



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"**)

EXERCISE OF THREE HUNDRED (300) MILLION WARRANTS 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"**) refers to the announcement dated 23 December 2024 (**"Warrants Acquisition Announcement"**) in relation to the acquisition of 680,000,000 warrants in Eneco Energy Limited (**"Eneco Energy"**) for an aggregate purchase consideration of S\$3,400,000 (equivalent to S\$0.005 for each warrant) and the announcement dated 27 June 2025 (**"First Exercise of Warrants Announcement"**) in relation to the exercise of 180,000,000 warrants in Eneco Energy on 23 June 2025 for the allotment and issuance of 180,000,000 shares in Eneco Energy to the Company at an aggregate exercise price of S\$1,620,000 (equivalent to S\$0.009 for each warrant).

The Board wishes to announce that on 14 July 2025 the Company exercised 300,000,000 warrants in Eneco Energy (**"Current Exercise of Warrants"**) for the allotment and issuance of 300,000,000 shares in Eneco Energy to the Company at an aggregate exercise price of S\$2,700,000 (equivalent to S\$0.009 for each warrant). 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 Warrants Acquisition Announcement and the circular issued by Eneco Energy dated 4 August 2022.

- 1.2 As at the date of this announcement, the Company holds in aggregate 451,000,000 ordinary shares in Eneco Energy representing approximately 18.09% of the total issued and paid-up share capital of Eneco Energy. Pursuant to the Current Exercise of Warrants, the Company has subscribed for 300,000,000 ordinary shares in Eneco Energy. Following the allotment and issue of these shares, the Company will hold an aggregate of 751,000,000 ordinary shares in Eneco Energy representing approximately 26.89%¹ of the total enlarged issued and paid-up share capital of Eneco Energy. In addition, after the Current Exercise of Warrants, the Company holds 200,000,000 warrants in Eneco Energy.

¹ Calculated based on an enlarged share capital of Eneco Energy of 2,792,860,188 shares (excluding treasury shares), comprising of 2,492,860,188 existing shares and 300,000,000 shares to be issued pursuant to the Current Exercise of Warrants.

2. Information on Eneco Energy

- 2.1 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.
- 2.2 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.
- 2.3 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.
- 2.4 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). Following the allotment and issue of 300,000,000 ordinary shares to the Company pursuant to the Current Exercise of Warrants, Eneco Energy will have an issued and paid-up share capital of 2,792,860,188 shares (excluding treasury shares).

3. Consideration

- 3.1 The aggregate consideration of S\$2,700,000 for the Current Exercise of Warrants ("**Consideration**") was arrived at by multiplying the number of warrants exercised (i.e. 300,000,000 warrants) by the exercise price of S\$0.009 per warrant. The Consideration was paid to Eneco Energy by telegraphic transfer on 14 July 2025.

4. Rationale and Source of Funds

- 4.1 The Company is of the view that maintaining its overall shareholding interest in Eneco Energy is aligned with the Group's business strategy and is beneficial to the Company and its shareholders. The exercise of the warrants is part of the Company's efforts to realise its warrants investment and maintain its overall shareholding interest in Eneco Energy.
- 4.2 The Consideration was fully funded by internal cash resources of the Company.

5. Chapter 10 of the Listing Manual

5.1 Relative Figures

As stated in the First Exercise of Warrants Announcement, the Company exercised 180,000,000 warrants in Eneco Energy on 23 June 2025. Pursuant to this exercise of warrants by the Company, Eneco Energy allotted and issued 180,000,000 ordinary shares on 25 June 2025, and the new 180,000,000 ordinary shares were credited to the Company's securities account on 26 June 2025 ("**First Exercise of Warrants**").

The relative figures (and aggregated relative figures), computed on the bases set out in Rule 1006 of the Listing Manual in respect of (i) the Current Exercise of Warrants only and (ii) the aggregate of both the Current Exercise of Warrants and First Exercise of Warrants, 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⁾ (Current Exercise of Warrants only)	Aggregated relative figures (%) ⁽¹⁾ (Current Exercise of Warrants and First Exercise of Warrants)
(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	N.A.	N.A.
(b)	Net profits attributable to the assets acquired or disposed of, compared with the Group's net profits	-0.7%	-1.1%
(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⁾	3.8%	6.1%
(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.	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.	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\$71.4 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\$0.604) transacted on 11 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 aggregated relative figure as computed on the bases set out in Rule 1006(c) of the Listing Manual exceeds 5% but does not exceed 20%. Accordingly, the Current Exercise of Warrants constitutes a “discloseable transaction” under Chapter 10 of the Listing Manual.

6. Financial Effects of the Current Exercise of Warrants

6.1 Book Value, Net Tangible Asset Value and Market Value of the Warrants

The book value and net tangible asset value of the 300,000,000 warrants in Eneco Energy held by the Company was approximately S\$1,500,000 based on the latest announced consolidated unaudited financial statements of the Company for the financial period ended 31 December 2024.

Based on a volume weighted average price of Eneco Energy on 11 July 2025 the market day immediately preceding the Current Exercise of Warrants, the market value of the 300,000,000 shares in Eneco Energy to be allotted and issued to the Company pursuant to the Current Exercise of Warrants is approximately S\$3,000,000.

6.2 Illustrative Nature of Financial Effects

The financial effects of the Current Exercise of Warrants 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 Current Exercise of Warrants.

6.3 NTA

Assuming that the Current Exercise of Warrants 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 First Exercise of Warrants	After First Exercise of Warrants and before Current Exercise of Warrants	After Current Exercise of Warrants
NTA (S\$'000)	80,272	80,272	80,272
Number of ordinary shares (million)	118	118	118
NTA per ordinary share (cents)	67.95	67.95	67.95

6.4 EPS

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

	Before First Exercise of Warrants	After First Exercise of Warrants and before Current Exercise of Warrants	After Current Exercise of Warrants
Profit attributable to shareholders (S\$'000)	12,729	12,640	12,586
Weighted average no. of ordinary shares (million)	118	118	118
EPS (cents)	10.78	10.70	10.65

7 Directors' Service Contracts

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

8 Directors' and Controlling Shareholders' Interest

None of the Directors or the controlling shareholders or their associates has any interest, direct or indirect, in the Current Exercise of Warrants, 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

14 July 2025