

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

ADOPTION OF SCRIP DIVIDEND SCHEME AND APPLICATION OF SCRIP DIVIDEND SCHEME TO FY2021 FINAL DIVIDEND

1. INTRODUCTION

- 1.1. The board of directors (the "**Board**" or "**Directors**") of Union Gas Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce the adoption of the Union Gas Scrip Dividend Scheme.
- 1.2. Under the Union Gas Scrip Dividend Scheme, if the Directors determine that the Union Gas Scrip Dividend Scheme will apply to any particular cash dividend (including any interim, final, special or other dividend), persons registered in the Register of Members of the Company (the "**Register of Members**") or, as the case may be, the Depository Register (as defined in the Securities and Futures Act 2001 (the "**SFA**") as holders of fully paid ordinary shares ("**Shares**") of the Company ("**Shareholders**") may elect to receive fully paid new Shares ("**New Shares**") in lieu of the cash amount of that dividend which is declared on the Shares held by them, subject to the Terms and Conditions of the Union Gas Scrip Dividend Scheme (the "**Terms and Conditions**").
- 1.3. General information about the Union Gas Scrip Dividend Scheme is set out in paragraph 4 below. For Overseas Shareholders (as defined below), attention is drawn, in particular, to paragraph 4.2 which describes how Overseas Shareholders may not participate in the Union Gas Scrip Dividend Scheme
- 1.4. **The Union Gas Scrip Dividend Scheme will be applicable to the proposed final one-tier tax-exempt dividend of \$0.008 per Share in respect of the financial year ended 31 December 2021 (the "FY2021 Final Dividend"). More information is set out in paragraph 5 below.**

2. RATIONALE AND PURPOSES OF THE UNION GAS SCRIP DIVIDEND SCHEME

- 2.1. The Union Gas Scrip Dividend Scheme, if and when applied to any particular dividend, will provide an opportunity for eligible Shareholders to elect to receive the dividend in the form of New Shares, credited as fully paid, instead of cash. The Union Gas Scrip Dividend Scheme will provide Shareholders with greater flexibility in meeting their investment objectives as it would give them the choice of reinvesting in the Company or participating in the equity capital of the Company through receiving dividends in the form of New Shares (credited as fully paid-up) in lieu of cash without having to incur brokerage fees, transaction or other related costs. There would be greater share liquidity in the market to the extent that New Shares are issued pursuant to the Union Gas Scrip Dividend Scheme.
- 2.2. The Board believes that the Union Gas Scrip Dividend Scheme will create long term sustainable value for Shareholders. The Company will benefit from the implementation of the Union Gas Scrip Dividend Scheme as, to the extent that eligible Shareholders elect to receive dividends in the form of New Shares, the cash which would otherwise have been paid out in cash dividends may then be retained to fund the growth and expansion of the Group. The retention of cash would also help to strengthen the Company's working capital position and provide financial flexibility.

3. TERMS AND CONDITIONS OF THE UNION GAS SCRIP DIVIDEND SCHEME

The Terms and Conditions are set out in the Union Gas Scrip Dividend Scheme Statement, a copy of which is attached at Annex A.

4. RATIONALE AND PURPOSES OF THE UNION GAS SCRIP DIVIDEND SCHEME

4.1. Eligibility

All Shareholders are eligible to participate in the Union Gas Scrip Dividend Scheme subject to the restrictions on Overseas Shareholders (as defined below), more particularly described below, and except for such other Shareholders or class of Shareholders as the Directors may in their absolute discretion decide. Shareholders are not eligible to participate in the Union Gas Scrip Dividend Scheme if such participation or receipt of New Shares under the Union Gas Scrip Dividend Scheme by any Shareholder will result in a breach of any other restriction on such Shareholder's holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be, or prescribed by the constitution of the Company ("**Constitution**").

4.2. Overseas Shareholders

For practical reasons and to avoid any violation of the securities laws applicable in countries outside Singapore where Shareholders may have their registered mailing addresses, and for reasons referred to elsewhere in these Terms and Conditions, unless otherwise determined by the Directors in their absolute discretion, Shareholders with registered mailing addresses outside Singapore and who have not provided to the Company or (where the Shareholder is a Depositor) the Central Depository (Pte) Limited ("**CDP**") at least three (3) market days prior to the record date (or such other period as the Directors may determine in their absolute discretion), mailing addresses in Singapore for the service of notices and documents (each such Shareholder, an "**Overseas Shareholder**") may not participate in the Union Gas Scrip Dividend Scheme. No Overseas Shareholder shall have any claim whatsoever against the Company, the Company's Share Registrar, CDP or any of their respective agents in connection therewith.

Overseas Shareholders who may not participate in the Union Gas Scrip Dividend Scheme and who receive, come to have in their possession, or have access to a notice of election or any other document in connection with the Union Gas Scrip Dividend Scheme may not treat the same as an invitation or offer of any securities to them. Overseas Shareholders are advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Union Gas Scrip Dividend Scheme as may be applicable to them.

Overseas Shareholders who wish to be eligible to participate in the Union Gas Scrip Dividend Scheme should provide a mailing address in Singapore for the service of notices and documents to the Company c/o the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue #14-07 Keppel Bay Tower, Singapore 098632 (or such other address as may be announced by the Company), or, if the Overseas Shareholder is a Depositor, contact CDP at least three (3) market days prior to the record date (or such other period as the Directors may determine in their absolute discretion). CDP can be contacted via the following means: (i) via e-mail at asksgx@sgx.com; or (ii) via their Contact Centre at +65 6535 7511. CDP's operating hours are as follows: Monday to Friday: 8.30am to 5.00pm and Saturday: 8.30am to 12.00pm..

Such Overseas Shareholders should note that all correspondence, notices and documents will be sent to their last registered mailing addresses in Singapore maintained with the Company or, in the case of such Overseas Shareholders who are Depositors, their last registered mailing addresses in Singapore maintained with CDP.

4.3. No Known Tax Advantage for Participating in the Union Gas Scrip Dividend Scheme

The Company takes no responsibility for the taxation liabilities of participating Shareholders or the tax consequences of any election made by Shareholders. As individual circumstances and laws vary considerably, specific taxation advice should be obtained by Shareholders if they are in any doubt or if they otherwise require.

The Company takes no responsibility for the correctness or accuracy of any information as to taxation liability set out in this announcement or in the Union Gas Scrip Dividend Scheme Statement.

As a general indication, however, it is understood that as at the date of this announcement, under tax legislation in Singapore, a Shareholder's Singapore tax liability in relation to the dividends received will not alter, nor is there any tax advantage to be gained, by reason of having elected to participate in the Union Gas Scrip Dividend Scheme.

4.4. **No Partial Election**

Partial election¹ will not be available under the Union Gas Scrip Dividend Scheme.

4.5. **Participating Shareholders may receive Odd Lots**

As the Shares are presently traded in board lots of 100 Shares each, an eligible Shareholder who elects to receive New Shares in lieu of the cash amount of any dividend to which the Union Gas Scrip Dividend Scheme applies may receive such New Shares in odd lots.

4.6. **Fractional Entitlements**

The Directors, in their absolute discretion, shall make such provisions as they deem fit in respect of fractional entitlements to the New Shares, including provisions as to rounding, or whereby fractional entitlements are otherwise dealt with in such manner as the Directors may deem fit in the interests of the Company.

4.7. **Obligations under the Take-over Code**

The attention of Shareholders is drawn to Rule 14 of The Singapore Code on Take-overs and Mergers (the "**Take-over Code**"). In particular, a Shareholder should note that he may be under an obligation to extend a take-over for the Company if:

- (a) he, by participating in the Union Gas Scrip Dividend Scheme in relation to any dividend to which the Union Gas Scrip Dividend Scheme applies, acquires, whether by a series of transactions over a period of time or not, New Shares which (together with Shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of the Company; or
- (b) he, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights of the Company, and he or any person acting in concert with him, by participating in the Union Gas Scrip Dividend Scheme in relation to any dividend to which the Union Gas Scrip Dividend Scheme applies, acquires in any period of six (6) months additional Shares carrying more than 1% of the voting rights of the Company.

The statements above do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Take-over Code. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Take-over Code as a result of any acquisition of New Shares through their participation in the Union Gas Scrip Dividend Scheme are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity.

5. **APPLICATION OF SCRIP DIVIDEND SCHEME TO FY2021 FINAL DIVIDEND**

Subject to the relevant approval as elaborated in paragraphs 6.1 and 6.2 below being obtained, the Union Gas Scrip Dividend Scheme will be applicable to the FY2021 Final Dividend,

¹ A Shareholder who is a "**relevant intermediary**" (as described in the Companies Act 1967) will, however, be allowed to make an election to participate in the Union Gas Scrip Dividend Scheme in respect of part only of its holding of Shares.

pursuant to Regulation 141 of the Constitution. Shareholders who are entitled to the FY2021 Final Dividend will be eligible to participate in the Union Gas Scrip Dividend Scheme, subject to the Terms and Conditions. Entitlements to the FY2021 Final Dividend will be based on the Shares held by Shareholders as at 5.00 p.m. on 3 June 2022 (the “**Record Date**”).

Participation in the Union Gas Scrip Dividend Scheme is optional. Eligible Shareholders who wish to receive the FY2021 Final Dividend in cash need not take any action.

5.1. Eligibility

All Shareholders entitled to the FY2021 Final Dividend will be eligible to participate in the Union Gas Scrip Dividend Scheme subject to the restrictions on Overseas Shareholders, as described in paragraph 4 above.

Participation in the Union Gas Scrip Dividend Scheme is also subject to the requirement that such participation by a Shareholder will not result in a breach of any other restriction on such Shareholder’s holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, or by the Constitution.

Overseas Shareholders who have not provided the Company’s Share Registrar or, if the Shareholder is a Depositor, CDP with addresses in Singapore for the service of notices and documents latest by 5.00 p.m. on 31 May 2022 (being not later than three (3) market days prior to the Record Date) will not be eligible to participate in the Union Gas Scrip Dividend Scheme.

Overseas Shareholders who wish to be eligible to participate in the Union Gas Scrip Dividend Scheme should provide a mailing address in Singapore for the service of notices and documents, to the Company c/o the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue #14-07 Keppel Bay Tower, Singapore 098632 or, if the Overseas Shareholder is a Depositor, contact CDP at least three (3) market days prior to the Record Date (or such other period as the Directors may determine in their absolute discretion). CDP can be contacted via the following means: (i) via e-mail at asksgx@sgx.com; or (ii) via their Contact Centre at +65 6535 7511. CDP’s operating hours are as follows: Monday to Friday: 8.30am to 5.00pm and Saturday: 8.30am to 12.00pm.

5.2. Election Notices

Notices of election (“**Election Notices**”) are proposed to be despatched to eligible Shareholders on or about 10 June 2022².

Eligible Shareholders may elect to participate in the Union Gas Scrip Dividend Scheme in relation to the FY2021 Final Dividend. Eligible Shareholders may also make a permanent election to participate in the Union Gas Scrip Dividend Scheme.

Eligible Shareholders may elect to participate in the Union Gas Scrip Dividend Scheme in respect of all, and not part only, of their holdings of Shares as at the Record Date (except in the case of a Shareholder who is a relevant intermediary, who may be allowed to make an election to participate in the Union Gas Scrip Dividend Scheme in respect of part only of the Shares to which each Notice of Election issued to it relates).

5.3. Issue Price

In accordance with the Union Gas Scrip Dividend Scheme to the FY2021 Final Dividend, the New Shares will to be issued at an issue price (the “**Issue Price**”) which shall not be set at more than 10% discount to the average of the daily volume weighted average prices of the Shares during the price determination period between 2 June 2022 and 3 June 2022 (both dates

² Physical copies of the Election Notices will not be despatched to Depository Agents who hold Shares through CDP. Depository Agents may submit their elections electronically via the SGX-SFG service provided by CDP as listed in the Terms and Conditions for User Services.

inclusive) (being the period commencing on the date on which the Shares are first traded on an ex-basis and ending on the Record Date).

The Company will announce the Issue Price on 3 June 2022.

5.4. Fractional Entitlements

Where the number of New Shares to be issued to a Shareholder pursuant to the Union Gas Scrip Dividend Scheme is not less than one (1) and includes a fraction, the number of New Shares which will be issued to such Shareholder will be rounded down to the nearest whole number and the fraction will be disregarded. No cash will be paid on such disregarded fraction of a New Share.

Where the number of New Shares to be issued to a Shareholder pursuant to the Union Gas Scrip Dividend Scheme is less than one (1), the dividend will be paid in cash. No New Shares will be issued to such Shareholder regardless of the election submitted.

5.5. Notice of Record Date and Dividend Payment Date

Notice of the Record Date for the FY2021 Final Dividend is contained in a separate announcement titled "Notice of Record Date" released by the Company today.

The FY2021 Final Dividend will be paid on or about 18 July 2022 (the "Dividend Payment Date"), and the New Shares are expected to be listed and credited on or about 18 July 2022.

5.6. Important Indicative Dates and Events

Shareholders should note the following important dates and events. In the event of a change, the Company will publicly announce such change through a SGXNET announcement posted on the website of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), at <https://www.sgx.com>. All references to dates and times are made by reference to Singapore dates and times.

<u>Indicative Date</u>	<u>Event</u>
5.00 p.m. on 31 May 2022 (<i>Tuesday</i>)	Last day for Overseas Shareholders to provide Singapore addresses
1 June 2022 (<i>Wednesday</i>)	Last day on which Shares quoted cum dividend
2 June 2022 (<i>Thursday</i>)	Shares quoted ex-dividend
Between 2 to 3 June 2022 (both dates inclusive) (<i>Thursday to Friday</i>)	Period for determining the Issue Price
5.00 p.m. on 3 June 2022 (<i>Friday</i>)	Record Date
3 June 2022 (<i>Friday</i>)	Announcement of Issue Price
On or about 10 June 2022 (<i>Friday</i>)	Despatch of Election Notices
5.00 p.m. on 30 June 2022 (<i>Thursday</i>)	Last day for eligible Shareholders to submit Election Notice ³
On or about 18 July 2022 (<i>Monday</i>)	Dividend Payment Date

³ An eligible Shareholder who is a Depositor with an individual account or a joint alternate-signatory account may only submit his election online via investors.sgx.com.

On or about 18 July 2022 (*Monday*)

Listing and crediting of New Shares

6. APPROVALS REQUIRED FOR IMPLEMENTING THE UNION GAS SCRIP DIVIDEND SCHEME

6.1. Shareholders' Approval for Issuance of New Shares

Pursuant to Rule 862(1) of the listing manual (the "**Listing Manual**") of the SGX-ST, an announcement must be made by an issuer if it wishes to implement a scrip dividend scheme which enables shareholders to elect to receive shares in lieu of the cash amount of any dividend.

While there is no requirement under the Listing Manual for Shareholders' approval for the implementation of the Union Gas Scrip Dividend Scheme, the allotment and issuance of New Shares pursuant to the Union Gas Scrip Dividend Scheme is subject to the approval of the Shareholders under the Companies Act 1967 and the Listing Manual. The authority to issue New Shares under the Union Gas Scrip Dividend Scheme may be in the form of specific Shareholders' approval in compliance with Rule 805 of the Listing Manual or the Company may otherwise rely on a valid general mandate granted by the Shareholders to the Directors pursuant to Rule 806 of the Listing Manual. In this regard, the Company intends to seek specific Shareholders' approval for the issuance of New Shares pursuant to the application of the Union Gas Scrip Dividend Scheme to the FY2021 Final Dividend.

6.2. Application to the SGX-ST for the Approval for Listing and Quotation of New Shares

Application(s) will be made by the Company for the listing and quotation of New Shares as may, from time to time, be issued by the Company pursuant to the Union Gas Scrip Dividend Scheme on the Main Board of the SGX-ST.

7. ENQUIRIES

Enquiries about any aspect of the Union Gas Scrip Dividend Scheme should be directed to the Company c/o the Company's Share Registrar:

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue #14-07 Keppel Bay Tower Singapore 098632.

BY ORDER OF THE BOARD
UNION GAS HOLDINGS LIMITED

Teo Hark Piang
Executive Director and Chief Executive Officer
25 February 2022

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

UNION GAS SCRIP DIVIDEND SCHEME STATEMENT

1. UNION GAS SCRIP DIVIDEND SCHEME STATEMENT

This Union Gas Scrip Dividend Scheme Statement (the **Statement** "") contains the terms and conditions of the Union Gas Scrip Dividend Scheme under which persons registered in the Register of Members of Union Gas Holdings Limited (the **Company**) or, as the case may be, the Depository Register (as defined below) as the holders of fully paid ordinary shares (**Shares**) of the Company (**Shareholders**) may elect to receive fully paid new Shares (**New Shares**) in lieu of the cash amount of any dividend (including any interim, final, special or other dividend) (**Dividend**) which is declared on the Shares held by them.

The Singapore Exchange Securities Trading Limited (the **SGX-ST**) assumes no responsibility for the correctness of any statements contained herein.

2. SUMMARY OF THE MAIN FEATURES OF THE UNION GAS SCRIP DIVIDEND SCHEME

The Union Gas Scrip Dividend Scheme provides Shareholders with the option to elect to receive New Shares in lieu of the cash amount of any Dividend declared on their holding of Shares.

All Shareholders are eligible to participate in the Union Gas Scrip Dividend Scheme subject to the restrictions on Overseas Shareholders (as defined below), more particularly described below and except for such other Shareholders or class of Shareholders as the directors of the Company (the **Directors**) may in their absolute discretion decide. Shareholders are not eligible to participate in the Union Gas Scrip Dividend Scheme if such participation or receipt of New Shares under the Union Gas Scrip Dividend Scheme by any Shareholder will result in a breach of any other restriction on such Shareholder's holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be, or prescribed by the Constitution.

Shareholders may elect to participate in respect of all, and not part only, of their holding of Shares to which each Notice of Election (as defined below) relates in respect of any Qualifying Dividend (as defined below), except in the case of a Shareholder who is a relevant intermediary, such relevant intermediary may, at the absolute discretion of the Directors, be allowed to make an election to participate in the Union Gas Scrip Dividend Scheme in respect of part only of the Shares. Shareholders issued with more than one Notice of Election may elect to participate in respect of their holding of Shares to which one Notice of Election relates and elect not to participate in respect of their holding of Shares to which any other Notice of Election relates. Where a permanent election has been made, Participating Shareholders (as defined below) may cancel their participation and withdraw from the Union Gas Scrip Dividend Scheme at any time, subject to the giving of the appropriate notice. However, the cancellation of a permanent election by a Shareholder would not preclude him from making a fresh permanent election should he wish to do so at a later date.

The Directors may, in their absolute discretion, determine that the Union Gas Scrip Dividend Scheme will apply to any particular Dividend. An announcement will be made by the Company as soon as practicable following the determination by the Directors that the Union Gas Scrip Dividend Scheme is to apply to a particular Dividend, and in any event, by no later than the next Market Day (as defined below) immediately following the Record Date (as defined below) in respect of that particular Dividend. Unless the Directors have determined that the Union Gas Scrip Dividend Scheme will apply to any particular Dividend, the Dividend concerned will be paid in cash to the Shareholders.

New Shares which are to be allotted and issued under the Union Gas Scrip Dividend Scheme to Participating Shareholders shall, upon allotment and issue, rank pari passu in all respects with the existing Shares then in issue except that the New Shares will not rank for any dividend, right, allotment or other distributions, the record date (as defined in the Listing Manual of the SGX-ST) for which falls before or is contemporaneous with the date of allotment of the New Shares, unless the Directors shall otherwise specify.

Shareholders participating in the Union Gas Scrip Dividend Scheme can expect to receive, at or about each Qualifying Dividend payment date, notifications relating to, inter alia, the number of New Shares allotted to them under the Union Gas Scrip Dividend Scheme.

There is no brokerage, stamp duty or other transaction costs payable on New Shares allotted under the Union Gas Scrip Dividend Scheme.

3. HOW TO PARTICIPATE

Participation in the Union Gas Scrip Dividend Scheme is optional.

A Shareholder wishing to receive New Shares in respect of any Qualifying Dividend to which a Notice of Election issued to him relates should complete such Notice of Election and submit it to the Company or, if the Shareholder is a Depositor (as defined below), CDP (as defined below), in the manner described in the Notice of Election. A Shareholder issued with more than one Notice of Election and wishing to receive New Shares in respect of all of his entitlement to the Qualifying Dividend in respect of all of his holding of Shares must complete and submit all of such Notices of Election to the Company and/or CDP, as the case may be, in the manner described in each such Notice of Election.

To be effective in respect of any Qualifying Dividend to which a Notice of Election relates, such duly completed Notice of Election must be received by the Company or (in the case of a Depositor) CDP no later than the date and time to be specified by the Directors in respect of that Qualifying Dividend.

4. TERMS AND CONDITIONS OF THE UNION GAS SCRIP DIVIDEND SCHEME

The following are the terms and conditions ("**Terms and Conditions**"), which expression shall include any amendment or supplement thereto, of the Union Gas Scrip Dividend Scheme.

4.1. Establishment

The Union Gas Scrip Dividend Scheme has been established by the Directors.

4.2. Terms and Conditions

In these Terms and Conditions and throughout this Statement, in addition to the other defined terms set out in this Statement, the following definitions apply throughout, unless the context otherwise requires or unless otherwise stated.

"CDP"	The Central Depository (Pte) Limited (including any successor entity thereto).
"Companies Act"	The Companies Act 1967, as amended from time to time.
"Constitution"	The Constitution of the Company, as amended from time to time.
"Market Day"	A day on which the SGX-ST is open for securities trading.
"Notice of Cancellation"	Shall have the meaning ascribed to it in paragraph 4.6 of this Statement.

“ Notice of Election ”	Shall have the meaning ascribed to it in paragraph 4.7 of this Statement.
“ Overseas Shareholders ”	Shall have the meaning ascribed to it in paragraph 4.4 of this Statement.
“ Participating Shareholder ”	Shall have the meaning ascribed to it in paragraph 4.5 of this Statement.
“ Participating Shares ”	Shall have the meaning ascribed to it in paragraph 4.5 of this Statement.
“ Price Determination Period ”	Shall have the meaning ascribed to it in paragraph 4.9 of this Statement.
“ Qualifying Dividend ”	Any Dividend to which the Union Gas Scrip Dividend Scheme applies (as determined by the Directors).
“ Record Date ”	The date and time to be determined by the Directors for the purpose of determining the entitlements of Shareholders to a Qualifying Dividend.
“ Register ”	The Register of Members of the Company maintained by or on behalf of the Company.
“ Securities Accounts ”	Securities accounts maintained by Depositors or Depository Agents with CDP, but not including securities accounts maintained with a Depository Agent.
“ SFA ”	The Securities and Futures Act 2001, as amended from time to time.
“ S\$ ”	Singapore dollars.
“ % ”	Percentage or per centum.

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in the SFA.

The term “**relevant intermediary**” shall have the meaning ascribed to it in the Companies Act.

Unless the context otherwise requires, words importing the singular shall include the plural and vice versa, and words importing a specific gender shall include the other genders (male, female or neuter). References to “**person**” shall include an individual, corporation, company, partnership, firm, trustee, trust, executor, administrator or other legal personal representative, unincorporated association, joint venture, syndicate or other business enterprise, any governmental, administrative or regulatory authority or agency (notwithstanding that “**person**” may be sometimes used herein in conjunction with some of such words), and their respective successors, legal personal representatives and assigns, as the case may be, and pronouns shall have a similarly extended meaning.

Any provision in these Terms and Conditions requiring any notice, form or other document to be completed by a Shareholder may be satisfied by the signing of such notice, form or other document by the Shareholder, or by way of a telephone or electronic communication involving the execution of any act, procedure or routine (electronic or otherwise) designated by the Company to signify the Shareholder’s intention to be bound by such communication. A Shareholder is deemed to have agreed that he shall have no claim whatsoever against the Company for any delay, failure or inaccuracy in the recording, storage, transmission or delivery

of data (in each case whether or not within the control of the Company) or for any compensation, loss or damages in connection therewith or in relation thereto.

4.3. Eligibility

All Shareholders are eligible to participate in the Union Gas Scrip Dividend Scheme, subject to the restrictions on Overseas Shareholders), more particularly described below and except for such other Shareholders or class of Shareholders as the Directors may in their absolute discretion decide. Shareholders are not eligible to participate in the Union Gas Scrip Dividend Scheme if such participation or receipt of New Shares under the Union Gas Scrip Dividend Scheme by any Shareholder will result in a breach of any other restriction on such Shareholder's holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be, or prescribed by the Constitution.

4.4. Overseas Shareholders

For practical reasons and to avoid any violation of the securities laws applicable in countries outside Singapore where Shareholders may have their registered mailing addresses, and for reasons referred to elsewhere in these Terms and Conditions, unless otherwise determined by the Directors in their absolute discretion, Shareholders with registered mailing addresses outside Singapore and who have not provided to the Company or (where the Shareholder is a Depositor) CDP at least three (3) Market Days prior to the Record Date (or such other period as the Directors may determine in their absolute discretion), mailing addresses in Singapore for the service of notices and documents (each such Shareholder, an "**Overseas Shareholder**") may not participate in the Union Gas Scrip Dividend Scheme. No Overseas Shareholder shall have any claim whatsoever against the Company, the Company's Share Registrar, CDP or any of their respective agents in connection therewith.

Overseas Shareholders who may not participate in the Union Gas Scrip Dividend Scheme and who receive, come to have in their possession, or have access to this Statement and/or a Notice of Election may not treat the same as an invitation or offer of any securities to them. Overseas Shareholders are advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Union Gas Scrip Dividend Scheme as may be applicable to them.

Overseas Shareholders who wish to be eligible to participate in the Union Gas Scrip Dividend Scheme should provide a mailing address in Singapore for the service of notices and documents to the Company c/o the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue #14-07 Keppel Bay Tower, Singapore 098632 (or such other address as may be announced by the Company), or, if the Overseas Shareholder is a Depositor, contact CDP at least three (3) Market Days prior to the Record Date (or such other period as the Directors may determine in their absolute discretion). CDP can be contacted via the following means: (i) via e-mail at asksqx@sgx.com; or (ii) via their Contact Centre at +65 6535 7511. CDP's operating hours are as follows: Monday to Friday: 8.30am to 5.00pm and Saturday: 8.30am to 12.00pm.

Such Overseas Shareholders should note that all correspondence, notices and documents will be sent to their last registered mailing addresses in Singapore maintained with the Company or, in the case of such Overseas Shareholders who are Depositors, their last registered mailing addresses in Singapore maintained with CDP.

4.5. Level of Participation

Participation in the Union Gas Scrip Dividend Scheme is optional.

A Shareholder may elect to participate in the Union Gas Scrip Dividend Scheme (the "**Participating Shareholder**") in respect of all, and not part only, of his holding of Shares as at each Record Date to which each Notice of Election issued to him relates for a Qualifying Dividend (the "**Participating Shares**"), except in the case of a Shareholder who is a relevant

intermediary, such relevant intermediary may, at the absolute discretion of the Directors, be allowed to make an election to participate in the Union Gas Scrip Dividend Scheme in respect of part only of the Shares to which each Notice of Election issued to it relates.

4.6. Permanent Election

Any permanent election to participate in the Union Gas Scrip Dividend Scheme is personal to the Shareholder. A Shareholder may make a permanent election in the manner set out below for participation in respect of all (and not part only) of his future Qualifying Dividends (except in the case of a Shareholder who is a relevant intermediary, such relevant intermediary may, at the absolute discretion of the Directors, be allowed to make an election to participate in the Union Gas Scrip Dividend Scheme in respect of part only of the Shares), and where a permanent election in respect of his holding of Shares to which a Notice of Election relates has been made, unless and until a notice of cancellation, in such form as the Directors may approve (the “**Notice of Cancellation**”), in relation to such Notice of Election is received by the Company or CDP, as the case may be, as provided below, the permanent election shall be effective for all future Qualifying Dividends in respect of such Notice of Election. A notice of cancellation of participation in the Scrip Dividend Scheme in any other form will not be accepted by the Company or CDP, as the case may be, unless they otherwise decide.

4.7. Notice of Election to Participate

The Company will, at its absolute discretion, provide to each eligible Shareholder one or more notices of election (in such form and through such medium as the Directors may approve) (the “**Notice of Election**”).

To be effective in respect of any Qualifying Dividend, the duly completed Notice of Election must be submitted to, and received by, the Company or, in the case of a Shareholder who is a Depositor, CDP, by the date and time to be specified by the Directors in respect of that Qualifying Dividend, in the manner described in the Notice of Election. A Shareholder issued with two or more Notices of Election and wishing to receive New Shares in respect of all of his entitlement to the Qualifying Dividend in respect of all his holding of Shares must complete and submit all of such Notices of Election to the Company and/or CDP, as the case may be, in the manner described in each such Notice of Election. A notice of election to participate in the Union Gas Scrip Dividend Scheme in any other form will not be accepted by the Company or (as the case may be) CDP. A Notice of Election in respect of any Qualifying Dividend shall not, upon its receipt by the Company or (as the case may be) CDP, be withdrawn or cancelled.

The Company and/or CDP is under no obligation whatsoever to correct invalid Notices of Election on behalf of any Shareholder or to provide any reason for rejecting any Notice of Election. A Notice of Election submitted to, and received by, the Company or, in the case of a Shareholder who is a Depositor, CDP, shall be conclusive evidence in favour of the Company and/or CDP, as the case may be, of the right, title, power and authority of the person(s) submitting it to deal in the same. The Company and/or CDP shall be entitled to assume the accuracy of any information and/or documents submitted together with any Notice of Election, and is under no obligation whatsoever to verify or question the validity of the same.

Neither the Company, the Company’s Share Registrar nor CDP shall be liable for any act or omission in respect of any Notice of Election received by it, and any information and/or documents submitted therewith. A Shareholder who submits a Notice of Election (or on whose behalf a Notice of Election is submitted) shall indemnify and hold harmless from, and, at their respective request defend, the Company, the Company’s Share Registrar and CDP and their respective directors, officers, employees, agents and related corporations (“**Indemnified Parties**”) against (a) any claim, demand, action or proceeding made or initiated against, and (b) all losses, damages, costs and expenses (including all legal costs and expenses) suffered or incurred by, any of the Indemnified Parties as a result of or in relation to that Notice of Election and any information and/or documents submitted therewith. By electing to participate in the Union Gas Scrip Dividend Scheme, the Participating Shareholder unconditionally.

- (a) warrants to the Company that he has the legal right and full power and authority to participate in the Union Gas Scrip Dividend Scheme and that his participation in the Union Gas Scrip Dividend Scheme will not result in a breach of any statute, law or regulation by which he is bound;
- (b) acknowledges that the Company may at any time determine that the Participating Shareholder's Notice of Election or any other form (collectively, "Forms" and each, a "Form") is valid, even if the relevant Form or part thereof is incomplete, illegible, contains errors or is otherwise defective;
- (c) acknowledges that the Company may reject any Form without furnishing any reasons;
- (d) acknowledges that the Company has not provided the Participating Shareholder with investment or other advice and that it does not have any obligation to provide any advice in connection with the Union Gas Scrip Dividend Scheme; and
- (e) agrees to these Terms and Conditions and agrees not to do any act or thing which would be contrary to the intention or purpose of the Union Gas Scrip Dividend Scheme, in each case, at all times until termination of the Union Gas Scrip Dividend Scheme or of the Participating Shareholder's participation in the Union Gas Scrip Dividend Scheme.

4.8. Extent of Application of Union Gas Scrip Dividend Scheme to each Dividend

The Directors may, in their absolute discretion, in respect of any Dividend, determine whether the Union Gas Scrip Dividend Scheme shall apply to such Dividend. If, in their absolute discretion, the Directors have not determined that the Union Gas Scrip Dividend Scheme is to apply to a Dividend, such Dividend shall be paid in cash to Shareholders.

4.9. Share Entitlement

By electing to participate in the Union Gas Scrip Dividend Scheme in respect of any Notice of Election issued to him, a Shareholder elects in respect of any Qualifying Dividend to which such Notice of Election relates to receive New Shares in lieu of the cash amount of the Qualifying Dividend.

In respect of any Qualifying Dividend, the number of New Shares to be allotted and issued to the Participating Shareholder electing to receive New Shares in respect of a Notice of Election shall be calculated in accordance with the following formula:

$$N = \frac{S \times D}{V}$$

Where:

N is the number of New Shares to be allotted and issued as fully paid to the Participating Shareholder in respect of such Notice of Election.

S is the number of Participating Shares held by the Participating Shareholder as at the Record Date to which such Notice of Election relates.

D is the amount of the Qualifying Dividend to which such Notice of Election relates expressed in S\$ in cents and fractions of a cent per Participating Share.

V is the issue price of a New Share, which shall for the purpose of calculating the number of New Shares to be allotted and issued as fully paid to Participating Shareholders pursuant to the Union Gas Scrip Dividend Scheme, be an amount in S\$ (the "Relevant Amount") determined by the Company, which shall not be set at more than a 10% discount (or such other discount as may be permitted by the SGX-ST) to, nor shall it exceed, the average of the volume weighted average prices of a Share on the SGX-ST for each of the Market Days during the

period commencing on the day on which the Shares are first quoted ex-dividend on the SGX-ST after the announcement of the Qualifying Dividend and ending on the Record Date in respect of such Qualifying Dividend or such other period as may be determined by the Directors (“**Price Determination Period**”). In the event that there is no trading in the Shares during the Price Determination Period, the Relevant Amount shall not exceed the average of the volume weighted average prices of a Share on the SGX-ST for each of the Market Days during a period (to be determined by the Directors in their absolute discretion) prior to the announcement of the application of the Union Gas Scrip Dividend Scheme to such Qualifying Dividend.

The Directors shall, in their absolute discretion, make such provisions as they deem fit where the number of New Shares calculated in accordance with the above formula becomes attributable in fractions, including provisions as to rounding or whereby fractional entitlements are otherwise dealt with in such manner as they may deem fit in the interests of the Company.

Shareholders who elect to receive New Shares in lieu of cash for any Qualifying Dividend should take note that they may receive odd lots under the formula set out above.

4.10. **Terms of Allotment**

All New Shares allotted to Participating Shareholders under the Union Gas Scrip Dividend Scheme will be allotted as fully paid. All such New Shares shall upon allotment and issue, rank pari passu in all respects with all existing Shares then in issue except that the New Shares will not rank for any dividend, right, allotment or other distributions, the record date (as defined in the Listing Manual of the SGX-ST) for which falls before or is contemporaneous with the date of allotment of the New Shares, unless the Directors shall otherwise specify.

Participating Shareholders who are Depositors will have the New Shares credited to their Securities Accounts. In other cases, certificates for the New Shares will be despatched to Participating Shareholders, at their risk, at their registered mailing addresses in Singapore maintained with the Company.

4.11. **Notifications to Participating Shareholders**

The Company or (if the Participating Shareholder is a Depositor) CDP will send to each Participating Shareholder on or about the payment date for a Qualifying Dividend, or such other date as the Directors may decide, a notification relating to, inter alia:

- (a) the number of the Participating Shares held by the Participating Shareholder as at the relevant Record Date in respect of which the Participating Shareholder has elected to participate in the Union Gas Scrip Dividend Scheme; and
- (b) the number of New Shares allotted or (as the case may be) credited to the Participating Shareholder under the Union Gas Scrip Dividend Scheme.

4.12. **Costs to Participants**

Under Singapore laws as at the date of this Statement, there is no brokerage, stamp duty or other transaction costs payable on New Shares allotted under the Union Gas Scrip Dividend Scheme.

4.13. **Cancellation of Application of the Union Gas Scrip Dividend Scheme**

Notwithstanding any provision in these Terms and Conditions, if at any time after the Directors have determined that the Union Gas Scrip Dividend Scheme shall apply to any particular Dividend and before the allotment and issue of New Shares in respect of the Dividend, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Union Gas Scrip Dividend Scheme in respect of the Dividend, the Directors may, at their absolute discretion and as they may deem fit and without assigning any

reason therefor, cancel the application of the Union Gas Scrip Dividend Scheme to the Dividend. In the event of a cancellation, the Dividend shall be paid in cash to Shareholders.

4.14. **Modification and Termination of the Union Gas Scrip Dividend Scheme**

The Union Gas Scrip Dividend Scheme may be modified or terminated at any time and in any manner by the Directors as they deem fit. Such modification or termination shall be announced by the Company.

4.15. **General Administration of the Union Gas Scrip Dividend Scheme**

The Directors may implement the Union Gas Scrip Dividend Scheme in any manner they deem fit. The Directors have the power and full discretion to:

- (a) determine procedures, rules and regulations for administration of the Union Gas Scrip Dividend Scheme consistent with these Terms and Conditions;
- (b) settle in such manner as they deem fit any difficulty, anomaly or dispute (including relating to the interpretation of any provision, regulation or procedure or as to any rights under the Union Gas Scrip Dividend Scheme) which may arise in connection with the Union Gas Scrip Dividend Scheme, whether generally or in relation to any Participating Shareholder or any Shares to be allotted under the Union Gas Scrip Dividend Scheme, and the determination of the Directors will be conclusive and binding on all Shareholders and other persons to whom the determination relates;
- (c) delegate to any one or more persons, for such period and on such conditions as the Directors may determine, the exercise of any of their powers or discretions under or in respect of the Union Gas Scrip Dividend Scheme, and references to a decision, opinion or determination of the Directors include a reference to the decision, opinion or determination of the person or persons to whom the Directors have delegated their authority for the purposes of administering the Union Gas Scrip Dividend Scheme; and
- (d) waive strict compliance by the Company or any Shareholder with any of these Terms and Conditions.

4.16. **Governing Law and Jurisdiction**

This Statement, the Union Gas Scrip Dividend Scheme and these Terms and Conditions shall be governed by, and construed in accordance with, the laws of Singapore and each Shareholder submits to the exclusive jurisdiction of the Singapore courts.

4.17. **Exclusion of Third Party Rights**

A person who is not a party to these Terms and Conditions has no right under the Contracts (Rights of Third Parties) Act 2001 to enforce against the Company any of these Terms and Conditions.

4.18. **Notices and Correspondence**

Unless otherwise provided in these Terms and Conditions, any notices, documents and correspondence required to be given or sent by the Company to a Participating Shareholder shall be given or sent in accordance with the applicable provisions of the Constitution of the Company.

4.19. **Collection, Use and Disclosure of Personal Data**

For the purposes of implementing and administering the Union Gas Scrip Dividend Scheme, responding to instructions or enquiries made or purportedly made by a Shareholder, and enforcing rights or fulfilling obligations under any applicable laws, listing rules, regulations or guidelines or these Terms and Conditions, the Company, the Company's Share Registrar

and/or CDP will collect, use and disclose the personal data of Shareholders who are individuals, as contained in each submitted Notice of Election or other Form, or which is otherwise collected from Shareholders (or their authorised representatives) and public sources. Each Shareholder consents to the collection, use and disclosure of his personal data for all such purposes, including disclosure of data to related corporations of the Company, the Company's Share Registrar, CDP and/or third parties who provide services to the Company, the Company's Share Registrar and/or CDP, and to the collection, use and further disclosure by such parties for such purposes.

5. LISTING OF NEW SHARES ON THE SGX-ST

The Company shall make the necessary application(s) for the listing of the New Shares to be issued for the purposes of, in connection with or where contemplated by the Union Gas Scrip Dividend Scheme. Any approval of the SGX-ST for listing of such New Shares is not to be taken as an indication of the merits of the Union Gas Scrip Dividend Scheme, the Shares, the New Shares, the Company or its subsidiaries.

6. OBLIGATION TO EXTEND TAKE-OVER OFFER

The attention of Shareholders is drawn to Rule 14 of The Singapore Code on Take-overs and Mergers (the "**Take-over Code**"). In particular, a Shareholder should note that he may be under an obligation to extend a take-over for the Company if:

- (a) he, by participating in the Union Gas Scrip Dividend Scheme in relation to any Qualifying Dividend, acquires, whether by a series of transactions over a period of time or not, New Shares which (together with Shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of the Company; or
- (b) he, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights of the Company, and he or any person acting in concert with him, by participating in the Union Gas Scrip Dividend Scheme in relation to any Qualifying Dividend, acquires in any period of six (6) months additional Shares carrying more than 1% of the voting rights of the Company.

The statements above do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Take-over Code.

Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Take-over Code as a result of any acquisition of New Shares through their participation in the Union Gas Scrip Dividend Scheme are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity.

7. TAXATION

The Company takes no responsibility for the taxation liabilities of Participating Shareholders or the tax consequences of any election made by Shareholders. As individual circumstances and laws vary considerably, specific taxation advice should be obtained by Shareholders if they are in any doubt or if they otherwise require.

The Company takes no responsibility for the correctness or accuracy of any information as to taxation liability set out in this Statement.

As a general indication, however, it is understood that as at the date of this Statement, under tax legislation in Singapore, a Shareholder's Singapore tax liability in relation to the Dividends received will not alter, nor is there any tax advantage to be gained, by reason of having elected to participate in the Union Gas Scrip Dividend Scheme.

8. LIABILITY OF THE COMPANY

Notwithstanding anything in this Statement or in any of the documents to be issued by the Company or CDP in connection with the Union Gas Scrip Dividend Scheme, neither the Company nor any officer, agent or representative of the Company shall under any circumstances whatsoever be liable or responsible to any Shareholder or Participating Shareholder for any liability, loss, damage, cost or expense (collectively, "Loss") or alleged Loss in connection with or as a result, directly or indirectly, of the establishment or operation of the Union Gas Scrip Dividend Scheme or his participation in the Union Gas Scrip Dividend Scheme or in relation to any matter whatsoever in connection with the Union Gas Scrip Dividend Scheme, including without limitation any delay in allotting or issuing any New Shares or applying for their listing. No representation or warranty is given in respect of any Shares, any New Shares, the Company or its subsidiaries or associated companies, or that any listing approval obtained for the New Shares will be maintained.

9. OTHER TERMS

The New Shares are offered on the Terms and Conditions set out in this Statement and in the applicable provisions of the Constitution. There are no other terms other than those implied by law or set out in publicly registered documents.

Where required, the Company will deduct all income tax to be deducted from the Qualifying Dividend in accordance with applicable law.

10. ENQUIRIES

Enquiries about any aspect of the Union Gas Scrip Dividend Scheme should be directed to the Company c/o the Company's Share Registrar:

Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632.

or such other entity and/or address as may be announced by the Company from time to time.