



UNION STEEL HOLDINGS LIMITED

Co Reg. No.: 200410181W

(Incorporated in the Republic of Singapore)
(Company Registration No. 200410181W)

PROFIT GUIDANCE ON THE UNAUDITED FINANCIAL RESULTS FOR THE THIRD QUARTER ("Q3FY2016") AND NINE MONTHS ENDED 31 MARCH 2016 ("9MFY2016")

The Board of Directors (the "**Board**") of Union Steel Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that after preliminary assessment of the Group's unaudited financial results for Q3FY2016 and 9MFY2016, the Directors deem it appropriate to issue a profit guidance that the Group is expected to report a net loss for Q3FY2016 and 9MFY2016.

The expected net loss for Q3FY2016 and 9MFY2016 is mainly attributable to the following reasons:

- 1) Slowdown in the market demand for its steel products; and
- 2) Significant expenses incurred for cessation of operations in Malaysia which consist of allowance for doubtful receivables, inventory written off, property, plant and equipment written off, deposit forfeited, and others.

Further details of the Group's financial results will be disclosed when the Group finalises and announces its unaudited financial results for Q3FY2016 and 9MFY2016 on or before 14 May 2016.

In the meantime, shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company and to seek the advice of stockbrokers, bankers or financial advisers when dealing in the shares of the Company.

By Order of the Board

Ang Yu Seng
Executive Chairman and Chief Executive Officer
4 May 2016