Union Gas exploring first overseas foray with strategic partnership in Cambodia

- *Signs non-binding letter of intent with Worldbridge Industrial Developments for a proposed joint venture to supply and distribute LPG in the Kingdom of Cambodia.*
- *Marks an entry point to the market for Union Gas and an opportunity for the Group to supply and distribute LPG to buyers of properties developed its partner.*

SINGAPORE, 10 March 2021– Union Gas Holdings Limited (优联燃气控股有限公司) ("**Union Gas**" or together with its subsidiaries, the "**Group**"), an established provider of fuel products in Singapore, has signed a non-binding letter of intent ("**LOI**") with Worldbridge Industrial Developments Limited ("**WBID**") that will potentially pave the way for the Group to expand its operations overseas and to drive strategic growth for its liquified petroleum gas ("**LPG**") business segments abroad.

Union Gas and WBID have been in discussions to explore a potential strategic partnership but progress was held back because of the global Covid-19 pandemic in 2020. With economic activities gradually resuming worldwide and vaccination programmes being carried out globally, the parties now intend to form a joint venture company ("**JVCo**") to commence the business activities and operations of supplying and distributing LPG in the Kingdom of Cambodia by the end of 2021. Under the plans contemplated, the Group will hold a 55% stake in the JVCo and will second experienced management staff from its Singapore office to support the local Cambodia staff first remotely and then on-site when the Covid-19 situation has eased substantially and the gradual lifting of travel and workplace restrictions enable a more conducive environment. WBID will hold the remaining 45% stake and will provide the JVCo access to its substantial local business network and connections in Cambodia.

Executive Director and Chief Executive Officer, Mr Teo Hark Piang（张学彬）, said: *"This development is the fulfilment of our Group's long-time goal to venture abroad. We are very pleased to have found an esteemed partner in WBID to plan our first move overseas in a fast-growing emerging market. However, we are mindful that we will need time to familiarise ourselves with the local regulatory and market environment and therefore we have approached this venture with caution*

including starting with a modest initial investment and choosing the LPG business in which we have core competencies."

WBID was established in 2019 to develop and drive new and innovative solutions in the manufacturing sector, with the aim of providing the vital link between markets, manufacturers, suppliers and services in the Kingdom of Cambodia. It is part of the WorldBridge International Group ("**WIG**"), which is a diverse solutions provider and conglomerate founded in 1992 that actively pursues investments in national industries in the Kingdom of Cambodia. WIG has investments in logistics, construction, real estate, finance, food and beverage, e-commerce, banking and security and is a local pioneer in many of these industries. It is this vast business portfolio that the JVCo strives to tap on and grow its market presence.

Mr Teo added: *"The proposed joint venture marks an entry point to the Mekong region for Union Gas. It is a region that is still developing and building infrastructure as it urbanises, not unlike how Singapore was over 40 years ago when we started our business, and that is where we can contribute our experience to the market. This partnership creates an opportunity for the Group to supply and distribute LPG to buyers of WIG's fast-growing property development portfolio of residential, commercial and industrial projects across all the major cities in the Kingdom of Cambodia."*

This partnership is in line with the Union Gas' growth plans to explore and evaluate strategic opportunities and complementary businesses to strengthen and grow its business both locally and overseas. It comes a week after Union Gas announced its collaboration with Surbana Jurong Group on 3 March 2021 to study and evaluate the potential redevelopment of the Group's existing fuel station at 50 Old Toh Tuck Road into Singapore's first multi-fuels and energy facility.

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About Union Gas

Union Gas Holdings Limited (优联燃气控股有限公司) ("Union Gas" or the "Company", and together with its subsidiaries, the "Group") is an established provider of fuel products in Singapore with over 40 years of operating track record. Its three key businesses comprise Retail Liquefied Petroleum Gas ("LPG"), Compressed Natural Gas ("CNG"), and Diesel.

Listed on the Catalist board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 21 July 2017 (SGX-ST stock code: 1F2), Union Gas is one of the leading suppliers of bottled LPG cylinders in Singapore under the established and trusted brand "Union". The Group has a fleet of over 200 delivery vehicles serving more than 200,000 domestic households as well as commercial entities such as hawker centres, eating houses, coffee shops and commercial central kitchens island-wide. This extensive distribution capability is further supported by an in-house call centre that operates all year round with a customised customer relationship management system

Union Gas sells and distributes diesel to retail customers at its "Cnergy" fuel station in 50 Old Toh Tuck Road and transports, distributes and bulk sells diesel to commercial customers. The Group also produces, sells and distributes CNG at its fuel station and is one of the leading suppliers of CNG primarily to natural gas vehicles (NGVs) and industrial customers for their commercial use.

For more information, please visit www.uniongas.com.sg

This Press Release 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 Press Release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Press Release, including the correctness of any of the statements or opinions made or reports contained in this Press Release.

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