

UNION GAS HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No: 201626970Z)

SUBSCRIPTION OF CONVERTIBLE BONDS IN ADERA AI PTE. LTD.

1. THE PROPOSED SUBSCRIPTION

- 1.1. The board of directors (the “**Board**” or the “**Directors**”) of Union Gas Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) wishes to announce that a wholly-owned subsidiary of the Company, U-Global Pte. Ltd., has entered into a bond subscription agreement (the “**Subscription Agreement**”) with ADERA AI Pte. Ltd. (the “**Issuer**”) and ADERA Global Pte. Ltd. (as guarantor) on 21 January 2021 pursuant to which U-Global Pte. Ltd. will subscribe for an aggregate principal amount of S\$1,000,000 of convertible bonds (“**Bonds**”) to be issued by the Issuer for an aggregate subscription consideration of S\$1,000,000 on the terms and conditions of the Subscription Agreement (the “**Proposed Subscription**”). As the Group is involved with the business of providing electronic solutions to its retail and commercial customers through the use of e-invoicing and other related services (please see information on the business of the Issuer in paragraph 2 below), the Proposed Subscription represents an investment by the Group in a growing sector with potential for positive upside for the Group.
- 1.2. Under the terms of the Subscription Agreement, the Issuer shall redeem the Bonds at their principal amount and an amount which would give the Company an internal rate of return of ten (10) per cent per annum on the principal amount, calculated from the closing date of the Subscription Agreement to the date falling one (1) year from the closing date (“**Maturity Date**”). If the Issuer undergoes a public offering and listing on certain stock exchanges prior to the Maturity Date, the Bonds shall be converted into shares of the Issuer at a 20% discount to the offering price in such public offering.
- 1.3. As the relative figures of the Proposed Subscription computed on the bases set out in Rule 1006 of Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) do not exceed 5%, the Proposed Subscription is classified as a non-discloseable transaction under Rule 1008 of the Catalist Rules.
- 1.4. The consideration for the Proposed Subscription of S\$1,000,000 (“**Consideration**”) was arrived at on a willing-buyer willing-seller basis, taking into consideration various factors including the estimated market value of net assets owned by the Issuer and the potential returns on the Bonds. The book value of the Bonds is S\$1,000,000. The Consideration will be satisfied in cash.
- 1.5. The Proposed Subscription is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the financial year ended 31 December 2020.

2. INFORMATION ON THE ISSUER

- 2.1. The Issuer and its subsidiaries (“**Issuer Group**”) are principally involved in the business of providing secure data handling services to clients in Singapore, Hong Kong, and Macau. It offers end-to-end solutions for the transformation of physical documents to secured data using

intelligent data capture, recognition scanning, additional validation technologies, and archival services.

- 2.2. Additionally, the Issuer Group is also involved in the development and operation of an international e-invoicing network that allows enterprises to digitally transact with one another. This network aims to enable business process interoperability and provides various business benefits including increasing efficiency and reducing cost and payment times.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company or their respective associates has any interest, directly or indirectly, in the Proposed Subscription, save for their shareholdings in the Company (if any).

BY ORDER OF THE BOARD
UNION GAS HOLDINGS LIMITED

Teo Hark Piang
Executive Director and Chief Executive Officer
21 January 2021

*This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**") in accordance with Rule 226(2)(b) of the Catalist Rules. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact persons for the Sponsor are Mr. Yee Chia Hsing, Head, Catalist, Investment Banking, Singapore and 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.