

**UMS HOLDINGS LIMITED**  
(Company Registration Number 200100340R)  
(Incorporated in the Republic of Singapore)

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO  
THE UNITED STATES**

---

**PROPOSED PLACEMENT OF UP TO 40,000,000 NEW ORDINARY SHARES IN THE  
CAPITAL OF THE COMPANY– ENTRY INTO PLACEMENT AGREEMENT**

**1. INTRODUCTION**

- 1.1 The Board of Directors (the “**Board**” or “**Directors**”) of UMS Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 26 January 2024 entered into a placement agreement with CGS-CIMB Securities (Singapore) Pte. Ltd. (the “**Placement Agent**”) (the “**Placement Agreement**”).
- 1.2 Pursuant to the Placement Agreement, the Company has agreed to offer, by way of placement, and the Placement Agent has agreed to procure purchasers and/or subscribers on a best efforts basis for, an aggregate of up to 40,000,000 fully paid-up ordinary shares in the capital of the Company (the “**Placement Shares**”) at an issue price of within the placement price range of between S\$1.28 and S\$1.30 (both figures inclusive) for each Placement Share (the “**Placement Price Range**”), amounting to a maximum aggregate consideration of up to S\$52,000,000 (the “**Proposed Placement**”).
- 1.3 The Proposed Placement is not underwritten and will be undertaken by way of an exempt offering in Singapore in accordance with Section 274 (institutional investors) and Section 275 (accredited investors and certain other persons) of the Securities and Futures Act 2001 of Singapore. Accordingly, no prospectus, offer document or offer information statement will be issued by the Company in connection with the Proposed Placement.
- 1.4 In connection with the Proposed Placement and to facilitate delivery of the Placement Shares to the potential end-placers, the Company has on 26 January 2024 entered into a share lending agreement (the “**Share Lending Agreement**”) with Luong Andy (the “**Lender**”), who is the Chief Executive Officer of the Company and a substantial shareholder of the Company. However, the Lender will not receive any financial benefit (directly or indirectly) from the Share Lending Arrangement in accordance with Rule 813 of the SGX-Listing Manual (the “**Listing Manual**”). In light of this, the Audit Committee and the Board is of the view that the Proposed Placement is not an interested person transaction within the meaning of Chapter 9 of the Listing Manual, and that the Proposed Placement is in the best interest of the Company and its shareholders. Pursuant to the terms of the Share Lending Agreement, the Company has agreed to borrow, and the Lender has agreed to lend to the Company an aggregate number of fully paid-up ordinary shares in the capital of the Company (the “**Shares**”) amounting to the Placement Shares (“**Loan Shares**”) for the sole purpose of delivery of such Loan Shares to the potential end-placers procured by the Placement Agent (the “**Loan**”). The Company will allot and issue to the Lender an amount of new ordinary shares in the capital of the Company (equivalent to the number of Loan Shares) (the “**Equivalent Shares**”) as repayment of the Loan Shares within seven (7) business days after the receipt of the approval-in-principle from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the listing and quotation of the Equivalent Shares on the Mainboard of the SGX-ST (the “**SGX-ST Approval**”), or such other date as may be agreed between parties. Please see paragraph 2.3 below for more details.

## 2. THE PROPOSED PLACEMENT

### 2.1 Placement Price Range

The Placement Price Range of between S\$1.28 and S\$1.30 per Placement Share (both figures inclusive) represents a discount of between 7.66% and 6.22% to the volume weighted average price of S\$1.3862 for trades done on the SGX-ST on 25 January 2024, being the last full market day preceding the date on which the Placement Agreement was signed.

The placement price per Placement Share ("**Placement Price**") will be between the Placement Price Range, and will be determined by the Company and the Placement Agent following a book-building process. The Company will make an announcement via SGXNET once the Placement Price has been determined.

### 2.2 The Placement Shares

2.2.1 The Placement Shares represent approximately 5.97% of the existing issued and paid-up share capital of the Company comprising 670,535,941 Shares as at the date of this announcement and will represent approximately 5.63% of the enlarged issued and paid-up share capital of the Company of 710,535,941 Shares (assuming that the maximum 40,000,000 Placement Shares have been placed).

2.2.2 The Placement Shares will be delivered to the end-placees freely transferable, free and clear of any pledge, lien, charge security interest, encumbrance, claim, equitable interest or other third party right whatsoever and shall rank *pari passu* with the existing Shares and carry all rights similar to the existing Shares at the time of the transfer.

2.2.3 The Placement Shares will not be placed to any person who is a director or a substantial shareholder of the Company, or any other person in the categories set out in Rule 812(1) of the Listing Manual, unless such subscription is otherwise agreed to by the SGX-ST or specific shareholders' approval is obtained (as applicable).

2.2.4 The purchase and/or subscription of the Placement Shares will not result in the transfer of a "controlling interest" which would require specific shareholders' approval pursuant to Rule 803 of the Listing Manual. The number of Placement Shares to be placed to any end-placee is not expected to result in the end-placee becoming a substantial shareholder of the Company ("**Substantial Shareholder**"). In the event that any end-placee becomes a Substantial Shareholder as a result of the Proposed Placement, a further announcement will be released in accordance with the applicable rules and guidelines of the SGX-ST.

### 2.3 Share Lending Arrangement and the Equivalent Shares

2.3.1 The Equivalent Shares will be allotted and issued pursuant to the general share issue mandate (the "**General Mandate**") granted by shareholders of the Company (the "**Shareholders**") to the Directors pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 806 of the Listing Manual, by way of an ordinary resolution passed at the annual general meeting of the Company on 26 April 2023 (the "**2023 AGM**"). Please refer to paragraph 6 below for further details on the General Mandate.

2.3.2 Pursuant to the Share Lending Agreement, the Company shall use its best endeavours to submit an additional listing application for the listing and quotation of the Equivalent Shares, and shall procure the SGX-ST Approval as soon as reasonably practicable after the date of the Share Lending Agreement. Within seven (7) business days after the receipt of the SGX-ST Approval or such other date as may be agreed between the parties, the Company shall allot and issue such number of Equivalent Shares to the Lender as repayment of the Loan.

- 2.3.3 No fees will be payable by the Company to the Lender (and vice versa) in connection with the Loan, and no collateral will be provided by the Company to the Lender for the Loan.
- 2.3.4 The Loan may be terminated by the Company at any time prior to completion of the Placement Agreement by giving not less than one (1) business days' notice of the termination of the Loan to the Lender. In the event that the Share Lending Agreement is terminated, it shall have no further force or effect, save for the surviving provisions set out in the Share Lending Agreement, and further provided that the termination of the Share Lending Agreement shall not in any way or manner affect or prejudice the rights or liabilities by any of the parties accrued or incurred prior to the termination of the Share Lending Agreement.
- 2.3.5 In the event that the SGX-ST Approval is not obtained by the date falling 60 business days from the completion of the Proposed Placement, the Company shall pay, and the Lender shall accept, the net proceeds from the Proposed Placement as full and final settlement of the purchase of the Loan Shares, and the Lender hereby agrees that it shall thereafter have no further claim whatsoever against the Company, the Placement Agent nor the purchasers of the Loan Shares in relation to or arising out of the Proposed Placement.

### **3. SALIENT TERMS OF THE PLACEMENT AGREEMENT**

#### **3.1 Placement Commission**

In consideration of the agreement of the Placement Agent to procure end-placers on a best efforts basis for the Placement Shares, the Company shall pay to the Placement Agent, a placement commission equal to 3.0% of the Placement Price multiplied by the aggregate number of Placement Shares for which the Placement Agent has sold or procured the subscription for.

#### **3.2 Placement Completion**

Subject to the terms and conditions of the Placement Agreement, completion of the Proposed Placement ("**Completion**") shall take place at 5.00 p.m. (the "**Completion Time**") on the date falling three (3) market days from the date of the Placement Agreement or such other date and time as the parties to the Placement Agreement may mutually agree (the "**Completion Date**"). Against delivery, procured by the Company, of the Placement Shares, the Placement Agent shall make payment to, or procure that payment is made to, the Company of the net proceeds in respect of the Placement Shares, by the Completion Time on the Completion Date.

#### **3.3 Conditions Precedent**

Completion of the Proposed Placement pursuant to the Placement Agreement is conditional upon, *inter alia*, the following conditions:

- 3.3.1 all representations and warranties and other statements of the Company herein being, at and as of the Completion Date with references to the then existing circumstances, true and correct in all respects and the Company having performed all of its undertakings or obligations hereunder to be performed on or before the Completion Date;
- 3.3.2 the Share Lending Agreement being duly executed by the parties thereto on the date of the Placement Agreement, being in full force and effect and not having been breached and the Loan not having been terminated;
- 3.3.3 the transactions contemplated by the Placement Agreement not being prohibited by law or regulation or interpretation thereof (including without limitation, any statute, order, rule, regulation, request, judgement or directive promulgated or issued by any legislative, executive, judicial or regulatory body or authority (including without

limitation, the SGX-ST and the Monetary Authority of Singapore)) in Singapore or any other jurisdiction which is applicable to the Company or the Placement Agent;

- 3.3.4 subsequent to the execution and delivery of the Placement Agreement, there shall not have occurred:
- 3.3.4.1 any circumstance, event or situation or development which is or are likely to have a Material Adverse Effect or, in the judgment of the Placement Agent, is likely to be materially adverse in the context of the Proposed Placement or makes or is reasonably likely to make it impracticable or inadvisable or inexpedient to proceed therewith or, in the opinion of the Placement Agent, is reasonably likely to prejudice materially the success of the Proposed Placement or dealings in the Placement Shares in the secondary market;
  - 3.3.4.2 any change in the United States, the United Kingdom, Hong Kong S.A.R., the People's Republic of China, Singapore or international financial, political or economic conditions or currency exchange rates or exchange controls as would, in the reasonable judgment of the Placement Agent, be reasonably likely to prejudice materially the success of the proposed offering, sale or distribution of the Placement Shares, whether in the primary market or in respect of dealings in the secondary market;
  - 3.3.4.3 any material suspension or material limitation of trading in securities generally on the New York Stock Exchange, NASDAQ, the London Stock Exchange plc, The Stock Exchange of Hong Kong Limited, the Shanghai Stock Exchange, the Shenzhen Stock Exchange or the SGX-ST, or any setting of minimum prices for trading on such exchange;
  - 3.3.4.4 any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market;
  - 3.3.4.5 any banking moratorium declared by United States, United Kingdom, Hong Kong S.A.R., the People's Republic of China ("**PRC**") or Singapore authorities;
  - 3.3.4.6 any major disruption of settlements of securities or clearance services in the United States, United Kingdom, Hong Kong S.A.R., PRC or Singapore;
  - 3.3.4.7 the occurrence or escalation of riot, uprising against constituted authority, civil commotion, disorder, rebellion, organised armed resistance to the government, insurrection, revolt, military or usurped power, civil war, industrial action, flood, fire, storm, lightning tempest, accident, natural disaster or other acts of God, epidemic, explosion, disease, earthquake, hijacking, sabotage or crime, which makes it, in the opinion of the Placement Agent, impractical or inadvisable to proceed with completion of the offering or sale of and payment for the Placement Shares;
  - 3.3.4.8 any government acquisition or other occurrence of any nature whatsoever which would or is likely to have a Material Adverse Effect;
  - 3.3.4.9 the compliance with all applicable laws and regulations concerning (i) the Placement; and (ii) the transactions contemplated in the Placement Agreement, and no new laws, regulations and directives having been promulgated, published and/or issued and/or having taken effect or any other similar matter having occurred which, in the opinion of the Placement Agent, has or may have an adverse effect on the Placement; or
  - 3.3.4.10 the Placement Agent becoming aware of information which, in the opinion of the Placement Agent, would have resulted in the Placement Agent acting as

placement agent in contravention of any directives, guidelines, requirements, statutes or regulations; and

3.3.5 the Company providing the Placement Agent with a certified true copy of the resolution approving its entry into the Placement Agreement and the Share Lending Agreement.

For the purposes of this paragraph 3.3, "**Material Adverse Effect**" shall mean any material adverse effect on (a) the financial condition, prospects, earnings, business, properties, assets or results of operations of the Group taken as a whole whether or not arising from transactions in the ordinary course of business; or (b) the ability of the Company to perform in any material respect its obligations under the Placement Agreement.

3.4 The Placement Agent may, at its discretion and upon such terms as it thinks fit, waive compliance with any of the conditions contained in the Placement Agreement (other than the condition in paragraph 3.3.3), provided always that any such waiver as aforesaid shall be without prejudice to its right to elect to treat any further or other breach, failure or event as releasing and discharging it from its obligations under the Placement Agreement. For the avoidance of doubt, the right of the Placement Agent to terminate the Placement Agreement under this paragraph 3.4 may be waived only by means of an instrument in writing containing an express waiver signed by the Placement Agent.

3.5 If any of the conditions contained in the Placement Agreement shall not been satisfied or waived when and as required to be fulfilled or waived, the Placement Agreement may be terminated by the Placement Agent by notice to the Company at any time at or prior to the time of Completion, and such termination shall be without liability of any party of the Placement Agreement to any other party except for costs, charges and expenses due to the Placement Agent incurred by or on behalf of the Placement Agent in connection with the Proposed Placement and/or any antecedent breaches of the Placement Agreement.

### 3.6 **Lock-Up**

From the date of the Placement Agreement until the date falling 90 days from the date of the Placement Agreement (both dates inclusive), the Company will not, without the consent of the Placement Agent, directly or indirectly:

3.6.1 allot, offer, issue, sell, contract to issue, grant any option, warrant or other right to subscribe or purchase, grant security over, encumber (whether by way of mortgage, assignment of rights, charge, pledge, pre-emption rights, rights of first refusal or otherwise), or otherwise dispose of or transfer, any Shares or any other securities of the Company or any of the Company's consolidated subsidiaries (each, a "**Group Company**") (including any equity-linked securities, perpetual securities and any securities convertible into or exchangeable for, or which carry rights to subscribe for or purchase such Shares or any other securities of the Company or any Group Company), whether such transaction is to be settled by delivery of Shares or other securities of the Company or Group Company, or in cash or otherwise;

3.6.2 enter into any swap, hedge or other transaction or arrangement (including a derivative transaction) that transfers to another, in whole or in part, any of the economic consequences of ownership of any Shares or any securities of the Company or any Group Company, or any interest in any of the foregoing (including any securities convertible into or exercisable or exchangeable for, or which carry rights to subscribe for or purchase any Shares or any other securities of the Company or any Group Company), whether such transaction is to be settled by delivery of Shares or other securities of the Company or Group Company (including any securities convertible into, or exercisable or exchangeable for, or which carry rights to subscribe for or purchase such Shares or any other securities of the Company or any Group Company), or in cash or otherwise;

3.6.3 enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or

3.6.4 announce or publicly disclose any intention to do any of the above,

provided, however, that the foregoing restrictions shall not apply in respect of the Equivalent Shares.

#### 4. RATIONALE OF THE PROPOSED PLACEMENT AND USE OF PROCEEDS

##### 4.1 Rationale

The Company has decided to undertake the Proposed Placement to strengthen the Group's financial position and flexibility to capitalise on growth opportunities. The Proposed Placement will result in an injection of funds into the Company (a) to fund capital expenditures for the growth of the Group's business (b) for general working capital purposes, including meeting general overheads and other operating expenses of the Group and (c) for future business developments through potential investments, acquisitions, joint ventures and collaborations.

##### 4.2 Use of Proceeds

4.2.1 The estimated net proceeds from the Proposed Placement, after deducting estimated fees and expenses (including listing and application fees, the commission payable to the Placement Agent, professional fees and other miscellaneous expenses of approximately S\$1,630,000, assuming the Placement Price is S\$1.30), is approximately S\$50,370,000 (the "**Net Proceeds**"). The Company intends to apply such Net Proceeds in the following estimated proportions:

<b>Proposed use of Net Proceeds</b>	<b>% of Net Proceeds from the Proposed Placement</b>
(a) Capital expenditure for the growth of the Group's business	60
(b) General working capital purposes (including meeting general overheads and other operating expenses of the Group)	20
(c) Future business developments through potential investments, acquisitions, joint ventures and collaborations	20
Total	100%

4.2.2 Pending the deployment of the Net Proceeds, such Net Proceeds may be deposited with banks or financial institutions, invested in short-term money market instruments or marketable securities, and/or used for any other purpose on a short-term basis, as the Company may, in its absolute discretion, deem fit from time to time.

4.2.3 The Company will make periodic announcement(s) as to the use of the Net Proceeds as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full-year financial statements issued under Rule 705 of the Listing Manual and the Company's annual report. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and status report. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

## 5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

5.1 The *pro forma* financial effects of the Proposed Placement on the Group are set forth below and have been computed based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2022 (“FY2022”). The financial effects of the Proposed Placement are based on the following assumptions:

5.1.1 the maximum number of 40,000,000 Placement Shares are fully subscribed for or purchased by end-placers;

5.1.2 the estimated fees and expenses (including the placement commission payable to the Placement Agent) incurred by the Company in connection with the Proposed Placement is approximately S\$1,630,000, assuming the Placement Price is S\$1.30;

5.1.3 the financial effect on the net tangible asset (“NTA”) per Share is computed based on the assumption that the Proposed Placement was completed on 31 December 2022; and

5.1.4 the financial effect on the earnings per Share (“EPS”) is computed based on the assumption that the Proposed Placement was completed on 1 January 2022.

5.2 The *pro forma* financial effects of the Proposed Placement are presented solely for illustrative purposes and are not intended to be indicative or reflective of the actual financial position of the Group after Completion.

### 5.3 Share Capital

The Placement Shares represent approximately 5.97% of the existing issued and paid-up share capital of the Company of S\$136,623,354.77 comprising 670,535,941 Shares as at the date of this announcement (assuming that the maximum 40,000,000 Placement Shares have been placed). On the assumption that the maximum number of Placement Shares are fully subscribed for or purchased, assuming that no further Shares are issued prior thereto, and SGX-ST Approval is obtained, the Placement Shares will represent approximately 5.63% of the enlarged issued and paid-up share capital of the Company of 710,535,941 Shares.

### 5.4 NTA

	Before Proposed Placement	After the Proposed Placement
NTA as at 31 December 2022 (S\$'000)	252,220	302,590
Number of Shares	670,535,941	710,535,941
NTA per Share (Singapore cents)	37.61	42.59

### 5.5 EPS

	Before Proposed Placement	After Proposed Placement
Net earnings for FY2022 (S\$'000)	98,169	98,169
Weighted average number of Shares	667,476,892	707,476,892
EPS (Singapore cents)	14.71	13.88

## **6. MANDATE FOR THE ISSUANCE OF THE EQUIVALENT SHARES**

- 6.1 The Equivalent Shares will be allotted and issued pursuant to the General Mandate. The General Mandate grants authority to the Directors to, *inter alia*, allot and issue new Shares not exceeding 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2023 AGM, of which the aggregate number of shares to be issued other than on a *pro rata* basis to existing Shareholders shall not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2023 AGM.
- 6.2 As at the date of the 2023 AGM, the issued and paid-up share capital of the Company was 670,535,941 Shares. No Shares have been issued under the General Mandate. Accordingly, the Equivalent Shares (assuming that the maximum 40,000,000 Placement Shares have been placed) is within the limit of the General Mandate.
- 6.3 The Company will be making an application to the SGX-ST for the listing and quotation of the Equivalent Shares on the Mainboard of the SGX-ST. The Company will make the necessary announcements in due course upon obtaining the SGX-ST Approval.

## **7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

Save for the Equivalent Shares (equivalent to the number of Loan Shares) which will be allotted and issued to the Lender as repayment of the Loan Shares, as set out in paragraph 2.3 above, and that the Company's independent director, Gn Jong Yuh Gwendolyn, is a partner at Shook Lin & Bok LLP, which is the law firm advising the Company on the Proposed Placement, none of the Directors or substantial Shareholders has any interest, direct or indirect, in the Proposed Placement, (other than arising from their directorships and/or shareholdings, as the case may be, in the Company, if any).

## **8. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement. The Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement 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 those sources and/or reproduced in this announcement in its proper form and context.

## **9. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of each of the Placement Agreement and the Share Lending Agreement will be available for inspection during normal business hours at the registered office of the Company at 23 Changi North Crescent, Singapore 499616 for a period of three (3) months commencing from the date of this announcement.

## **10. FURTHER ANNOUNCEMENTS**

The Company will continue to keep Shareholders updated and release announcements relating to the Proposed Placement (including any material developments and progress made) as may be appropriate from time to time.



## 11. CAUTIONARY STATEMENT

Shareholders and potential investors should note that the Proposed Placement is subject to the fulfilment of, *inter alia*, the conditions precedent set out above, and accordingly, should exercise caution when trading in the Shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

By Order of the Board  
**UMS Holdings Limited**

Luong Andy  
Chief Executive Officer  
Singapore

26 January 2024

## IMPORTANT NOTICE

This announcement is for information only and does not constitute or form part of any offer to purchase, a solicitation of an offer to purchase, an offer to sell or an invitation or solicitation of an offer to sell, issue or subscribe for, securities in or into the United States. No securities mentioned herein have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or under any state securities laws or other jurisdiction of the United States. The Company does not intend to conduct a public offering in the United States, and no securities may be offered or sold in or into the United States absent registration with the U.S. Securities and Exchange Commission or pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and any applicable state or local securities laws of the United States. The securities referred to in this announcement will be offered and sold only in "offshore transactions" as defined in, and in accordance with, Regulation S under the U.S. Securities Act.

Notification under Section 309B of the Securities and Futures Act 2001 of Singapore: The Placement Shares are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 and "Excluded Investment Products" (as defined in MAS Notice SFA 04- N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)).