AND LISTING OF SHARES

12.1 An Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), by a Participant giving notice in writing to the Company in or substantially in the form set out in Annex 3 (the “**Exercise Notice**”), subject to such amendments as the Committee may from time to time determine. Every Exercise Notice must be accompanied by a remittance for the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option, the relevant CDP charges (if any) and any other documentation the Committee may require. All payments shall be made by cheque, cashier’s order, bank draft or postal order made out in favour of the Company. An Option shall be deemed to be exercised upon the receipt by the Company of the said notice duly completed and the receipt by the Company of the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option.

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

12.2 Subject to:

- (a) such consents or other actions required by any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and
- (b) compliance with the Rules of the Scheme and the Constitution of the Company,

the Company shall, as soon as practicable after the exercise of an Option by a Participant but in any event within ten (10) Market Days after the date of the exercise of the Option in accordance with Rule 12.1, allot the Shares or, as the case may be, procure the transfer of existing Shares (which may include, where desired, any Shares held by the Company as treasury shares), in respect of which such Option has been exercised by the Participant and where required, or as the case may be, within five (5) Market Days from the date of such allotment, despatch the relevant share certificates to CDP for the credit of the securities account of that Participant by ordinary post or such other mode of delivery as the Committee may deem fit.

12.3 The Company shall as soon as practicable after the exercise of an Option, apply to the SGX-ST or any other stock exchange on which the Shares are quoted or listed for permission to deal in and for quotation of the Shares which may be issued upon exercise of the Option and the Shares (if any) which may be issued to the Participant pursuant to any adjustments made in accordance with Rule 10.

12.4 Shares which are all allotted or transferred on the exercise of an Option by a Participant shall be issued, as the Participant may elect, in the name of, or transferred to, CDP to the credit of the securities account of the Participant maintained with CDP or the Participant's securities sub-account with a Depository Agent.

12.5 Shares allotted and issued, and existing Shares procured by the Company for transfer, upon the exercise of an Option shall be subject to all provisions of the Constitution of the Company and shall rank *pari passu* in all respects with the then existing issued Shares except for any dividends, rights, allotments or other distributions, the Record Date for which is prior to the date such Option is exercised.

12.6 Except as set out in Rule 12 and subject to Rule 10, an Option does not confer on a Participant any right to participate in any new issue of Shares.

13. ALTERATIONS AND AMENDMENTS TO THE SCHEME

13.1 Any or all of the provisions of the Scheme may be modified and/or altered at any time and from time to time by resolution of the Committee except that:

- (a) any modification or alteration which shall alter adversely the rights attaching to any Option granted prior to such modification or alteration and which in the opinion of the Committee, materially alters the rights attaching to any Option granted prior to such modification or alteration, may only be made with the consent in writing of such number of Participants who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters (3/4) in number of all the Shares which would be issued and allotted or transferred upon exercise in full of all outstanding Options;
- (b) any modification or alteration which would be to the advantage of Participants under the Scheme shall be subject to the prior approval of Shareholders at a general meeting; and
- (c) no modification or alteration shall be made without the prior approval of the SGX-ST or (if required) any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities as may be necessary.

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For the purposes of Rule 13.1(a), the opinion of the Committee as to whether any modification or alteration would alter adversely the rights attaching to any Option shall be final and conclusive.

- 13.2 Notwithstanding anything to the contrary contained in Rule 13.1, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST) amend or alter the Scheme in any way to the extent necessary to cause the Scheme to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 13.3 Written notice of any modification or alteration made in accordance with this Rule shall be given to all Participants.

14. DURATION OF THE SCHEME

- 14.1 The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years, commencing from the date of the Company's listing on the SGX-ST. Subject to compliance with any applicable laws and regulations in Singapore, the Scheme may be continued beyond the above stipulated period with the approval of the Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.
- 14.2 The Scheme may be terminated at any time by the Committee or by resolution of the Shareholders at a general meeting subject to all other relevant approvals which may be required and if the Scheme is so terminated, no further Options shall be offered by the Company hereunder.
- 14.3 The termination, discontinuance or expiry of the Scheme shall be without prejudice to the rights accrued to Options which have been granted and accepted as provided in Rule 8, whether such Options have been exercised (whether fully or partially) or not.

15. TAKE-OVER AND WINDING-UP OF THE COMPANY

- 15.1 In the event of a take-over offer being made for the Company, Participants (including Participants holding Options which are then not exercisable pursuant to the provisions of Rule 11.1 and 11.2) holding Options as yet unexercised shall, notwithstanding Rule 11 and Rule 12 but subject to Rule 15.5, be entitled to exercise such Options in full or in part in the period commencing on the date on which such offer is made or, if such offer is conditional, the date on which the offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:
- (a) the expiry of six (6) months thereafter, unless prior to the expiry of such six (6) month period, at the recommendation of the offeror and with the approvals of the Committee and the SGX-ST, such expiry date is extended to a later date (being a date falling not later than the date of expiry of the Option Period relating thereto); or
 - (b) the date of the expiry of the Option Period relating thereto;

whereupon any Option then remaining unexercised shall immediately lapse and become null and void.

Provided always that if during such period the offeror becomes entitled or bound to exercise the rights of compulsory acquisition of the Shares under the provisions of the Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Option shall remain exercisable by the Participants until such specified date or the expiry of the Option Period relating thereto, whichever is earlier. Any Option not so exercised by the said specified date shall lapse and become null and void provided that the rights of acquisition or obligation to acquire stated in the notice shall have been exercised or performed, as the case may be. If such rights of acquisition or obligations have not been exercised or performed, all Options shall, subject to Rule 11, remain exercisable until the expiry of the Option Period.

APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS ESOS

- 15.2 If, under the Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, Participants (including Participants holding Options which are then not exercisable pursuant to the provisions of Rule 11.1 and Rule 11.2) shall notwithstanding Rule 11 and Rule 12 but subject to Rule 15.5, be entitled to exercise any Option then held by them during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of sixty (60) days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later (but not after the expiry of the Option Period relating thereto), whereupon any unexercised Option shall lapse and become null and void, Provided always that the date of exercise of any Option shall be before the tenth anniversary of the Offer Date.
- 15.3 If an order or an effective resolution is passed for the winding-up of the Company on the basis of its insolvency, all Options, to the extent unexercised, shall lapse and become null and void.
- 15.4 In the event of a members' solvent voluntary winding-up (other than for amalgamation or reconstruction), Participants (including Participants holding Options which are then not exercisable pursuant to the provisions of Rule 11.1 and Rule 11.2) shall, subject to Rule 15.5, be entitled within thirty (30) days of the passing of the resolution of such winding-up (but not after the expiry of the Option Period relating thereto) to exercise in full any unexercised Option, after which such unexercised Option shall lapse and become null and void.
- 15.5 If in connection with the making of a general offer referred to in Rule 15.1 above or the scheme referred to in Rule 15.2 above or the winding-up referred to in Rule 15.4 above, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Participant holding an Option, which is not then exercisable, may not, at the discretion of the Committee, be permitted to exercise that Option as provided for in this Rule 15.
- 15.6 To the extent that an Option is not exercised within the periods referred to in this Rule 15, it shall lapse and become null and void.

16. ADMINISTRATION OF THE SCHEME

- 16.1 The Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board.
- 16.2 The Committee shall have the power, from time to time, to make or vary such regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as it thinks fit.
- 16.3 Any decision of the Committee, made pursuant to any provision of the Scheme (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes as to the interpretation of the Scheme or any rule, regulation, or procedure thereunder or as to any rights under the Scheme).
- 16.4 A Director who is a member of the Committee shall not be involved in its deliberation in respect of Options to be granted to him.

17. NOTICES

- 17.1 Any notice given by a Participant to the Company shall be sent by post or delivered to the registered office of the Company or such other address as may be notified by the Company to the Participant in writing.

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17.2 Any notice or documents given by the Company to a Participant shall be sent to the Participant by hand or sent to him at his home address stated in the records of the Company or the last known address of the Participant, and if sent by post shall be deemed to have been given on the day immediately following the date of posting.

18. TERMS OF EMPLOYMENT UNAFFECTED

18.1 The Scheme or any Option shall not form part of any contract of employment between the Company, any Subsidiary or Associated Company (as the case may be) and any Participant and the rights and obligations of any individual under the terms of the office or employment with such company within the Group shall not be affected by his participation in the Scheme or any right which he may have to participate in it or any Option which he may hold and the Scheme or any Option shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.

18.2 The Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company, any Subsidiary and/or Associated Company directly or indirectly or give rise to any cause of action at law or in equity against the Company, any Subsidiary or Associated Company.

19. TAXES

All taxes (including income tax) arising from the exercise of any Option granted to any Participant under the Scheme shall be borne by the Participant.

20. COSTS AND EXPENSES OF THE SCHEME

20.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the exercise of any Option in CDP's name, the deposit of share certificate(s) with CDP, the Participant's security account with CDP or the Participant's securities sub-account with his Depository Agent and all taxes referred to in Rule 19 which shall be payable by the relevant Participant.

20.2 Save for such costs and expenses expressly provided in the Scheme to be payable by the Participants, all fees, costs, and expenses incurred by the Company in relation to the Scheme including but not limited to the fees, costs and expenses relating to the issue and allotment or transfer of the Shares pursuant to the exercise of any Option shall be borne by the Company.

21. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained and subject to the Act, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in respect of any matter under or in connection with the Scheme including but not limited to the Company's delay or failure in issuing and allotting, or procuring the transfer of, the Shares or in applying for or procuring the listing of and quotation for the Shares on the SGX-ST or any other stock exchanges on which the Shares are quoted or listed.

22. DISPUTES

Any disputes or differences of any nature in connection with the Scheme shall be referred to the Committee and its decision shall be final and binding in all respects.

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23. CONDITION OF OPTION

Every Option shall be subject to the condition that no Shares shall be issued or transferred pursuant to the exercise of an Option if such issue or transfer would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country.

24. GOVERNING LAW

The Scheme shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Company and the Participants, by accepting the offer of the grant of Options in accordance with the Scheme, shall submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

25. REPORTING REQUIREMENTS

Under the ~~Catalist~~ **Mainboard** Rules, an immediate announcement must be made on the Offer Date and the announcement must provide details of the grant, including the following:

- (a) date of grant;
- (b) exercise price of the Options granted;
- (c) number of Options granted;
- (d) market price of the Shares on the date of grant;
- (e) number of Options granted to each Director and Controlling Shareholder (and each of their Associates), if any; and
- (f) the validity period of the Options.

The Company shall make the following disclosure in its annual report for so long as the Scheme continues in operation:

- (a) the names of the members of the Committee;
- (b) the information required in the table below for the following Participants (which for the avoidance of doubt, shall include Participants who have exercised all their Options in any particular Financial Year):
 - (i) participants who are Directors of the Company;
 - (ii) participants who are Controlling Shareholders and their Associates; and
 - (iii) participants, other than those in (i) and (ii) above, who receive Shares pursuant to the exercise of Options under the Scheme which, in aggregate, represent 5.0% or more of the aggregate of the total number of Shares available under the Scheme; and

**APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING
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| Name of Participant | Options granted during financial year under review (including terms) | Aggregate Options granted since commencement of the Scheme to end of financial year under review | Aggregate Options exercised since commencement of the Scheme to end of financial year under review | Aggregate Options outstanding at the end of financial year under review |
|---------------------|--|--|--|---|
|---------------------|--|--|--|---|

- (c) the number and proportion of Options granted at a discount during the financial year under review in respect of every 10.0% discount range, up to the maximum quantum of discount granted; and
- (d) such other information as may be required by the ~~Catalist~~ **Mainboard** Rules or the Act, provided that if any of the above requirements are not applicable, an appropriate negative statement will be included in our annual report.

26. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the Scheme are to abstain from voting on any Shareholders' resolution relating to the Scheme and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast. In particular Shareholders who are eligible to participate in the Scheme shall abstain from voting on the following resolutions, where applicable: (a) implementation of the Scheme; (b) the maximum discount which may be given in respect of any Option, and (c) participation by and grant of Options to Controlling Shareholders and their Associates.

**APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING
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ANNEX 1

UNION GAS EMPLOYEE SHARE OPTION SCHEME

LETTER OF OFFER

Serial No.: _____

PRIVATE AND CONFIDENTIAL

Date:

To: [Name]
[Designation]
[Address]

Dear Sir/Madam

We are pleased to inform you that you have been nominated by the Remuneration Committee of the Board of Directors of Union Gas Holdings Limited (the “**Company**”) to participate in the Union Gas Employee Share Option Scheme (the “**Scheme**”). Terms as defined in the Scheme shall have the same meaning when used in this letter.

Accordingly, an offer is hereby made to grant you an Option, in consideration of the payment of a sum of S\$1.00, to acquire _____ ordinary shares in the capital of the Company at the price of S\$ _____ per ordinary share. The Option shall be subject to the terms of this Letter of Offer and the Scheme (as the same may be amended from time to time pursuant to the terms and conditions of the Scheme), a copy of which is enclosed herewith.

The Option is personal to you and may not be sold, mortgaged, transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part or in any way whatsoever.

If you wish to accept the offer, please sign and return the enclosed Acceptance Form with a sum of S\$1.00 not later than _____ a.m./p.m. on the _____ day of _____ failing which this offer will forthwith lapse.

Yours faithfully
For and on behalf of
Union Gas Holdings Limited

**APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING
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ANNEX 2

UNION GAS EMPLOYEE SHARE OPTION SCHEME

ACCEPTANCE FORM

Serial No.: _____

PRIVATE AND CONFIDENTIAL

To: The Remuneration Committee
Union Gas Employee Share Option Scheme
Union Gas Holdings Limited
3 Lorong Bakar Batu
#07-04 Union Industrial Center
Singapore 348741

Closing Time and Date for Acceptance of Option : _____

No. of Shares in respect of which Option is offered : _____

Exercise Price per Share : S\$ _____

Total Amount Payable on Acceptance of Option :
(exclusive of the relevant CDP charges) S\$ _____

I have read your Letter of Offer dated _____ (the “**Offer Date**”) and agree to be bound by the terms thereof and of the Union Gas Employee Share Option Scheme stated therein. I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of shares in the Company or options to acquire such shares.

I hereby accept the Option to acquire _____ ordinary shares in the capital of Union Gas Holdings Limited (the “**Shares**”) at S\$_____ per Share and enclose cash/banker’s draft/cashier’s order/postal order no. _____ for S\$1.00 being payment for the purchase of the Option.

I understand that I am not obliged to exercise the Option.

I also understand that I shall be responsible for all the fees of CDP relating to or in connection with the issue and allotment or transfer of any Shares in CDP’s name, the deposit of share certificates with CDP, my securities account with CDP or my securities sub-account with a Depository Agent (as the case may be) (collectively, the “**CDP charges**”).

I confirm that as at the date hereof:

- (a) I am not less than 21 years old, nor an undischarged bankrupt, nor have I entered into a composition with any of my creditors;
- (b) I satisfy the eligibility requirements to participate in the Scheme as defined in Rule 4 of the Scheme; and
- (c) I satisfy the other requirements to participate in the Scheme as set out in the Rules of the Scheme.

I hereby acknowledge that you have not made any representation or warranty or given me any expectation of employment or continued employment to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

I agree to keep all information pertaining to the grant of the Option to me confidential.

**APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING
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PLEASE PRINT IN BLOCK LETTERS

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

* Delete as appropriate

Notes:

- i. Option must be accepted in full or in multiples of 100 Shares.
- ii. The Acceptance Form must be forwarded to the Company Secretary in an envelope marked "Private and Confidential".
- iii. The Participant shall be informed by the Company of the relevant CDP charges payable at the time of the exercise of an Option.

**APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING
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ANNEX 3

UNION GAS EMPLOYEE SHARE OPTION SCHEME

EXERCISE NOTICE

To: The Remuneration Committee
Union Gas Employee Share Option Scheme
Union Gas Holdings Limited
3 Lorong Bakar Batu
#07-04 Union Industrial Center
Singapore 348741

Total Number of ordinary shares (the “**Shares**”) at : _____
S\$ _____ per Share under an option
granted on _____ (the “**Offer Date**”)

Number of Shares previously allotted and issued or : _____
transferred thereunder

Exercise Price per Share : _____

Outstanding balance of Shares which may be : _____
allotted and issued or transferred thereunder

Number of Shares now to be acquired (in multiples : _____
of 100)

1. Pursuant to your Letter of Offer dated (the “**Offer Date**”) and my acceptance thereof, I hereby exercise the Option to acquire Shares in Union Gas Holdings Limited (the “**Company**”) at S\$ _____ per Share.

2. I hereby request the Company to allot and issue or transfer to me the number of Shares specified in paragraph 1 in the name of The Central Depository (Pte) Limited (“**CDP**”) to the credit of my Securities Account with the CDP/Securities Sub-Account with a Depository Agent specified below and to deliver the share certificates relating thereto to CDP at my own risk. I further agree to bear such fees or other charges as may be imposed by CDP (the “**CDP charges**”) and any stamp duties in respect thereof:

*(a) Direct Securities Account Number : _____

*(b) Securities Sub-Account Number : _____

Name of Depository Agent : _____

3. I enclose a cheque/cashier’s order/bank draft/postal order no. _____ for S\$ in payment for the Exercise Price of S\$ _____ for the total number of the said Shares and the CDP charges of S\$ _____.

4. I agree to acquire the Shares subject to the terms of the Letter of Offer, the Union Gas Employee Share Option Scheme (as the same may be amended pursuant to the terms thereof from time to time) and the Constitution of the Company.

5. I declare that I am acquiring the Shares for myself and not as a nominee for any other person.

**APPENDIX A – THE PROPOSED AMENDMENTS TO THE EXISTING
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PLEASE PRINT IN BLOCK LETTERS

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

* Delete as appropriate

Notes:

1. An Option may be exercised in whole or in part provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof.
2. The form entitled "Exercise Notice" must be forwarded to the Company Secretary in an envelope marked "Private and Confidential."

APPENDIX B – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS PSP

THE PROPOSED AMENDMENTS TO THE RULES OF THE EXISTING UNION GAS PERFORMANCE SHARE PLAN

RULES OF THE UNION GAS PERFORMANCE SHARE PLAN

1. NAME OF THE PLAN

1.1 The Plan shall be called the “Union Gas Performance Share Plan”.

2. DEFINITIONS

2.1 In the Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings:

- “Act” : The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
- “Adoption Date” : The date on which the Plan is adopted by the Company in general meeting
- “Associate” : Shall have the meaning assigned to it in the ~~Catalist~~ **Mainboard Rules**
- “Associated Company” : A company in which at least 20% but not more than 50% of its issued shares are held by the company or the Group and over which the Company has Control
- “Auditors” : The auditors of the Company for the time being
- “Award” : A contingent award of Shares under Rule 5
- “Award Date” : In relation to an Award, the date on which the Award is granted pursuant to Rule 5
- “Award Letter” : A letter in such form as the Committee shall approve confirming an Award granted to a Participant by the Committee
- “~~Catalist Rules~~” : ~~The rules constituted in Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as may be amended or modified from time to time~~
- “**Mainboard Rules**” : **The rules of the Listing Manual applicable to issuers listed on the Mainboard, as amended, modified, supplemented from time to time**
- “CDP” : The Central Depository (Pte) Limited
- “Committee” : The Remuneration Committee of the Company
- “Company” : Union Gas Holdings Limited
- “Control” : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company

APPENDIX B – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS PSP

- “Controlling Shareholder”* : A person who holds directly or indirectly fifteen (15) per cent. or more of the total number of issued Shares (excluding Shares held by the Company as treasury shares) (unless otherwise determined by the SGX-ST that a person who satisfies this subparagraph is not a controlling shareholder); or in fact exercises Control over the Company
- “Group Executive Director”* : A director of the Company and/or any of its subsidiaries and/or any of its Associated Companies, as the case may be, who performs an executive function
- “Group”* : The Company and its subsidiaries and Associated Companies (as they may exist from time to time)
- “Group Executive”* : Any employee of the Group (including any Group Executive Director who meet the relevant criteria and who shall be regarded as a Group Executive for the purposes of the Plan) selected by the Committee to participate in the Plan in accordance with Rule 4
- “Non-executive Director”* : A director of the Group, other than one who performs an executive function
- “Participant”* : A Group Executive or a Non-executive Director who has been granted an Award
- “Performance Condition”* : In relation to an Award, the condition specified on the Award Date in relation to that Award
- “Performance Period”* : The period, as may be determined by the Committee at its discretion, during which the Performance Condition is to be satisfied
- “Plan”* : The Union Gas Performance Share Plan, as the same may be modified from time to time
- “Release”* : In relation to an Award, the release at the end of the Performance Period relating to that Award of all or some of the Shares to which that Award relates in accordance with Rule 7 and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 7, the Award in relation to those Shares shall lapse accordingly, and *“Released”* shall be construed accordingly
- “Release Schedule”* : In relation to an Award, a schedule in such form as the Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period
- “Released Award”* : An Award which has been released in accordance with Rule 7
- “Retention Period”* : Such retention period as may be determined by the Committee and notified to the Participant at the grant of the relevant Award to that Participant

APPENDIX B – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS PSP

| | | |
|----------------|---|---|
| “Shares” | : | Ordinary shares in the capital of the Company |
| “SGX-ST” | : | The Singapore Exchange Securities Trading Limited |
| “Trading Day” | : | A day on which the Shares are traded on the SGX-ST |
| “Vesting” | : | In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and “Vest” and “Vested” shall be construed accordingly |
| “Vesting Date” | : | In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares have Vested pursuant to Rule 7 |

2.2 Words importing the singular number shall, where applicable, include the plural number and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

2.3 Any reference to a time of a day in the Plan is a reference to Singapore time.

2.4 Any reference in the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and not otherwise defined in the Plan and used in the Plan shall have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be.

3. OBJECTIVES OF THE PLAN

The Plan has been proposed in order to:

- (a) foster an ownership culture within the Group which aligns the interests of Group Executives and Non-executive Directors with the interests of shareholders;
- (b) motivate Participants to achieve key financial and operational goals of the Company and/or their respective business units; and
- (c) make total employee remuneration sufficiently competitive to recruit and retain staff having skills that are commensurate with the Company’s ambition to become a world class company.

4. ELIGIBILITY OF PARTICIPANTS

- 4.1 (a) Group Executives who have attained the age of twenty-one (21) years and hold such rank as may be designated by the Committee from time to time and who have, as of the Award Date, been in full time employment of the Group for a period of at least twelve (12) months (or in the case of any Group Executive Director, such shorter period as the Committee may determine); and
- (b) Non-executive Directors,

shall be eligible to participate in the Plan at the absolute discretion of the Committee.
- (c) Directors and employees of the Company’s parent company and its Subsidiaries (other than the Company and the Company’s Subsidiaries) are not entitled to participate in the Plan.

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4.2 Controlling Shareholders and their Associates who satisfy the criteria set out in Paragraph 4.1 above shall be eligible to participate in the Plan provided that:

- (a) their participation; and
- (b) the actual or maximum number of Shares and terms of any Awards to be granted to them,

have been approved by independent shareholders of the Company at a general meeting in separate resolutions for each such person and, in respect of each such person, in separate resolutions for each of (i) his participation and (ii) the actual or maximum number of Shares and terms of any Awards to be granted to him, provided always that it shall not be necessary to obtain the approval of the independent shareholders of the Company for the participation in the Plan of a Controlling Shareholder or his Associate who is, at the relevant time, already a Participant. Controlling Shareholders and their Associates shall abstain from voting on any resolution in relation to their participation in the Plan and the grant of Awards to them.

5. GRANT OF AWARDS

5.1 Subject as provided in Rule 8, the Committee may grant Awards to Group Executives and Non-executive Directors as the Committee may select, in its absolute discretion, at any time during the period when the Plan is in force.

5.2 The number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as his rank, job performance and potential for future development, his contribution to the success and development of the Group and the extent of effort with which the Performance Condition may be achieved within the Performance Period.

5.3 The Committee shall decide in relation to an Award:

- (a) the Participant;
- (b) the Award Date;
- (c) the Performance Period;
- (d) the number of Shares which are the subject of the Award;
- (e) the Performance Condition;
- (f) the Release Schedule; and
- (g) any other condition which the Committee may determine in relation to that Award.

5.3A For the purpose of determining the maximum entitlement for each class or category of Participants and the maximum entitlement for any one Participant of which Awards may be offered,

- (i) the aggregate number of Award available to the Controlling Shareholders and Associates must not exceed 25% of the Awards available under the Plan;**
- (ii) the number of Award available to each Controlling Shareholder or Associate must not exceed 10% of the Awards available under the Plan; and**
- (iii) the aggregate number of Award available to directors and employees of the Company's parent company and its subsidiaries must not exceed 20% of the Awards available under the Plan,**

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and will be subject to the limits as stipulated under the Mainboard Rule 845.

- 5.4 The Committee may amend or waive the Performance Period, the Performance Condition and/or the Release Schedule in respect of any Award:
- (a) in the event of a take-over offer being made for the Shares or if under the Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or
 - (b) if anything happens which causes the Committee to conclude that:
 - (i) a changed Performance Condition and/or Release Schedule would be a fairer measure of performance, and would be no less difficult to satisfy; or
 - (ii) the Performance Condition and/or Release Schedule should be waived,and shall notify the Participants of such change or waiver.
- 5.5 As soon as reasonably practicable after making an Award, the Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:
- (a) the Award Date;
 - (b) the Performance Period;
 - (c) the number of Shares which are the subject of the Award;
 - (d) the Performance Condition;
 - (e) the Release Schedule; and
 - (f) any other condition which the Committee may determine in relation to that Award.
- 5.6 Participants are not required to pay for the grant of Awards.
- 5.7 An Award or Released Award shall be personal to the Participant to whom it is granted and, prior to the allotment and/or transfer to the Participant of the Shares to which the Released Award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award without the prior approval of the Committee, that Award or Released Award shall immediately lapse.
- 5.8 The maximum number of Shares issuable or to be transferred by the Company pursuant to the Awards granted under the Plan, when aggregated with the aggregate number of Shares over which options or awards are granted under any other share option schemes or share schemes of the Company, will be fifteen (15.0) per cent. of the Company's total number of issued Shares (excluding Shares held by the Company as treasury shares) on the day preceding that date.

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6. EVENTS PRIOR TO THE VESTING DATE

6.1 An Award shall, to the extent not yet Released, immediately lapse without any claim whatsoever against the Company:

- (a) in the event of misconduct on the part of the Participant as determined by the Committee in its discretion;
- (b) subject to Rule 6.2(b), upon the Participant ceasing to be in the employment of the Group for any reason whatsoever; or
- (c) in the event of an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency.

For the purpose of Rule 6.1(b), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

6.2 In any of the following events, namely:

- (a) the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;
- (b) where the Participant ceases to be in the employment of the Group by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (ii) redundancy;
 - (iii) retirement at or after the legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the Committee;
 - (v) the company by which he is employed or to which he is seconded, as the case may be, ceasing to be a company within the Group, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group, as the case may be;
 - (vi) (where applicable) his transfer of employment between companies within the Group;
 - (vii) his transfer to any government ministry, governmental or statutory body or corporation at the direction of any company within the Group; or
 - (viii) any other event approved by the Committee;
- (c) the death of a Participant;
- (d) any other event approved by the Committee,

the Committee may, in its absolute discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period and subject to the provisions of the Plan. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Condition has been satisfied.

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- 6.3 Without prejudice to the provisions of Rule 5.4, if before the Vesting Date, any of the following occurs:
- (a) a take-over offer for the Shares becomes or is declared unconditional;
 - (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by shareholders of the Company and/or sanctioned by the court under the Act; or
 - (c) an order being made or a resolution being passed for the winding-up of the Company (other than as provided in Rule 6.1(c) or for amalgamation or reconstruction),

the Committee will consider, at its discretion, whether or not to Release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Performance Period which has elapsed and the extent to which the Performance Condition has been satisfied. Where Awards are Released, the Committee will, as soon as practicable after the Awards have been Released, procure the allotment or transfer to each Participant of the number of Shares so determined, such allotment or transfer to be made in accordance with Rule 7.

7. RELEASE OF AWARDS

7.1 Review of Performance Condition

7.1.1 As soon as reasonably practicable after the end of each Performance Period, the Committee shall review the Performance Condition specified in respect of each Award and determine at its discretion whether it has been satisfied and, if so, the extent to which it has been satisfied, and provided that the relevant Participant has continued to be a Group Executive or a Non-executive Director from the Award Date up to the end of the Performance Period, shall Release to that Participant all or part (as determined by the Committee at its discretion in the case where the Committee has determined that there has been partial satisfaction of the Performance Condition) of the Shares to which his Award relates in accordance with the Release Schedule specified in respect of his Award on the Vesting Date. If not, the Awards shall lapse and be of no value.

If the Committee determines in its sole discretion that the Performance Condition has not been satisfied or (subject to Rule 6) if the relevant Participant has not continued to be a Group Executive or a Non-executive Director from the Award Date up to the end of the relevant Performance Period, that Award shall lapse and be of no value and the provisions of Rules 7.2 to 7.4 shall be of no effect.

The Committee shall have the discretion to determine whether the Performance Condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make computational adjustments to the audited results of the Company or the Group, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and further the right to amend the Performance Condition if the Committee decides that a changed performance target would be a fairer measure of performance.

7.1.2 Shares which are the subject of a Released Award shall be Vested to a Participant on the Vesting Date, which shall be a Trading Day falling as soon as practicable after the review by the Committee referred to in Rule 7.1.1 and, on the Vesting Date, the Committee will procure the allotment or transfer to each Participant of the number of Shares so determined.

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7.1.3 Where new Shares are allotted upon the Vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST for permission to deal in and for quotation of such Shares.

7.2 Release of Award

Shares which are allotted or transferred on the Release of an Award to a Participant shall be issued in the name of, or transferred to, CDP to the credit of the securities account of that Participant maintained with CDP or the securities sub-account of that Participant maintained with a Depository Agent, in each case, as designated by that Participant.

7.3 Ranking of Shares

New Shares allotted and issued, and existing Shares procured by the Company for transfer, on the Release of an Award shall:

- (a) be subject to all the provisions of the Constitution of the Company; and
- (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

For the purposes of this Rule 7.3, “**Record Date**” means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

7.4 Moratorium

Shares which are allotted and issued or transferred to a Participant pursuant to the Release of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the Retention Period, except to the extent set out in the Award Letter or with the prior approval of the Committee. The Company may take steps that it considers necessary or appropriate to enforce or give effect to this disposal restriction including specifying in the Award Letter the conditions which are to be attached to an Award for the purpose of enforcing this disposal restriction.

8. LIMITATION ON THE SIZE OF THE PLAN

- 8.1 The aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the Plan on any date, when aggregated with the aggregate number of Shares over which options or awards are granted under any other share option schemes or share schemes of the Company, shall not exceed fifteen (15) per cent. of the total number of issued Shares (excluding Shares held by the Company as treasury shares) on the day preceding that date.
- 8.2 The aggregate number of Shares which may be issued or transferred pursuant to Awards under the Plan to Participants who are Controlling Shareholders and their Associates shall not exceed twenty-five (25) per cent. of the Shares available under the Plan.
- 8.3 The number of Shares which may be issued or transferred pursuant to Awards under the Plan to each Participant who is a Controlling Shareholder or his Associate shall not exceed ten (10) per cent. of the Shares available under the Plan.
- 8.4 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.

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9. ADJUSTMENT EVENTS

9.1 If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, capital reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan,

shall be adjusted in such manner as the Committee may determine to be appropriate, provided that no adjustment shall be made if as a result, the Participant receives a benefit that a shareholder of the Company does not receive.

9.2 Unless the Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.

9.3 Notwithstanding the provisions of Rule 9.1, any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

9.4 Upon any adjustment required to be made pursuant to this Rule 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award. Any adjustment shall take effect upon such written notification being given.

10. ADMINISTRATION OF THE PLAN

10.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the board of directors of the Company, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards to be granted to him or held by him.

10.2 The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as it may, in its absolute discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee.

10.3 Neither the Plan nor the grant of Awards under the Plan shall impose on the Company or the Committee or any of its members any liability whatsoever in connection with: (a) the lapsing of any Awards pursuant to any provision of the Plan; (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or (c) any decision or determination of the Committee made pursuant to any provision of the Plan.

APPENDIX B – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS PSP

- 10.4 Any decision or determination of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors) shall be final, binding and conclusive (including for the avoidance of doubt, any decisions pertaining to disputes as to the interpretation of the Plan or any rule, regulation or procedure hereunder or as to any rights under the Plan). The Committee shall not be required to furnish any reasons for any decision or determination made by it.
- 10.5 A Director who is a member of the Committee shall not be involved in its deliberation in respect of Awards to be granted to him.

11. NOTICES AND COMMUNICATIONS

- 11.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.
- 11.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.
- 11.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 11.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of dispatch.

12. MODIFICATIONS TO THE PLAN

- 12.1 Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by a resolution of the Committee, except that:
- (a) no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were Released to them upon the Performance Conditions for their Awards being satisfied in full, would become entitled to not less than three-quarters in number of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the Performance Conditions for all outstanding Awards being satisfied in full;
 - (b) the definitions of “**Associated Company**”, “**Group Executive**”, “**Group Executive Director**”, “**Non-executive Director**”, “**Participant**”, “**Performance Period**” and “**Release Schedule**” and the provisions of Rules 4, 5, 6, 7, 8, 9, 10 and this Rule 12 shall not be altered to the advantage of Participants except with the prior approval of the Company's shareholders in general meeting; and
 - (c) no modification or alteration shall be made without the prior approval of the SGX-ST and such other regulatory authorities as may be necessary.

For the purposes of Rule 12.1(a), the opinion of the Committee as to whether any modification or alteration would adversely affect the rights attached to any Award shall be final, binding and conclusive.

For the avoidance of doubt, nothing in this Rule 12.1 shall affect the right of the Committee under any other provision of the Plan to amend or adjust any Award.

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12.2 Notwithstanding anything to the contrary contained in Rule 12.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the Plan in any way to the extent necessary or desirable, in the opinion of the Committee, to cause the Plan to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

12.3 Written notice of any modification or alteration made in accordance with this Rule 12 shall be given to all Participants.

13. TAKE-OVER AND WINDING UP OF THE COMPANY

13.1 Subject to Rule 13.5, in the event of a take-over being made for the Shares, a Participant shall be entitled to the Shares under the Awards if he has met the Performance Condition for the corresponding Performance Period. For the avoidance of doubt, the vesting of such Awards shall not be affected by the take-over offer.

13.2 If under any applicable laws, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, each Participant who has fulfilled his Performance Condition shall be entitled, notwithstanding the provisions under this Rule 13 but subject to Rule 13.5, to any Shares under the Awards so determined by the Committee to be released to him during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later.

13.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Awards, notwithstanding that Shares may not have been released to the Participants, shall be deemed null and void.

13.4 In the event of a members' voluntary winding-up (other than for amalgamation or reconstruction), the Shares under the Awards shall be released to the Participant for so long as, in the absolute determination by the Committee, the Participant has met the Performance Condition prior to the date on which the members' voluntary winding-up is deemed to have commenced or is effective in law.

13.5 If in connection with the making of a general offer referred to in Rule 13.1 or the scheme referred to in Rule 13.2 or the winding-up referred to in Rule 13.4, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of the Participants, whether by the payment of cash or by any other form of benefit, no Release of Shares under the Award shall be made in such circumstances.

14. TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant shall not be affected by his participation in the Plan, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

15. DURATION OF THE PLAN

15.1 The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the Adoption Date, provided always that the Plan may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

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15.2 The Plan may be terminated at any time by the Committee or, at the discretion of the Committee, by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee hereunder.

15.3 The expiry or termination of the Plan shall not affect Awards which have been granted prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) or not.

16. TAXES

All taxes (including income tax) arising from the grant or Release of any Award granted to any Participant under the Plan shall be borne by that Participant.

17. COSTS AND EXPENSES OF THE PLAN

17.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a Depository Agent.

17.2 Save for the taxes referred to in Rule 15 and such other costs and expenses expressly provided in the Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Plan including but not limited to the fees, costs and expenses relating to the allotment and issue, or transfer, of Shares pursuant to the Release of any Award shall be borne by the Company.

18. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing, or procuring the transfer of, the Shares or applying for or procuring the listing of new Shares on the SGX-ST in accordance with Rule 7.1.3.

19. REPORTING REQUIREMENTS

Under the ~~Catalist~~ **Mainboard** Rules, an immediate announcement must be made on the Award Date and the announcement must provide details of the grant, including the following:

- (a) date of grant;
- (b) market price of the Shares on the Award Date;
- (c) number of Shares granted under the Award;
- (d) number of Shares granted to each Director and Controlling Shareholder (and each of their Associates) under the Award, if any; and
- (e) the vesting period in relation to the Award.

The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation:

- (a) the names of the members of the Committee administering the Plan;

APPENDIX B – THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS PSP

(b) in respect of the following Participants of the Plan:

- (i) directors of the Company;
- (ii) Controlling Shareholders and their Associates; and
- (iii) Participants (other than those in paragraphs (i) and (ii) above) who have received Shares pursuant to the Release of Awards granted under the Plan which, in aggregate, represent five (5) per cent. or more of the aggregate of the total number of Shares available under the Plan,

the following information:

| Name of participant | Aggregate number of Shares comprised in Awards under the Union Gas PSP during the financial year under review (including terms) | Aggregate number of Shares comprised in Awards vested to such participant since commencement of the Union Gas PSP to end of financial year under review | Aggregate number of Shares comprised in Awards issued since commencement of the Union Gas PSP to end of financial year under review | Aggregate number of Shares comprised in Awards which have not been released as at the end of financial year under review |
|---------------------|---|---|---|--|
| | | | | |

such other information as may be required by the ~~Catalist~~ **Mainboard** Rules or the Act, provided that if any of the above requirements are not applicable, an appropriate negative statement will be included in the annual report.

20. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

21. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the Plan are to abstain from voting on any Shareholders' resolution relating to the Plan and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy for on how the vote is to be cast. In particular, all Shareholders who are eligible to participate in the Plan shall abstain from voting on the following resolutions, where applicable (a) implementation of the Plan, and (b) participation by and grant of Awards to Controlling Shareholders and their Associates.

22. GOVERNING LAW

The Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting grants of Awards in accordance with the Plan, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

23. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT, CHAPTER 53B

No person other than the Company or a Participant shall have any right to enforce any provision of the Plan or any Award by the virtue of the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

NOTICE OF EXTRAORDINARY GENERAL MEETING

UNION GAS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 201626970Z)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “**EGM**”) of Union Gas Holdings Limited (the “**Company**”) will be held by way of electronic means on 13 July 2021 at 9.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

Please refer to the paragraph titled “IMPORTANT INFORMATION” below for details.

All capitalised terms in this Notice which are not defined herein shall have the same meaning as ascribed to them in the Company’s circular dated 21 June 2021 (the “Circular”).

RESOLUTION 1 (SPECIAL RESOLUTION)

THE PROPOSED TRANSFER OF LISTING OF THE COMPANY FROM THE CATALIST TO THE MAINBOARD OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”)

THAT:

- (a) approval be and is hereby given for the Company to transfer its listing from the Catalist to the Mainboard of the SGX-ST (the “**Proposed Transfer**”); and
- (b) the Directors of the Company and each of them be and is hereby authorised to complete and do all such acts and things (including executing all such documents and ancillary agreements and to make all such amendments thereto as may be required in connection with the Proposed Transfer) as they or he may consider necessary, desirable or expedient or in the interests of the Company to give effect to the Proposed Transfer.

RESOLUTION 2 (ORDINARY RESOLUTION)

THE PROPOSED ADOPTION OF THE NEW SHARE ISSUE MANDATE

THAT contingent upon the passing of Resolution 1 as Special Resolution:

- (a) Resolution 7 (Authority to Allot and Issue Shares) under the heading “**Special Business**” referred to in the notice of annual general meeting dated 7 April 2021, which was approved by Shareholders at the annual general meeting of the Company held on 29 April 2021, be revoked in its entirety with effect from the date of transfer of the listing of the Company from Catalist to the Mainboard of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Proposed Transfer Date**”); and
- (b) pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the “**Act**”) and Rule 806 of the Listing Manual of the SGX-ST (“**Listing Manual**”), the Directors of the Company be authorised and empowered to
 - (i) allot and issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit pursuant to Section 161 of the Companies Act and Rule 806 of the Listing Manual; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (iii) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force, notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time of such issuance of Shares,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution), shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings)(as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed twenty per cent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of total issued Shares shall be based on the total issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for: (i) new Shares arising from the conversion or exercise of any convertible securities; (ii) new Shares arising from exercising of share options or vesting of share awards outstanding and/or subsisting at the time of the passing of this Resolution, provided the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Mainboard Rules; and (iii) any subsequent bonus issue, consolidation or sub-division of Shares. Adjustments in accordance to subparagraph 2(i) and 2(ii) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Mainboard Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and the Constitution for the time being of the Company; and
- (4) the authority conferred by this Resolution shall, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

RESOLUTION 3 (ORDINARY RESOLUTION)

THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS EMPLOYEE SHARE OPTION SCHEME

THAT contingent upon the passing of Resolution 1 as Special Resolution:

- (a) the Proposed Amendments to the Existing Union Gas ESOS Rules ("**Union Gas ESOS Rules**") as set out in Appendix A to the Circular be and are hereby adopted and approved;
- (b) the Directors be and are hereby authorised to offer and grant options in accordance with the provisions of the modified Union Gas ESOS Rules and allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the modified Union Gas ESOS Rules; and
- (c) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

RESOLUTION 4 (ORDINARY RESOLUTION)

THE PROPOSED AMENDMENTS TO THE EXISTING UNION GAS PERFORMANCE SHARE PLAN

THAT contingent upon the passing of Resolution 1 as Special Resolution:

- (a) the Proposed Amendments to the Existing Union Gas PSP Rules (“**Union Gas PSP Rules**”) as set out in Appendix B to the Circular be and are hereby adopted and approved;
- (b) the Directors be and are hereby authorised to offer and grant options in accordance with the provisions of the modified Union Gas PSP Rules and allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the modified Union Gas PSP Rules; and
- (c) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

By Order of the Board

Ms Wong Yoen Har
Company Secretary
Singapore
21 June 2021

NOTICE OF EXTRAORDINARY GENERAL MEETING

IMPORTANT INFORMATION

Shareholders of the Company (“**Shareholders**”) should take note of the following arrangements for the EGM:

- (a) **Participation in the EGM via Live EGM Webcast and Live EGM Audio Feed:** The EGM will be conducted by electronic means and Shareholders will not be able to attend the EGM physically. All Shareholders or their corporate representatives (in the case of Shareholders which are legal entities) will be able to participate in the EGM proceedings by watching a “live” webcast (the “**Live EGM Webcast**”) or listen to a “live” audio feed (the “**Live EGM Audio Feed**”). Shareholders/Investors holding shares through relevant intermediaries (**other than SRS investors**) will not be able to pre-register for the “live” broadcast of the EGM. Such Shareholders/investors who wish to participate in the EGM proceedings should instead approach his/her relevant intermediary as soon as possible in order to make the necessary arrangements.

- (b) **Live EGM Webcast and Live EGM Audio Feed:** All Shareholders who wish to follow the proceedings of the EGM will need to pre-register at <http://forms.uniongas.com.sg/egm/2021/MainboardEGM-registration.html> (the “**Pre-registration Link**”) from now till 9.00 a.m. on 10 July 2021 (the “**Registration Deadline**”) for verification of their status as Shareholders (or the corporate representatives of such Shareholders) of the Company. Following successful verification, each Shareholder or its corporate representative(s) will receive an email confirmation (“**Confirmation Email**”) by 5.00 p.m. on 11 July 2021 containing instructions to access the live EGM proceedings.

Shareholders or their corporate representative(s) must not forward the abovementioned information to any other persons who are not shareholders and who are not eligible to attend the EGM. This is also to avoid any technical disruptions to the Live EGM Webcast or Live EGM Audio Feed due to overloading.

Shareholders or their corporate representatives who have registered by the Registration Deadline but do not receive the Confirmation Email by 5.00 p.m. on 11 July 2021 may contact the Company’s Share Registrar at email address srs.teamc@boardroomlimited.com or call the general telephone number at +65 6536 5355 between 10.00 a.m. to 4.00 p.m. for assistance.

- (c) **Submission of Questions in advance of the EGM:** Shareholders will not be able to ask questions “live” via the Live EGM Webcast. Shareholders who pre-register to watch the live webcast or listen to the live audio feed may also submit questions related to the EGM to <http://forms.uniongas.com.sg/egm/2021/MainboardEGM-registration.html>. Questions must be submitted by 9.00 a.m. on 8 July 2021 so that they may be addressed during the EGM proceedings. Shareholders or their representatives (in the case of shareholders which are legal entities) must state his/her full name and whether he/she is a shareholder or a representative of a shareholder which is a legal entity. Any question without the identification details will not be addressed. The Company shall address relevant and substantial questions (as may be determined by the Company in its sole discretion) received by 9.00 a.m. on 8 July 2021 prior to the EGM via SGXNet and/or during the EGM proceedings. The Company will publish the minutes of the EGM, including substantial and relevant comments or queries from shareholders relating to the agenda of the EGM, and responses from the Company, on SGXNet within one (1) month after the date of EGM.

- (d) **Voting solely via appointing Chairman of the Meeting as Proxy:** Shareholders may only exercise their voting rights at the EGM via proxy voting. Shareholders who wish to vote on the resolution at the EGM must appoint the Chairman of the EGM as their proxy to do so on their behalf. In the Proxy Form, a shareholder should specifically direct the Chairman on how he is to vote for or vote against (or abstain from voting on) the resolution to be tabled at the EGM, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid. The instrument appointing the Chairman of the EGM as proxy must be deposited to the Share Registrar’s office at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 or sent by email to srs.teamc@boardroomlimited.com not less than seventy-two (72) hours (i.e. by 9.00 a.m. on 10 July 2021), before the time appointed for holding the EGM. The Proxy Form can be downloaded from the SGXNet at <https://www.sgx.com/securities/company-announcements>. **In view of the current COVID-19 measures which may make it difficult for shareholders to submit completed proxy forms by post, shareholders are strongly encouraged to submit completed proxy forms electronically via email to srs.teamc@boardroomlimited.com.**

- (e) **Investors who hold through Relevant Intermediaries (including SRS Investors):** A Depositor’s name must appear on the Depository Register maintained by The Central Depository (Pte) Limited (the “**CDP**”) at least seventy-two (72) hours before the time fixed for holding the EGM in order for the Depositor to be entitled to vote on the resolution at the EGM by appointing the Chairman of the EGM as his/her proxy to do so on his/her behalf. In view of Section 81SJ(4) of the Securities and Future Act, Chapter 289 of Singapore, a Depositor shall not be regarded as a shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his/her name appears in the Depository Register maintained by the CDP at least seventy-two (72) hours before the EGM. Any shareholder who is holding his shares via the CDP but whose name is not registered with the CDP seventy-two (72) hours before the EGM will not be entitled to attend and vote at the EGM. Accordingly, even if such shareholder deposits his proxy form seventy-two (72) hours before the EGM, the Chairman of the EGM who is appointed as his/her proxy will not be entitled to vote at the EGM. SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective SRS Operators at least seven (7) working days before the EGM (i.e. by 9.00 a.m. on 1 July 2021), to ensure that their votes are submitted.

Access to documents or information relating to the EGM

In accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, all documents and information relating to the business of the EGM (including the Circular and the Proxy Form) have been published on SGXNet at <https://www.sgx.com/securities/company-announcements>. Printed copies will not be sent to Shareholders.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Further Updates

In view of the evolving COVID-19 situation, the Company reserves the right to take such further precautionary measures as may be appropriate up to the date of the EGM, including any precautionary measures required or recommended by government agencies, in order to curb the spread of COVID-19. Shareholders should continually check for announcements by the Company for updates on the EGM. The Company would like to thank all shareholders for their patience and co-operation in enabling the Company to continue holding its EGM amidst the COVID-19 situation.

Personal Data Privacy

By (a) submitting an instrument appointing the Chairman of the EGM as a proxy to vote at the EGM and/or any adjournment hereof, or (b) completing the Pre-registration in accordance with this Notice, or (c) submitting any question prior to the EGM in accordance with this Notice, a shareholder of the Company consents to the collection, use and disclosure of the shareholders' personal data by the Company (or its agents or service providers) for the following purposes:

- (i) the processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the EGM as a proxy for the EGM (including any adjournment thereof);
- (ii) the processing of the Pre-registration for purposes of granting access to shareholders (or their representatives in the case of shareholders which are legal entities) to the live webcast or live audio feed of the EGM proceedings and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions from Shareholders received before the EGM and if necessary, following up with the relevant shareholders in relation to such questions;
- (iv) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof); and
- (v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

PROXY FORM

UNION GAS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201626970Z)

PROXY FORM

EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Proxy Form)

IMPORTANT:

- Shareholders who wish to vote on the resolution at the Extraordinary General Meeting ("EGM") must appoint the Chairman of the EGM as their proxy to do so on their behalf.
- For investors who have used their SRS monies to buy Union Gas Holdings Limited's shares, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
- SRS investors who wish to appoint Chairman of the EGM as their proxy should contact their respective Agent Banks or SRS Operators at least seven (7) working days before the EGM to specify voting instructions and to ensure that their votes are submitted.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing the Chairman of the EGM as Proxy, the shareholder accepts and agrees to the personal data privacy terms set out in the Proxy Form and Notice of Extraordinary General Meeting dated 21 June 2021.

*I/We, _____ (Name) _____ (NRIC/Passport/Co Reg No.)
of _____ (Address)

being a shareholder/shareholders* of **UNION GAS HOLDINGS LIMITED** (the "**Company**"), hereby appoint the Chairman of the EGM as *my/our *proxy to vote for *me/us on *my/our behalf at the EGM to be held by electronic means on 13 July 2021 at 9.00 a.m..

| No. | Special Resolution relating to | No. of Votes For ⁽¹⁾ | No. of Votes Against ⁽¹⁾ | No. of Votes Abstain ⁽²⁾ |
|-----|--|---------------------------------|-------------------------------------|-------------------------------------|
| 1. | To approve the Proposed Transfer of the Listing of the Company from Catalist to the Mainboard of the Singapore Exchange Securities Trading Limited | | | |
| | Ordinary Resolutions relating to | | | |
| 2. | To approve the Proposed Adoption of the New Share Issue Mandate | | | |
| 3. | To approve the Proposed Amendments to the Existing Union Gas ESOS | | | |
| 4. | To approve the Proposed Amendments to the Existing Union Gas PSP | | | |

⁽¹⁾ Voting will be conducted by poll. If you wish the Chairman of the EGM as your proxy to cast all your votes "For" or "Against" a resolution, please tick (✓) within the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution.

⁽²⁾ If you wish the Chairman of the EGM as your proxy to abstain from voting a resolution, please tick (✓) within the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of votes that the Chairman of the EGM as your proxy is directed to abstain from voting in the "Abstain" box provided in respect of that resolution.

Dated this _____ day of _____ 2021

| Total Number of Shares in: | No. of shares |
|----------------------------|---------------|
| (a) CDP Register | |
| (b) Register of Members | |

Signature(s) of Shareholder(s)
or Common Seal of Corporate Shareholder

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF



PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Future Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. In accordance with the alternative arrangements under the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, this EGM will be held by electronic means and therefore shareholders will not be able to attend the EGM in person. A shareholder (whether individual or a legal entity) must appoint the Chairman of the EGM as his/her/its proxy to vote on his/her/its behalf at the EGM if such shareholder wishes to exercise his/her/its voting rights at the EGM. This proxy form has been made available on SGXNet at <https://www.sgx.com/securities/company-announcements>. A printed copy of this proxy form will NOT be despatched to shareholders.
3. A shareholder who is a relevant intermediary entitled to vote at the EGM must appoint the Chairman of the EGM to attend and vote at the EGM instead of the shareholder. SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective SRS Operators at least seven (7) working days before the EGM (i.e. by 9.00 a.m. on 1 July 2021), to ensure that their votes are submitted. Where a shareholder (whether individual or a legal entity) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

"Relevant intermediary" means:

- (a) *a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;*
 - (b) *a person holding a capital markets services licence to provide custodial services for securities under the Securities and Future Act, Chapter 289 of Singapore and who holds shares in that capacity; or*
 - (c) *the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Central Provident Fund Act, Chapter 36 of Singapore, providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.*
4. The instrument appointing the Chairman of the EGM as proxy must be deposited to the Share Registrar's office at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 or sent by email to srs.teamc@boardroomlimited.com not less than seventy-two (72) hours (i.e. by 9.00 a.m. on 10 July 2021), before the time appointed for holding the EGM. In view of the current COVID-19 measures which may make it difficult for shareholders to submit completed proxy forms by post, shareholders are strongly encouraged to submit completed proxy forms electronically via email.
 5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
 6. A corporation which is a shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In the case of shareholder of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such shareholder are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By (a) submitting an instrument appointing the Chairman of the EGM as a proxy to vote at the EGM and/or any adjournment thereof, or (b) completing the Pre-registration in accordance with the Notice of EGM, or (c) submitting any question(s) prior to the EGM in accordance with the Notice of EGM a shareholder of the Company consents to the collection, use and disclosure of the shareholders' personal data by the Company (or its agents or service providers) for the following purposes:

- (i) the processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the EGM as a proxy for the EGM (including any adjournment thereof);
- (ii) the processing of the Pre-registration for purposes of granting access to shareholders (or their representatives in the case of shareholders which are legal entities) to the live webcast or live audio feed of the EGM proceedings and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions from shareholders received before the EGM and if necessary, following up with the relevant shareholders in relation to such questions;
- (iv) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof); and
- (v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.