

UMS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 200100340R)

PROPOSED BONUS ISSUE

1. Introduction

- 1.1 The Board of Directors (the “**Board**”) of UMS Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a bonus issue of new ordinary shares in the capital of the Company (“**Bonus Shares**”) to the shareholders of the Company (“**Shareholders**”) on the basis of one (1) Bonus Share for every four (4) existing ordinary shares in the share capital of the Company (“**Shares**”) held by Shareholders as at a date and time to be determined by the Directors for the purposes of determining Shareholders’ entitlements to the Bonus Shares (“**Record Date**”), fractional entitlements to be disregarded (the “**Proposed Bonus Issue**”).

2. Terms of the Proposed Bonus Issue

- 2.1 The actual number of Bonus Shares to be allotted and issued by the Company will depend on the total issued share capital of the Company as at the Record Date. Purely for illustration purposes, based on the existing issued share capital of the Company comprising 533,429,579 Shares and 3,000,000 treasury shares as at the date of this announcement and assuming that there is no change in the issued share capital of the Company from the date of this announcement to the Record Date, 134,107,395 Bonus Shares will be allotted and issued pursuant to the Proposed Bonus Issue. Fractional entitlements will be disregarded and disposed of in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company.
- 2.2 The Bonus Shares will be issued pursuant to the share issue mandate approved by Shareholders at the annual general meeting of the Company held on 28 April 2021 (“**General Mandate**”) which authorises the Directors to, inter alia, allot and issue new shares in the Company, on a pro rata basis to existing Shareholders, aggregating up to 50% of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time of passing of the resolution approving the General Mandate.
- 2.3 As at 28 April 2021, the Company had 533,429,579 Shares, (excluding 3,000,000 treasury shares and nil subsidiary holdings). As at the date of this announcement, the Company has not issued any new Shares pursuant to the General Mandate. Accordingly, the maximum number of Shares that the Company may allot and issue to existing Shareholders on a *pro rata* basis pursuant to the General Mandate is 266,714,789 Shares. The number of Bonus Shares proposed to be issued will fall within the maximum number authorised under the General Mandate.
- 2.4 The Bonus Shares will be allotted and issued as fully paid at nil consideration without capitalisation of the Company’s reserves. The Bonus Shares when allotted and issued, will rank *pari passu* in all respects with the then existing issued Shares, except that the Bonus Shares will not be entitled to any dividends, rights, allotments or other distributions, the record date of which falls before the date of allotment and issue of the Bonus Shares. For the avoidance of doubt, the Bonus Shares when allotted and issued, shall not be *entitled* to the proposed tax exempt (one-tier) interim dividend of S\$0.01 per Share, announced by the Company on 13 August 2021.

- 2.5 The Bonus Shares will be allotted and issued to Shareholders whose names appear in the Register of Members of the Company or who have Shares entered against their names in the Depository Register as at the Record Date on the basis of the number of such Shares registered in their names or standing to the credit of their securities accounts as at the Record Date. The Company will make a further announcement on the Record Date after obtaining all the necessary approvals for the Proposed Bonus Issue.

3. Rationale for the Proposed Bonus Issue

- 3.1 The Company is undertaking the Proposed Bonus Issue to increase the issued share capital base of the Company to reflect the growth and expansion of the Group's business, and to give due recognition to its Shareholders for their continuing support of and loyalty to the Company at the same time.
- 3.2 The Proposed Bonus Issue, if carried out, will also increase the accessibility of an investment in the Company to more investors, thereby encouraging trading liquidity and greater participation by investors and broadening the shareholder base of the Company.

4. Approvals for the Proposed Bonus Issue

- 4.1 The Proposed Bonus Issue is subject to, *inter alia*, the approval in-principle from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing and quotation of the Bonus Shares on the Official List of the Main Board of the SGX-ST.
- 4.2 An application will be made to the SGX-ST for the dealing in, listing of and quotation for the Bonus Shares on the Official List of the Main Board of the SGX-ST in due course.

5. Interest of Directors and Substantial Shareholders

The Company's Independent Director, Ms Gn Jong Yuh Gwendolyn, is a partner in Shook Lin & Bok LLP, which is the law firm advising on this transaction. The transaction is handled by Ms Shu Shin Yee from Shook Lin & Bok LLP.

Save as disclosed above, none of the Directors and substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Bonus Issue, other than through their respective shareholdings (if any) in the Company.

6. 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 Bonus Issue, 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.

7. Cautionary Statement

Shareholders and potential investors of the Company should note that the Proposed Bonus Issue is subject to, *inter alia*, the necessary approvals being obtained by the Company, and are therefore advised to exercise caution when dealing or trading in the Shares. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Luong Andy
Chief Executive Officer
13 August 2021