

UMS HOLDINGS LIMITED

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

ACQUISITION OF SHARES BY WHOLLY-OWNED SUBSIDIARY – ULTIMATE MACHINING SOLUTIONS (M) SDN BHD

The Board of Directors of UMS Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) wishes to announce that its wholly-owned subsidiary, Ultimate Machining Solutions (M) Sdn Bhd (“**Ultimate Machining**”) has on 13 August 2019 acquired 2,470,000 ordinary shares which represents 90% of the total issued and paid-up shares in Allstar Manufacturing Sdn Bhd (“**Allstar Manufacturing**”) from Mr Lee Jack Son and KZ Solutions Sdn Bhd, the existing shareholders (the “**Vendors**”) of Allstar Manufacturing at a consideration of S\$5,286,535 (the “**Consideration**”) (the “**Transaction**”). The Consideration was settled by a contra against the amounts owing to the Company and Ultimate Machining of S\$3,376,806 and S\$1,909,729 respectively as at 31 July 2019 by Allstar Manufacturing.

The Vendors are independent third parties unrelated to any of the directors and controlling shareholders of the Company.

The Consideration was derived at on a willing-seller and willing-buyer basis and as agreed to repay the amounts owing to the Company and Ultimate Machining. The net book value (excluding amount owing to the Group) of Allstar Manufacturing based on its latest unaudited financial statements as at 31 July 2019 is MYR13,663,078, equivalent to approximately S\$4,551,379. No valuation was conducted on Allstar Manufacturing and may subject to future adjustments.

Following the completion of the Transaction, Ultimate Machining will hold 2,745,000 ordinary shares representing 100% of the total issued and paid-up shares in Allstar Manufacturing and Allstar Manufacturing is now a wholly-owned subsidiary of the Company.

1. Information on Allstar Manufacturing

Allstar Manufacturing is a private limited company incorporated in Malaysia on 10 October 2012. The present issued and paid-up capital is MYR2,745,000 comprising 2,745,000 ordinary shares each fully paid-up. The principal activity is aerospace metallic component manufacturing.

2. Financing and Financial Effects of the Transaction

The Transaction is funded through internal sources by contra against the amounts due to the Company and Ultimate Machining and is not expected to have a material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the financial year ending 31 December 2019.

3. Interest of Directors and Controlling Shareholders

None of the directors or controlling shareholders of the Company have any interest, direct or indirect, in the Transaction other than through their respective shareholdings interests in the Company.

By Order of the Board

Luong Andy
Chief Executive Officer
Singapore

15 August 2019