

UMS HOLDINGS LIMITED

(the “**Company**”)

(Company Registration No: 200100340R)

(Incorporated in Singapore on 17 January 2001)

PROPOSED DUAL LISTING ON THE KOSDAQ MARKET OF THE KOREA EXCHANGE (THE “**DUAL LISTING**”)

*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as in the Company's announcement in relation to the proposed Dual Listing dated 20 October 2010 (the “**Announcement**”).*

1. **PROPOSED DUAL LISTING AND ISSUANCE OF NEW SHARES IN THE CAPITAL OF THE COMPANY (“NEW SHARES”) WHICH WILL UNDERLIE THE DEPOSITARY RECEIPTS**

The board of directors of the Company (“**Directors**”) announced on 20 October 2010 that the Company is proposing to seek a dual listing on the KOSDAQ Market of the KRX by way of an issuance of depositary receipts (“**Depositary Receipts**”) and the listing of the same on the KOSDAQ Market of the KRX.

In conjunction with the Dual Listing, the Company will be issuing up to 110,000,000 New Shares (“**Issuance of New Shares**”) which will underlie the Depositary Receipts. The Board intends that up to 11,000,000 Depositary Receipts (whereby 1 Depositary Receipt would represent 10 shares of the Company (“**Shares**”)) will be issued. The ratio of the Depositary Receipts to New Shares will then be 1:10.

The issue price of the Depositary Receipts will be determined by the Company and Korean Book Runner through a book-building process after taking into consideration, the prevailing conditions and market demand for the Depositary Receipts. The issue price of the Depositary Receipts will be decided by the Directors on the basis that it can benefit the Company and Shareholders. In determining the issue price of the Depositary Receipts (which implies the corresponding issue price of the underlying New Shares), the Company shall comply with Rule 811(1) of the SGX-ST Listing Manual which states that an issue of Shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the issue price of the Depositary Receipts is determined. (The corresponding issue price per New Share shall be computed by dividing the issue price per Depositary Receipt by 10.)

The 110,000,000 New Shares, if issued in entirety, will amount to approximately 32.00% and approximately 24.24% of the Company's existing and enlarged issued share capital of 343,754,327 and 453,754,327 Shares, respectively. There are no unissued shares of the Company under option currently.

The New Shares when fully paid, allotted and issued, will rank *pari passu* in all respects with the existing issued Shares except that such New Shares shall not be entitled to any dividends or distributions the record date for which falls prior to the date of their issue.

Shareholders should note that the number of New Shares which will be issued may change when the price of the Depositary Receipts has been determined prior to the completion of the Dual Listing. The Company will determine the exact offering structure and details of the Dual Listing (including the actual number of Depositary Receipts and New Shares to be issued and the issue price) closer to the date of the Dual Listing, having regard to, *inter alia*, the demand for the Depositary Receipts and the prevailing market price of the Shares on the SGX-ST. It should be noted that the eventual issue price of the New Shares may be at a discount to the prevailing market price of the Shares traded on the SGX-ST on the full trading day before the issuance of such Shares.

The Company will make an announcement of the issue price of the Depositary Receipts (and the corresponding issue price of the underlying New Shares) via SGXNet as soon as practicable after they are determined.

2. KOREAN BOOK RUNNER IN CONNECTION WITH THE PROPOSED DUAL LISTING

As set out in the Announcement, the Company has appointed KB Investment & Securities Co., Ltd. as its Korean Book Runner in connection with the proposed Dual Listing.

The Korean Book Runner's function will include, among others, acting as the placement agent in relation to the placement of Depositary Receipts to investors (whereby up to 110,000,000 New Shares would underlie the Depositary Receipts).

3. RATIONALE FOR, AND BENEFITS OF, THE PROPOSED DUAL LISTING

As set out in the Announcement, the Directors are of the view that it would be desirable and beneficial for the Company's long term growth and development to have dual listing status in both Singapore and Korea for the following reasons:

- (a) the Company can have ready access to these different equity markets in the Asia-Pacific region when the opportunity arises. The two markets also attract different investor profiles and thereby widen and diversify the investor base of the Company. In particular, the proposed Dual Listing will enable the Company to benefit from its exposure to a wider range of private and institutional investors.
- (b) the proposed Dual Listing is also in line with the Company's focus on growing its overseas customers market, which is important for the Group's growth and long term development.
- (c) the proposed Dual Listing will be a good mean of increasing capital for the Company.

4. PROPOSED USE OF PROCEEDS

The Company currently intends to use the net proceeds raised from the Issuance of New Shares (after deduction for all expenses and commissions payable) to, among others, expand the Group's businesses as and when opportunities arise, including but not limited to the acquisition of Korean precision engineering companies in the semi-conductor equipment industry in the future.

The net proceeds are currently intended to be applied by the Company in the following manner:

Use of Proceeds		Percentage allocation (%)
(a)	Investment in plant and equipment and/or acquisition of companies	80
(b)	Working capital	20

The percentage allocation of the intended use of proceeds is an estimate by the Company, as the issue price of the Depositary Receipts (and the corresponding issue price of the underlying New Shares) and the amount of net proceeds are not able to be determined with accuracy at this time. The Company will make the appropriate announcements via SGXNET to update its Shareholders if there is a change in the percentage allocation of the intended use of proceeds.

The Company will make periodic announcements on the use of the proceeds from the issuance of the Depositary Receipts as and when these proceeds are materially disbursed and will also provide a status report on the use of such proceeds in its annual report.

5. THE PROPOSED AMENDMENT OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN CONNECTION WITH THE PROPOSED DUAL LISTING

In connection with the proposed Dual Listing, the Company is required to amend its Articles of Association ("**Amendment of Articles**") to incorporate such provisions for purposes of compliance with the KRX listing rules, KRX listing guidelines, the Korean Commercial Code (which includes the Korean Corporation Act) and such other listing rules and guidelines of KRX KOSDAQ Market applicable to the Company into its Articles of Association, to the extent that it does not contravene the applicable laws of Singapore and the SGX-ST Listing Manual.

The proposed Amendment of Articles would be set out in the Circular (as defined below) to be despatched to Shareholders in due course.

6. CIRCULAR TO SHAREHOLDERS

Subject to, among others, the receipt of the in-principle approval from the SGX-ST, a circular containing information in relation to the proposed Dual Listing ("**Circular**") will be despatched to Shareholders in due course to seek their approval, at an extraordinary general meeting (the "**EGM**") to be held, for the proposed Dual Listing, the Amendment of Articles and other related matters.

7. SUBMISSION TO THE KRX

The Company plans to submit an application for listing eligibility review to the KRX for the listing of the Depositary Receipts on the KRX KOSDAQ Market in due course.

The Company will make the appropriate announcements via SGXNET to update its Shareholders as and when such application to the KRX is made.

The Board wishes to highlight to its Shareholders that the proposed Dual Listing will involve fairly extensive preparatory work and that such preparatory work may involve an uncertain time frame.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

8.1 Directors' and Substantial Shareholders' Interest

The interests of the Directors and substantial Shareholders in the Shares as recorded in the Register of Members as at the date of this announcement are as follows:

	Direct interest		Deemed interest		Total interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors						
Soh Gim Teik	0	0%	0%	0	0	0%
Luong Andy	98,856,727	28.76%	11,274,000 ⁽²⁾	3.28% ⁽²⁾	110,130,727	32.04%
Lee Luong Sylvia S Y	0	0	110,130,727 ⁽³⁾	32.04% ⁽³⁾	110,130,727	32.04%
Loh Meng Chong, Stanley	200,000	0.06%	0	0%	200,000	0.06%
Oh Kean Shen	0	0%	0	0%	0	0%
Narayanan Sreenivasan @ N Sreenivasan	0	0%	0	0%	0	0%
Neo Ban Chuan	0	0%	0	0%	0	0%
Substantial Shareholders						
Luong Andy	98,856,727	28.76%	11,274,000 ⁽²⁾	3.28% ⁽²⁾	110,130,727	32.04%
Quest World Investment Limited	0	0%	32,175,419 ⁽⁴⁾	9.36% ⁽⁴⁾	32,175,419	9.36%
Applied Materials, Inc	0	0%	20,639,400 ⁽⁵⁾	6.00% ⁽⁵⁾	20,639,400	6.00%

Notes:

- (1) Based on the total issued and paid-up ordinary share capital of the Company comprising 343,754,327 Shares.
- (2) Luong Andy is deemed to be interested in the 11,274,000 Shares registered in the name of his nominee, Lim & Tan Securities Pte Ltd.
- (3) Lee Luong Sylvia S Y is Luong Andy's spouse and is deemed to be interested in the 110,130,727 Shares held by Luong Andy.
- (4) Quest World Investment Limited is deemed to be interested in the 32,175,419 Shares registered in the name of its nominee, UOB Kay Hian Pte Ltd.
- (5) Applied Materials, Inc is deemed to be interested in the 20,639,400 Shares registered in the name of its nominee, Morgan Stanley Asia (Singapore) Securities Pte Ltd.

8.2 Interests of Directors and controlling Shareholders

Save as disclosed herein, none of the Directors has any interest in the proposed Dual Listing, the proposed Issuance of New Shares and/or the proposed Amendment of Articles.

Save as disclosed herein, to the best of the knowledge and belief of the Company, none of the controlling Shareholders has any interest in the proposed Dual Listing, the proposed Issuance of New Shares and/or the proposed Amendment of Articles.

9. CAUTION TO SHAREHOLDERS

Shareholders should note that as at the date of this announcement, no application has been made to the KRX for the proposed Dual Listing. The Board of Directors of the Company wishes to highlight that the proposed Dual Listing is subject to, among others, the approval of the KRX and relevant authorities and the approval of the Shareholders at the EGM. Shareholders should also note that there is no certainty nor assurance that the proposed Dual Listing will materialise, as it is subject to, amongst others, prevailing conditions, circumstances of the Group, the approval of the KRX and relevant authorities for the proposed Dual Listing, and the approval of the Shareholders at the EGM.

The Company will announce any material developments as and when appropriate.

Shareholders and other investors are reminded to exercise caution when dealing in the Shares. In the event that Shareholders and other investors are in doubt when dealing in the Shares, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD
Luong Andy
Chief Executive Officer
22 February 2011