



UNION STEEL HOLDINGS LIMITED

友联钢铁控股有限公司

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GST Reg. No: 20-0410181W

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

SALE OF THIRTY MILLION SHARES IN ENECO ENERGY LIMITED

1. Introduction

- 1.1 The board of directors ("**Board**" or "**Directors**") of Union Steel Holdings Limited ("**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has today, by way of a married deal, sold 30,000,000 ordinary shares in Eneco Energy Limited ("**Eneco Energy**"), representing approximately 1.21% of the total issued and paid-up share capital of Eneco Energy ("**Sale Shares**" and the transaction, "**Sale**"), to Mr. Lim Kiao Bee, an individual investor ("**Purchaser**").
- 1.2 After the Sale, the Company holds 451,000,000 ordinary shares in Eneco Energy, representing approximately 18.09% of the total issued and paid-up share capital of Eneco Energy, and 500,000,000 warrants in Eneco Energy. Each warrant in Eneco Energy held by the Company carries the right to subscribe for one (1) new ordinary share in Eneco Energy at an exercise price of S\$0.009 per warrant and the warrants have an expiry date of 31 August 2025. For further details of the warrants, please refer to the announcement on the acquisition of the warrants by the Company on 23 December 2024, the circular issued by Eneco Energy dated 4 August 2022, and the announcement on the exercise of warrants by the Company on 27 June 2025.

2. Information on the Purchaser

- 2.1 The Purchaser is an individual residential in Singapore who is an independent third party and is not related to the Company, its directors, substantial shareholders, or their respective associates.

3. Information on Eneco Energy

- 3.1 Eneco Energy is a company incorporated in Singapore on 26 February 2003 and has been listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") since 6 May 2004. It is the holding company of RichLand Logistics Services in Singapore. Eneco Energy and its subsidiaries ("**Eneco Energy Group Companies**", and each an "**Eneco Energy Group Company**") have been in the logistics services sector since 1992 under the brand of RichLand Logistics.
- 3.2 RichLand Logistics is a logistics solutions provider, providing end-to-end logistics service customised to the clients' requirements. It has experience and market presence in Singapore and provides supply chain services including inbound and outbound transportation activities, distribution management, seaport and airport cargo handling services.

3.3 Eneco Energy has been on the Watch-List of the SGX-ST since 4 December 2019 and was to fulfil the requirements under Rule 1314 of the Listing Manual for its removal from the Watch-List of the SGX-ST within 36 months from 4 December 2019 (being 4 December 2022) ("**Deadline**"). Pursuant to extensions obtained from the SGX-ST, the Deadline was extended to 1 December 2025.

3.4 As at the date of this announcement, Eneco Energy has an issued and paid-up share capital of 2,492,860,188 shares (excluding treasury shares).

4. Consideration

4.1 The Company has agreed to sell and the Purchaser has agreed to purchase the Sale Shares via a married deal for an aggregate consideration of approximately S\$345,000 at S\$0.0115 per Sale Share ("**Consideration**"), which was negotiated and agreed on a willing-buyer and willing-seller basis, with reference to the volume weighted average price of S\$0.01 for trades done on the shares of Eneco Energy on the SGX-ST for the five (5) business days immediately prior to the date of the Sale. The Consideration will be paid to the Company in cash on the settlement date.

5. Rationale and Use of Proceeds

5.1 The Sale provides an opportunity for the Company to monetise its stake in Eneco Energy for cash for redeployment and additional resources to explore other opportunities.

5.2 The net proceeds from the Sale, after deducting transaction costs of approximately S\$2,000, is estimated to be approximately S\$343,000. In line with the Singapore Financial Reporting Standards (International) 1-28: *Investments in Associates and Joint Ventures*, the book value¹ of the Sale Shares is approximately S\$353,000, computed based on the weighted average cost² of the Company's investment in the shares of Eneco Energy. The gross proceeds of the Sale of S\$345,000 is S\$8,000 less than the book value of the Sale Shares, and accordingly, the Sale will result in the Company recording a loss of S\$8,000¹.

¹ The book value of the Sale Shares is approximately S\$330,000 as at 31 December 2024, based on the latest announced consolidated unaudited financial statements of the Company. Based on this figure, the gross proceeds from the Sale of S\$345,000 would have resulted in an estimated gain of approximately S\$15,000. However, it should be noted that the Company sold some of its shares in Eneco Energy as announced on 28 May 2025, 13 June 2025 and 25 June 2025, before the exercise of its warrants in Eneco Energy as announced on 27 June 2025. Before the allotment and issuance of 180,000,000 shares to the Company pursuant to the exercise of the warrants, the shareholding interest of the Company in Eneco Energy comprised of shares acquired at an average cost of S\$0.011 per share. The subsequent exercise of warrants increased the Company's shareholding in Eneco Energy by 180,000,000 shares acquired at a higher effective cost of S\$0.014 per share (inclusive of cost to acquire the warrant and cost to exercise the warrant). In accordance with the Singapore Financial Reporting Standards (International) 1-28: *Investments in Associates and Joint Ventures*, the Company is required to apply the weighted average cost method for computing the carrying amount of its investment. This results in a revised weighted average cost of approximately S\$0.01178 per share across the total shareholding. Based on this updated computation, the book value of the Sale Shares is approximately S\$353,000, which is higher than the gross proceeds of S\$345,000. As a result, the Sale will result in an accounting loss of approximately S\$8,000. (The change from a gain to a loss despite a consistent sale price of S\$0.0115 per share is due solely to the increase in weighted average cost following the exercise of higher-cost warrants. This change reflects a technical accounting requirement and does not affect the original cost basis of earlier sales.)

² The weighted average cost is calculated as follows: [(No. of shares in Eneco Energy held by the Company as at 25 June 2025 multiplied by the cost of acquisition of each share) plus (No. of shares in Eneco Energy allotted and issued to the Company pursuant to the exercise of warrants by the Company as announced on 27 June 2025 multiplied by the aggregate cost of the acquisition of the warrant and the exercise of the warrant)] divided by the no. of shares in Eneco Energy held by the Company as at 1 July 2025 (just before the sale of 40,000,000 ordinary shares to CK Chu Investment Pte. Ltd. on 1 July 2025) i.e. [(511,000,000 shares x S\$0.011) + (180,000,000 shares x S\$0.014)] ÷ 691,000,000 shares = S\$0.01178 per share. For further details on the shares, warrants and their costs, please refer to the announcements made by the Company on 22 November 2024, 23 December 2024, 28 May 2025, 13 June 2025, 25 June 2025, 27 June 2025, 1 July 2025, 7 July 2025, 9 July 2025 and 10 July 2025.

6. Chapter 10 of the Listing Manual

6.1 Relative Figures

The relative figures for the Sale, computed on the bases set out in Rule 1006 of the Listing Manual and based on the Group's latest announced consolidated financial statements, being the audited financial statements for the financial year ended 30 June 2024 are set out below:

Rule 1006	Bases	Relative figures (%) ⁽¹⁾
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	0.3%
(b)	Net profits attributable to the assets acquired or disposed of, compared with the Group's net profits	-0.1%
(c)	Aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares in the Company, excluding treasury shares ⁽²⁾	0.5%
(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	N.A.
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	N.A.

Notes:

- (1) Percentage figures are rounded to the nearest one (1) decimal place.
- (2) The market capitalisation of the Company is of approximately S\$71.5 million, which is determined by multiplying the number of shares in issue (being 118,134,300 shares) by the volume weighted average price of the shares (being S\$0.605) transacted on 10 July 2025, the market day immediately preceding the date of the Sale.

Rule 1007(1) of the Listing Manual states, among others, that if any of the relative figures computed pursuant to Rule 1006 involves a negative figure, Chapter 10 of the Listing Manual (specifically Practice Note 10.1) may still be applicable to the transaction in accordance with the applicable circumstance.

The relative figures for the Sale as computed on the bases set out in Rule 1006 of the Listing Manual is less than 5%. Accordingly, the Sale constitutes a "non-discloseable transaction" under Chapter 10 of the Listing Manual. Notwithstanding the foregoing, in the interest of good corporate governance, the Company is making this voluntary announcement pursuant to Rule 1008(2) of the Listing Manual.

7. Financial Effects of the Sale

7.1 Book Value, Net Tangible Asset Value and Market Value of the Sale Shares

The book value and net tangible asset value of the Sale Shares was approximately S\$353,000 computed based on the weighted average cost³ of the Company's investment in the shares of Eneco Energy. This book value reflects the Company's latest available investment cost computation, in line with the Singapore Financial Reporting Standards (International) 1-28: *Investments in Associates and Joint Ventures*, and is not based on the Company's financial position as at 31 December 2024.

Based on a volume weighted average price of Eneco Energy on 10 July 2025, the market day immediately preceding the Sale, the market value of the Sale Shares is approximately S\$300,000.

7.2 Illustrative Nature of Financial Effects

The financial effects of the Sale on the net tangible assets ("**NTA**") per share and earnings per share ("**EPS**") of the Company have been prepared based on the Group's audited financial statements for FY2024. The financial effects below are purely for illustrative purposes and are not intended to reflect the actual future financial performance or position of the Group after completion of the Sale.

7.3 NTA

Assuming that the Sale had been effected on 30 June 2024 (being the end of the most recently completed financial year of the Group), the effects on the NTA per share of the Company would be as follows:

	Before the Sale	After the Sale
NTA (S\$'000)	80,272	80,260
Number of ordinary shares (million)	118	118
NTA per ordinary share (cents)	67.95	67.94

7.4 EPS

Assuming that the Sale had been effected on 1 July 2023 (being the beginning of the most recently completed financial year of the Group), the effects of the Sale on the EPS of the Company would be as follows:

	Before the Sale	After the Sale
Profit attributable to shareholders (S\$'000)	12,729	12,729
Weighted average no. of ordinary shares (million)	118	118
EPS (cents)	10.78	10.78

³ Please refer to footnote 2 above for the calculation of the weighted average cost.

8 Directors' Service Contracts

No person is proposed to be appointed as a director of the Company in connection with the Sale. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Sale.

9 Directors' and Controlling Shareholders' Interest

None of the Directors or the controlling shareholders or their associates has any interest, direct or indirect, in the Sale, otherwise than through their respective interests (if any) arising by way of their directorships and/or shareholdings in the Company.

By Order Of The Board

Ang Yu Seng

Executive Chairman and Chief Executive Officer

11 July 2025